

XPO DANMARK ApS

**Sundkrogsgade 21, c/o Harbour House, DK-
2100 Copenhagen**

CVR no 36 46 31 63

Annual report for 2016

Adopted at the annual general meeting
on 28 February 2017

Pernille Ohlsen
Chairman

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Statement by Management on the annual report

The Executive Board has today discussed and approved the annual report of XPO DANMARK ApS for the financial year 1 January - 31 December 2016.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2016 and of the results of the the Company's operations for the financial year 1 January - 31 December 2016.

In our opinion, Management's review includes a fair review of the matters dealt with in the Management's review

We recommend the adoption of the annual report at the annual general meeting.

Copenhagen, 28 February 2017

Executive Board

Saskia Soete De Boosere
manager

Lander Mesthagh
manager

Nadine Francine Coudyser
manager

Independent auditor's report

To the shareholder of XPO DANMARK ApS

Opinion

We have audited the annual accounts of XPO DANMARK ApS for the financial year 1 January to 31 December 2016, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2016 and of the results of the company's operations for the financial year 1 January to 31 December 2016 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the financial Statements

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists.

Misstatements may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts

Independent auditor's report

- As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the annual accounts, including the disclosures in the notes, and whether the annual accounts reflect the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control that we identify during our audit.

Statement on Management's Review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Independent auditor's report

Furthermore, it is our responsibility to consider whether the management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 28 February 2017

REDMARK
STATSAUTORISERET REVISIONSPARTNERSELSKAB
CVR-nr. 29 44 27 89

Anders Schelde-Møllerup Funder
State Authorised Public Accountant

Company details

The Company

XPO DANMARK ApS
Sundkrogsgade 21
c/o Harbour House
DK-2100 Copenhagen

Tel: 47384484

CVR no.: 36 46 31 63

Reporting period: 1 January - 31 December

Incorporated: 12. December 2014

Domicile: Copenhagen

Executive Board

Saskia Soete De Boosere, manager
Lander Mesthagh, manager
Nadine Francine Coudyser, manager

Auditors

REDMARK
STATSAUTORISERET REVISIONSPARTNERSELSKAB
Dirch Passers Allé 76
DK-2000 Frederiksberg

Management's review

Business activities

The principal activity of the Company is to organise both the public and business-oriented fairs and events in Denmark.

Recognition and measurement uncertainties

The recognition and measurement of items in the financial statements is not subject to any uncertainty.

Unusual matters

The Company's financial position at 31 December 2016 and the results of its operations for the financial year ended 31 December 2016 are not affected by any unusual matters.

Business review

The Company's income statement for the year ended 31 December shows a profit of DKK 257,345, and the balance sheet at 31 December 2016 shows equity of DKK 608,052.

Significant events occurring after end of reporting period

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement 1 January - 31 December

	<u>Note</u>	<u>2016</u> DKK	<u>2015</u> DKK
Gross profit		342,412	399,984
Financial income		5,504	2,141
Financial costs	2	<u>-17,667</u>	<u>-9,817</u>
Profit/loss before tax		330,249	392,308
Tax on profit/loss for the year	3	<u>-72,904</u>	<u>-92,191</u>
Net profit/loss for the year		<u>257,345</u>	<u>300,117</u>
 Distribution of profit			
		<u>2016</u> DKK	<u>2015</u> DKK
Retained earnings		<u>257,345</u>	<u>300,117</u>
		<u>257,345</u>	<u>300,117</u>

Balance sheet 31 December

	<u>Note</u>	<u>2016</u> DKK	<u>2015</u> DKK
Assets			
Trade receivables		719	408,403
Other receivables		27,126	0
Deferred tax asset		9,618	0
Corporation tax		67,478	0
Prepayments		22,303	0
Receivables		<u>127,244</u>	<u>408,403</u>
Cash at bank and in hand		<u>563,333</u>	<u>557,240</u>
Current assets total		<u>690,577</u>	<u>965,643</u>
Assets total		<u><u>690,577</u></u>	<u><u>965,643</u></u>

Balance sheet 31 December

	<u>Note</u>	<u>2016</u> DKK	<u>2015</u> DKK
Liabilities and equity			
Share capital		50,590	50,590
Retained earnings		<u>557,462</u>	<u>300,117</u>
Equity	4	<u>608,052</u>	<u>350,707</u>
Trade payables		82,525	41,544
Payables to subsidiaries		0	446,745
Corporation tax		0	92,191
Other payables		<u>0</u>	<u>34,456</u>
Short-term debt		<u>82,525</u>	<u>614,936</u>
Debt total		<u>82,525</u>	<u>614,936</u>
Liabilities and equity total		<u>690,577</u>	<u>965,643</u>
Contingent assets, liabilities and other financial obligations	5		

Notes

	<u>2016</u> DKK	<u>2015</u> DKK
1 Staff costs	<u>0</u>	<u>0</u>
Average number of employees	<u>0</u>	<u>0</u>
	<u>2016</u> DKK	<u>2015</u> DKK
2 Financial costs		
Other financial costs	9,481	2,144
Exchange adjustments costs etc.	<u>8,186</u>	<u>7,673</u>
	<u>17,667</u>	<u>9,817</u>
3 Tax on profit/loss for the year		
Current tax for the year	82,522	92,191
Deferred tax	<u>-9,618</u>	<u>0</u>
	<u>72,904</u>	<u>92,191</u>

Notes

4 Equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2016	50,590	300,117	350,707
Net profit/loss for the year	0	257,345	257,345
Equity at 31 December 2016	<u>50,590</u>	<u>557,462</u>	<u>608,052</u>

5 Contingent assets, liabilities and other financial obligations

The Company has not assumed any liabilities, in excess of the liabilities resulting from its ordinary business.

Accounting policies

The annual report of XPO DANMARK ApS for 2016 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied are consistent with those of last year.

The annual report for 2016 is presented in dkk

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company's and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company's and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report are presented and which confirm or invalidate matters existing at the balance sheet date.

Foreign currency translation

Transactions denominated in foreign currencies are translated at the exchange rates at the date of the transaction.

Receivables, liabilities and other items in foreign currencies which have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date.

Realised and unrealised exchange rate adjustments are included in the income statement as financial income/expenses.

Accounting policies

Income statement

Revenue

Revenue from organising both public and business-oriented fairs and events is recognised in accordance with the stage of completion method.

Other operating expenses

Other operating expenses comprises Management Service fees.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Gross profit / Gross loss

With reference to section 32 of the Danish Financial Statements Act, the items from 'Revenue' to and including 'Other external expenses' are consolidated into one item stated as Gross profit / Gross loss.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions, amortisation of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, including changes arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to entries directly in equity.

Balance sheet

Receivables

Receivables are measured at amortised cost. Write-downs for bad debts are based on individual assessment of receivables.

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

Accounting policies

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax assets, including the tax base of tax loss allowed for carry forward are measured at the value to which the asset is expected to be realised, either by elimination in tax on future income or by offsetting against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Liabilities

Liabilities, which include trade receivables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.