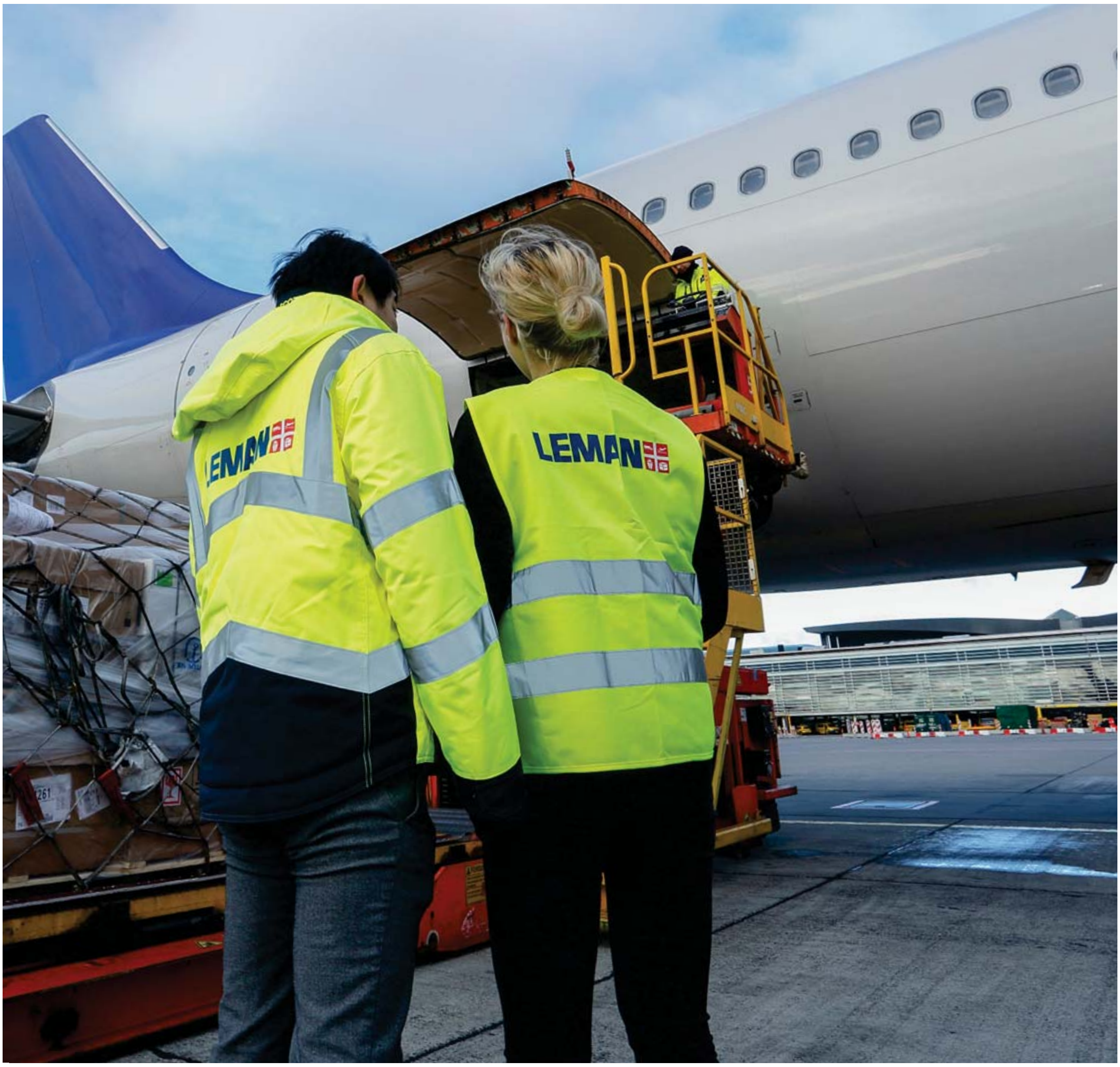
Annual Report 2018

LEMAN Holding A/S



Strong focus on good working conditions and terms of employment.

LEMAN Holding A/S
Annual Report 2018
CBR No. 36 70 05 13

The Annual General Meeting adopted the annual report on 14th May 2019

Chairman of the General Meeting

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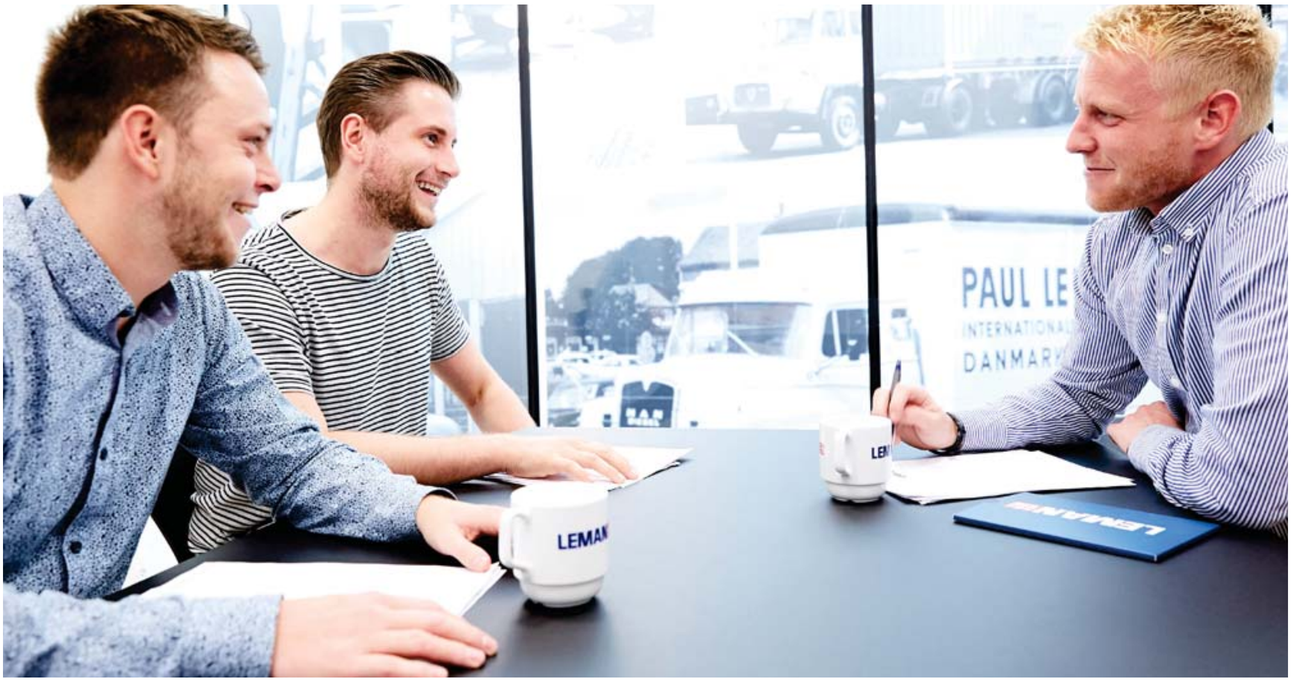
Thomas Krøyer

Open communication ensures compliance with regulations to protect the environment.



LEMAN

Contents

Entity details

Entity

LEMAN Holding A/S
Ventrupvej 6, 2670 Greve
Central Business Registration No: 36700513
Registered in: Greve
Financial year: 01.01.2018 - 31.12.2018

Board of Directors

Philippe Ziegler, Chairman
Charles Duro
Karen Nielsen
Hardy Petersen (up to 14th May 2019)

Executive Board

Thomas Krøyer, Chief Executive Officer
Morten Rasmussen, Chief Financial Officer

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
P.O. Box 1600
0900 Copenhagen C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of LEMAN HOLDING A/S for the financial year 01.01.2018 - 31.12.2018.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2018 of the results of their operations and the consolidated cash flows for the financial year 01.01.2018 - 31.12.2018.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Greve, 14.05.2019

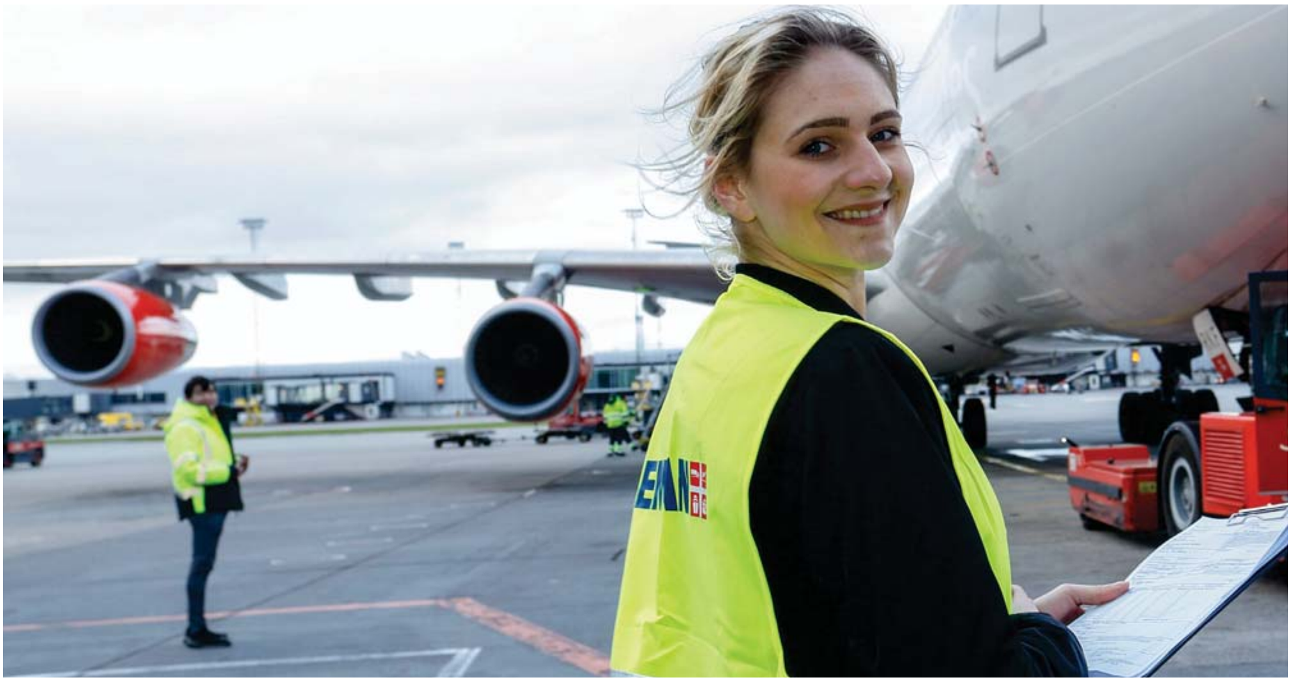
Executive Board

Thomas Krøyer Chief Executive Officer	Morten Rasmussen Chief Financial Officer

Board of Directors

Philippe Ziegler Chairman	Charles Duro	Hardy Petersen	Karen Nielsen

Global capacity and services in more than 150 countries around the world.



Independent auditor's reports

To the shareholders of LEMAN Holding A/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of LEMAN Holding A/S for the financial year 01.01.2018 - 31.12.2018, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2018, and of the results of their operations and the consolidated cash flows for the financial year 01.01.2018 - 31.12.2018 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the consolidated financial statements and the parent financial statements

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

In preparing the consolidated financial statements and the parent financial statements, Management is re-sponsible for assessing the Group's and the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Group or the Entity or to cease operations, or has no realistic alternative but to do so.

Independent auditor's reports

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and parent financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent financial statements, whether due to fraud or error, design and perform audit procedures responsive 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of 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 Group's and the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Entity'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 consolidated financial statements and the parent financial statements 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 Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

Independent auditor's reports

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

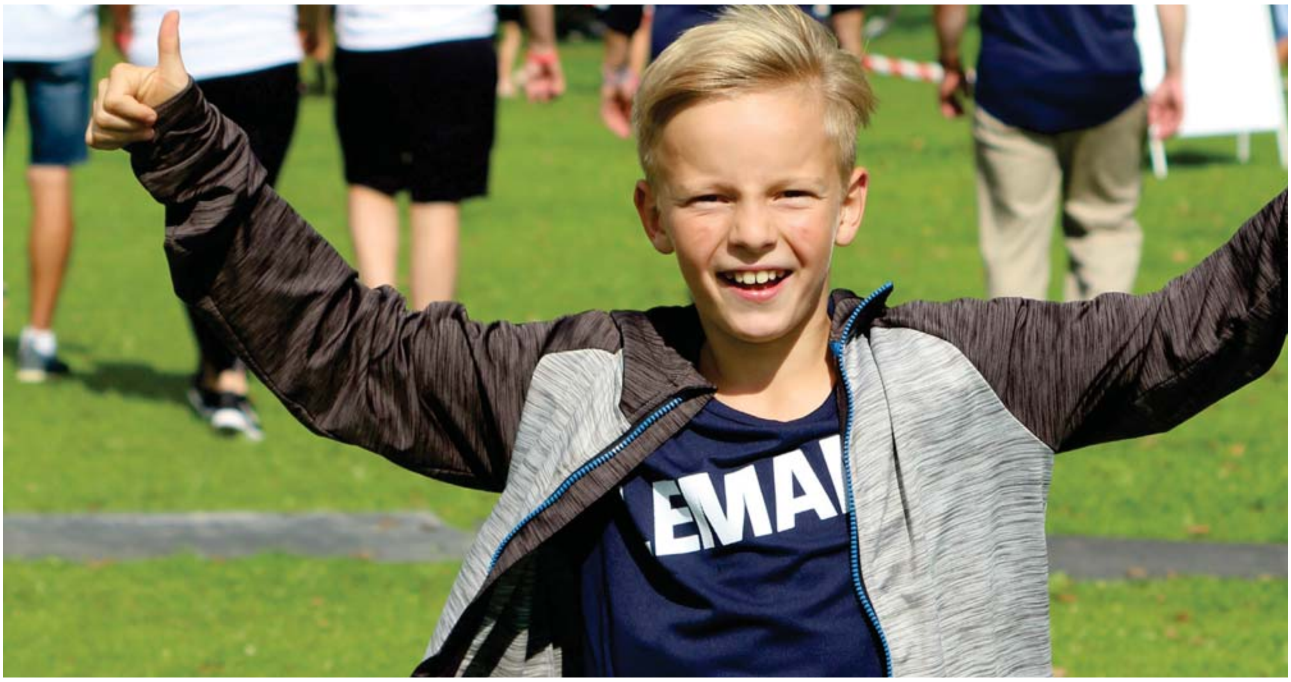
Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 14th May 2019

Deloitte
Statsautoriseret Revisionspartnerselskab
Central Business Registration No 33 96 35 56

Anders Kreiner
State-Authorised Public Accountant
Identification NO (MNE) mne26765

CSR initiatives also means fighting to make a difference to your surroundings.



Management commentary

Financial highlights

	2018 DKK'000	2017 DKK'000	2016 DKK'000	2015 DKK'000	2014 DKK'000
Key figures					
Revenue	2.439.102	2.162.884	1.999.758	1.918.751	1.571.346
Gross profit/loss	403.904	379.331	388.112	360.167	303.556
Operating profit/loss	34.270	43.529	59.741	50.154	53.607
Net financials	-2.031	1.514	4.558	2.826	2.025
EBT	32.239	45.043	64.299	52.980	55.632
Profit/loss for the year	22.670	36.887	47.222	36.480	36.592
Total assets	958.014	954.923	869.793	829.122	739.426
Investment in intangible assets	25.431	53.939	0	14.256	11.171
Investments in property, plant and equipment	15.997	19.104	29.690	64.347	50.616
Equity	558.979	538.189	513.656	482.919	456.458
Employees in average	744	661	632	597	518
Ratios					
Gross margin (%)	16,6	17,5	19,4	18,8	19,3
Return on equity (%)	4,1	7,0	9,5	7,8	8,4
Equity ratio (%)	58,3	56,4	59,2	58,2	61,7

Management commentary

Primary activities

The Parent and all its subsidiaries operate within transportation and freight forwarding as well as logistic.

Development in activities and finances

The consolidated revenue for the year amounts to DKK 2,439 million against DKK 2,163 million last year and thereby increases by 12.8%. The gross profit margin decreases to 16.6% from 17.5% last year. The profit before tax amounts to DKK 32.2 million against DKK 45.0 million last year.

The results reflect the continued significant capacity shortage in the European road freight market. Also, the global sea freight market has been very volatile throughout the year. The weakened SEK currency against the EUR has caused pressure on the profitability.

During 2018, the significant investments in IT and the digitalization process continued. In the UK the two former sites in Dewsbury and Wakefield were merged into a new major site in Normanton. In Norway the former logistic sites in Moss and Vestby were relocated to a new major purpose build site in Vestby. All costs related to these changes have been finalized as planned and budgeted.

In addition, LEMAN acquired 100% of the shares in FIN Logistic Services OY as per 1 June 2018 and the related non-recurring integration cost influenced the 2018 result.

The market environment continued to be very competitive despite the significant capacity shortage as well as the tough sea freight market, several activities and countries within the LEMAN Group developed better than the market, and the gross profit improved by 8.2% compared to 2017.

The results for the year do not live up to Management's expectations for the financial year 2018. However, in the light of the above matters as well as the continued volatile market conditions and the investments made, the results for the year are considered satisfactory.

Outlook

The Company continues to execute on the launched series of profitable growth initiatives as well as investments in order to strengthen the diversification and the solid foundation across the LEMAN Group.

Management expects that the world economy will remain volatile with an overall modest growth and associated competitive market conditions both nationally and internationally in 2019, why the Company is cautiously optimistic about earnings and revenue expected to be above the 2018 level.

Management commentary

Particular risks

Financial risks

The Group is only exposed to changes in interest rates to a limited extent as the Group's equity ratio and financial resources are considered very satisfactory.

Currency risks

Purchase and sales transactions are carried out in DKK, SEK, NOK, EUR, USD and USD-related currencies. Further, the Company has made investments in SEK, NOK and EUR. Management's policy is generally not to hedge currency risks by way of derivative financial instruments.

The Company's foreign currency exposures relating to sales transactions have as far as possible been hedged by offsetting purchase transactions in DKK, SEK, NOK, EUR, USD and USD-related currencies.

Group relations

LEMAN operates within transportation, freight forwarding and logistics. With a presence in six countries, our services cover the entire world through a vast network of trusted agents. Besides transportation of goods, we offer several value-adding services such as customs clearance, cargo insurance, warehousing, customized distribution solutions, etc.

Statutory report on corporate social responsibility

A description of our business activities can be found above in the management commentary.

LEMAN wants to meet the laws and regulations of the countries and local communities in which the Company operates. Consequently, the Company has introduced CSR policies in the areas of:

Human rights

- We must treat all employees with dignity and respect and shall comply with all national human rights legislation in force at any time.
- All agreements on working hours, holidays and wages shall comply with applicable legislation in the country in which the employee is employed. We also aim to minimize hazardous work and ensure that all employees are properly trained to perform their duties.
- We do not tolerate child labour. That is why nobody at LEMAN or our business partners may employ children under the age of 15.
- None of our employees may discriminate based on age, religion, nationality, race, gender, sexual orientation, handicap, pregnancy or political conviction.

Management commentary

Goals and implementation:
Our goal is always to have no reported incidents involving violation of human rights, both internally and with our suppliers and business partners. As a tool to avoid incidents violating human rights, LEMAN suppliers must sign our Code of Conduct in which we expect similar respect for human rights from suppliers as we do from ourselves.

Results, expectations and risks:
In 2018, we did not record any incidents that violate human rights. It is our expectation every year going forward, not to have any human rights violations to report.

It is the view of the Company that the most significant risk pertaining to human rights is difficulties upholding sufficient inspection. Operating in an international marketplace, our upstream activities carry risks. In this case, we are left to rely on the intimation from every supplier in our Supplier Code of Conduct.

Working conditions

Through relevant procedures and processes, we must create the safest possible working environment for our employees and minimize work-related accidents and diseases. Furthermore, we must protect our employees from chemical, biological and physical danger in their workplace.

Goals and implementation:
Every year, our goal is to avoid accidents in the workplace completely. The prevention will be upheld by a combination of education of each employee and the implementation of behavioral procedures ensuring a safe working environment. We must always make sure that all equipment is maintained properly, for it to carry a minimal risk to our employees.

Results, expectations and risks:
In 2018, we reported three workplace accidents. Accidents are always unfortunate, and we always strive to eliminate them. The relatively low number, however, is a result of education and constantly increasing safety measures.

It is the view of the Company that the most significant risk pertaining to working conditions is workplace accidents, which can cause injury to employees and impact our ability as a company to attract a skilled workforce.

Environment and climate

It is our goal to help protect the environment through efficient utilization of energy resources. We aim to take environmental considerations into account in all our decision-making processes.

Management commentary

As a forwarding agent, the Company is not directly impacting the external environment. However, we recognize that the transport industry impacts the environment and that is why the Company, since 2018, has launched new initiatives to reduce the use of electricity and spread the use of green energy. At the same time, both Management and employees are focusing on any impact on the external environment of daily activities, including transport activities in which the Company itself acts as the carrier.

Goals and implementation:
Our overriding goal is to contribute to actively reducing the adverse environmental impact of transport.

Consequently, at LEMAN, we have adopted the following environmental policy in which we pledge to:

- Make demands for cleaner technology for means of transport and choosing the best means of transport.
- Ensure good utilisation of resources through better unloading and optimum route planning (fewest kilometers driven).
- Utilize information technology to increase efficiency in the transport flow.
- Collaborate actively with authorities on environmental issues.
- Enter into environmental collaborations with key transport customers and foreign partners based on specific transports and routines.
- Communicate openly with employees and society in general about the environmental impact associated with our work.
- Motivate employees to comply with both internal and external guidelines and regulations for protecting the environment around us.
- Encourage suppliers to ensure that their products and services are environmentally acceptable.

From 2019 the Company will launch even more initiatives, based on the UN Global Goals. The Company will be working specifically with the following focus areas: Responsible Consumption and Production (UN Goal 7) and Affordable and Clean Energy (UN Goal 12).

Results, expectations and risks:
Throughout 2018, we underwent several transformations in our energy consumption. We prioritized using suppliers that live up to Euronorm 6, minimizing the environmental impact of our transports.

In late 2018, transitioning to LED lighting across large parts of our business resulted in a reduction in power consumption by 5%, expecting a 10% reduction upon transition completion. Purchasing 100% green electricity in our Danish facilities has reduced carbon emissions considerably. The process of purchasing sustainable power in the entire LEMAN Group will continue in the years to come.

Management commentary

The most significant risks to hinder environmental progress are the volatility of our industry, as well as the fact that market terms have a huge impact on the behavior of our subcontractors, carrying out the actual transportation. Our ability to impact the carbon footprint of the transportation industry is limited. However, we are aware that every effort makes a real difference.

Ethics and anti-corruption

We must comply with all international and national legislation and regulations, and we reject all forms of corruption, including extortion and bribery. LEMAN is deeply committed to compliance and so, we have zero tolerance for illegal or unethical behavior. We go about our business to the highest ethical standards, and we expect the same from our suppliers.

Goals and implementation:
Living up to our ethical standards is key, and our goals are to make sure each employee and supplier live up to this as well. Our long-term goal is to have 100% of our regular suppliers sign our Supplier Code of Conduct, committing to our high ethical standards.

Each new employee at LEMAN is signing our Employee Code of Conduct at the beginning of employment. This is to make sure that LEMAN complies with all applicable laws and regulations, but in addition, that we behave in accordance with our values and ethics by respecting our colleagues, business partners, and the world around us.

Results, expectations and risks:
In 2018, we did not record any cases of corruption or bribery. It is our expectation every year going forward, not to have any corruption or bribery issues to report.

For our ethical and moral standards to be met, we are not only obliged to live up to our expectations. Our ethical responsibility goes further. In 2018, 25% of our regular suppliers had signed our *Supplier Code of Conduct*.

We have made the *Employee Code of Conduct* an obligatory part of our hiring process and have reached 100% completion.

As part of an international, cross-cultural line of business we have an ever-present risk of having to deal with bribery and other ethical concerns. This makes our efforts to educate our staff, as well as having our suppliers commit to responsible and ethical behavior, even more important.

Statutory report on the underrepresented gender

At LEMAN, we believe that our staff is the road to success. Our goal is to create an open and inspiring workplace in which staff members can develop their full potential, and in which, through a transparent structure, we work to ensure that there are relatively equal numbers of women and men in the various levels of management.

Management commentary

LEMAN wants to develop a diversity and through the years to encourage and develop more female leaders. In this context, our goal is, no later than the year 2020, that 40% of the board is women. At the 2017 AGM, the Board was extended with Ms Karen Nielsen. The board currently comprises four AGM-elected members. The number of female managers currently represents 20%, and the goal would be 30% by 2020.

Our equal opportunities policy is put into practice in the Company's employee manual. Based on the limited time frame, it has not yet been possible to record any effect of the above.

The staff at LEMAN must also find that the Company has an open and open-minded culture in which the individual can use his or her skills best possible, regardless of gender.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Treasury shares

LEMAN Holding A/S own a number of treasury shares, which are specified in note 11 for the notes to parent financial statements.

The newest warehouse management system (WMS) guarantees high efficiency.

Consolidated income statement for 2018

	Notes	2018 DKK'000	2017 DKK'000
Revenue	1	2.439.102	2.162.884
Other operating income		858	3.852
Cost of sales		-1.898.281	-1.673.811
Other external expenses	2	-137.775	-113.594
Gross profit/loss		**403.904**	**379.331**
Staff costs	3	-341.521	-308.350
Depreciation, amortisation and impairment losses	4	-28.113	-27.452
Operating profit/loss		**34.270**	**43.529**
Income from other fixed asset investments		0	11.885
Other financial income	5	1.735	2.874
Other financial expenses	6	-3.766	-13.245
Profit/loss before tax		**32.239**	**45.043**
Tax on profit/loss for the year	7	-9.569	-8.156
Profit/loss for the year	8	**22.670**	**36.887**

Consolidated balance sheet at 31.12.2018

	Notes	2018 DKK'000	2017 DKK'000
Completed development projects		5.416	0
Goodwill		51.442	51.922
Development projects in progress		37.330	27.045
Intangible assets	9	**94.188**	**78.967**
Land and buildings		280.270	283.871
Plant and machinery		20.942	21.189
Other fixtures and fittings, tools and equipment		23.633	23.984
Property, plant and equipment	10	**324.845**	**329.044**
Other investments		45.384	45.384
Deposits		693	642
Fixed asset investments	11	**46.077**	**46.026**
Fixed assets		**465.110**	**454.037**
Trade receivables		364.992	334.222
Deferred tax	12, 14	773	0
Other receivables		2.123	2.235
Income tax receivable		8.789	4.474
Prepayments	13	32.917	24.080
Receivables		**409.594**	**365.011**
Other investments		84	116
Other investments		**84**	**116**
Cash		**83.226**	**133.940**
Current assets		**492.904**	**499.067**
Assets		**958.014**	**953.104**

Consolidated balance sheet at 31.12.2018

	Notes	2018 DKK'000	2017 DKK'000
Contributed capital		30.000	30.000
Retained earnings		521.479	508.189
Proposed dividend		7.500	0
Equity		**558.979**	**538.189**
Deferred tax	12, 14	47.986	43.654
Other provisions	15	0	554
Provisions		**47.986**	**44.208**
Montgage debt		20.793	21.573
Non-current liabilities other than provisions		**20.793**	**21.573**
Current portion of long-term liabilities other than provisions		1.381	1.997
Trade payables		262.415	250.516
Income tax payable		211	694
Other payables		61.634	92.591
Defered income	16	4.615	3.336
Current liabilities other than provisions		**330.256**	**349.134**
Liabilities other than provisions		**351.049**	**370.707**
Equity and liabilities		**958.014**	**953.104**
Financial instruments	18		
Unregcognised rental and lease commitments	19		
Contingent liabilities	20		
Assets charged and collateral	21		
Transactions with related parties	22		
Subsidiaries	23		

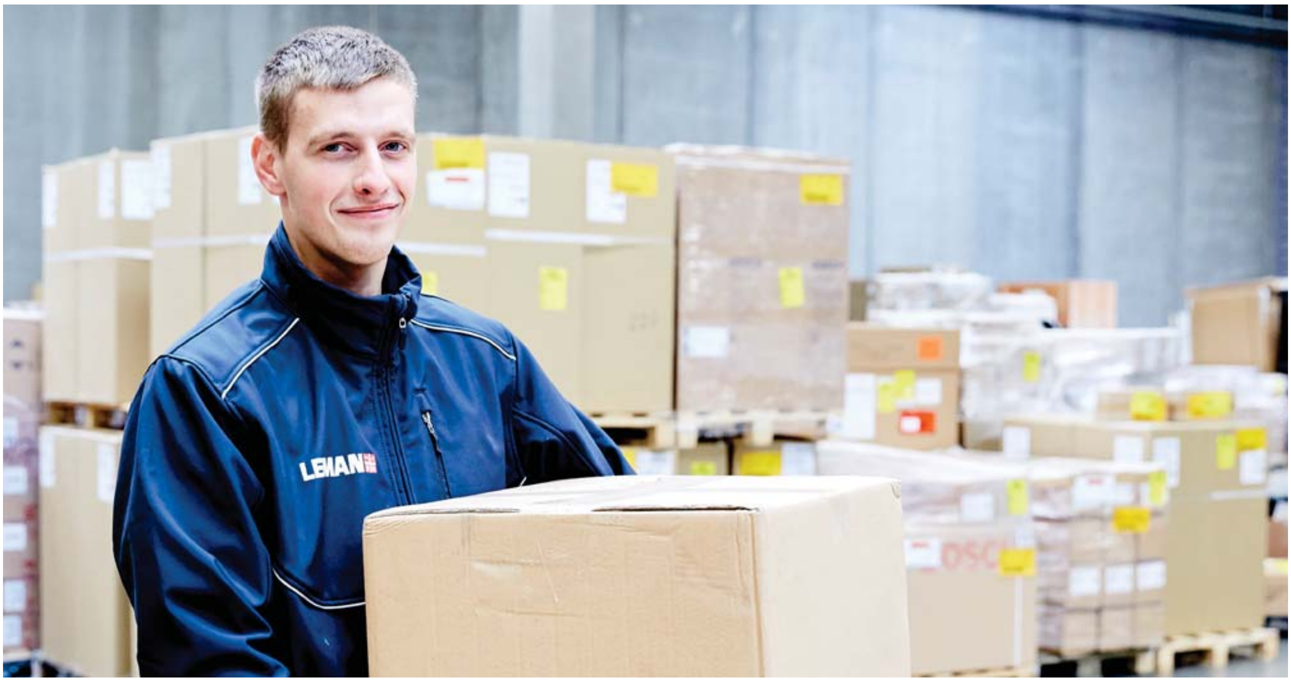
Consolidated statement of changes in equity for 2018

	Contributed capital DKK'000	Retained earnings DKK'000	Proposed dividend DKK'000	Total DKK'000
Equity beginning of year	30.000	508.189	0	538.189
Exchange rate adjustments	0	-1.880	0	-1.880
Profit/loss for the year	0	15.170	7.500	22.670
Equity end of year	**30.000**	**521.479**	**7.500**	**558.979**

Consolidated cash flow statement for 2018

	Notes	2018 DKK'000	2017 DKK'000
Operating profit/loss		34.272	43.529
Amortisation, depreciation and impairment losses		28.111	27.453
Other provisions		-554	-2.402
Working capital changes	17	-63.536	33.076
Cash flow from ordinary operating activities		**-1.707**	**101.656**
Financial income received		1.733	2.874
Financial expenses paid		-3.766	-13.245
Income taxes refunded/(paid)		-4.798	-24.913
Cash flows from operating activities		**-8.538**	**66.372**
Acquisition etc of intangible assets		-25.431	-53.939
Acquisition etc of property, plant and equipment		-15.997	-19.104
Sale of property, plant and equipment		616	2.554
Cash flows from investing activities		**-40.812**	**-70.489**
Repayments of loans etc		-1.396	-2.293
Dividend paid		0	-7.440
Cash flows from financing activities		**-1.396**	**-9.733**
Increase/decrease in cash and cash equivalents		**-50.746**	**-13.850**
Cash and cash equivalents beginning of year		134.056	147.906
Cash and cash equivalents end of year		**83.310**	**134.056**
Cash and cash equivalents at year-end are composed of:			
Cash		83.226	133.940
Securities		84	116
Cash and cash equivalents end of year		**83.310**	**134.056**

Motivated employees are a prerequisite for achieving success and results.



LEMAN

Notes to consolidated financial statements

	2018 DKK'000	2017 DKK'000
1. Revenue		
Denmark	1.124.630	1.088.398
Other countries	1.314.472	1.074.486
	2.439.102	2.162.884

The primary activities of the Group comprise transportation and logistics to and from foreign destinations on behalf of Danish and foreign customers. The revenue split on countries is not based on the actual activity in each country, but on the country in which the customer is invoiced.

	2018 DKK'000	2017 DKK'000
2. Fees to the auditor appointed by the Annual General Meeting		
Statutory audit services	313	271
Tax services	45	0
Other services	273	137
	631	408

	2018 DKK'000	2017 DKK'000
3. Staff costs		
Wages and salaries	320.801	281.203
Pension costs	19.011	18.482
Other social security costs	8.093	6.840
Other staff costs	7.460	7.188
Staff costs classified as assets	-13.844	-5.363
	341.521	308.350
Average number of employees	744	661

Notes to consolidated financial statements

	2018 DKK'000	2017 DKK'000
Remuneration of management		
Executive Board	6.436	0
Board of Directors	555	370
	6.991	**370**

Comparative figures from remuneration to the Executive Board are excluded given that the Executive Board only had one member last year and, accordingly, the Company fell within section 98b(3)(2) of the Danish Financial Statements Act.

	2018 DKK'000	2017 DKK'000
4. Depreciation, amortisation and impairment losses		
Amortisation of intangible assets	8.890	5.669
Depreciation of property, plant and equipment	18.780	19.316
Impairment losses on property, plant and equipment	21	3.139
Profit/loss from sale of intangible assets and property, plant and equipment	422	-672
	28.113	**27.452**

5. Other financial income

Other financial income consists of other interest income and exchange gains.

6. Other financial expenses

Other financial expences consists of other interest expences and exchange losses.

Notes to consolidated financial statements

	2018 DKK'000	2017 DKK'000
7. Tax on profit/loss for the year		
Current tax	5.193	6.526
Change in deferred tax	4.332	1.929
Adjustment concerning previous year	44	-299
	9.569	**8.156**

	2018 DKK'000	2017 DKK'000
8. Proposed distribution of profit/loss		
Provision for distributions	7.500	0
Retained earnings	15.170	36.887
	22.670	**36.887**

	Completed development projects DKK´000	Goodwill DKK´000	Development projects in progress DKK´000
9. Intangible assets			
Cost beginning of year	0	72.864	27.045
Exchange rate adjustments	0	-577	0
Transfers	6.335	0	-6.335
Additions	400	8.411	16.620
Disposals	0	-831	0
Cost end of year	**6.735**	**79.867**	**37.330**
Amortisation and impairment losses beginning of year	0	-20.942	0
Exchange rate adjustments	0	88	0
Amortisation for the year	-1.319	-7.571	0
Amortisation and impairment losses end of year	**-1.319**	**-28.425**	**0**
Carrying amount end of year	**5.416**	**51.442**	**37.330**

Notes to consolidated financial statements

Development projects

Development projects in progress include the development of the Group's operating platform and other supportive systems. Development projects are expected to be completed within a period of one to three years and comprise both external consultancy fees and internal labour costs.

	Land and buildings DKK'000	Plant and machinery DKK'000	Other fixtues and fittings, tools, and equipment DKK'000
10. Property, plant and equipment			
Cost beginning of year	338.280	40.490	88.075
Exchange rate adjustments	-328	0	-736
Additions	3.853	6.374	5.770
Disposals	0	-3.354	-2.529
Cost end of year	**341.805**	**43.510**	**90.580**
Depreciation and impairment losses beginning of the year	-54.409	-19.301	-64.091
Exchange rate adjustments	104	0	602
Impairment losses for the year	0	0	-21
Depreciation for the year	-7.230	-6.019	-5.530
Reversal regarding disposals	0	2.752	2.093
Depreciation and impairment losses end of the year	**-61.535**	**-22.568**	**-66.947**
Carrying amount end of year	**280.270**	**20.942**	**23.633**

Notes to consolidated financial statements

	Other investments DKK'000	Deposits DKK'000
11. Fixed asset investments		
Cost beginning of year	33.499	642
Exchange rate adjustments	0	51
Cost end of year	**33.499**	**693**
Revaluations beginning of year	11.885	0
Revaluations end of year	**11.885**	**0**
Carrying amount end of year	**45.384**	**693**

12. Deferred tax

As of 31.12.2018, the Group has recognised a tax asset of DKK 773 thousand. The tax asset is composed of tax loss carryforwards and unutilised tax deductions consisting of timing differences. Management believes that the tax asset is likely to be offset against future taxable income.

13. Prepayments

Prepayments comprise prepaid expenses.

14. Deferred tax	2018 DKK'000
Changes during the year	
Beginning of year	43.654
Recognised in the income statement	3.559
End of the year	**47.213**

15. Other provisions

Other provisions comprise anticipated additional costs of completion of transports in progress or completed.

Notes to consolidated financial statements

16. Short-term deferred income

Deferred income relates to revenue cut-off.

	2018 DKK'000	2017 DKK'000
17. Change in working capital		
Increase/decrease in receivables	-39.494	-62.562
Increase/decrease in trade payables etc	-17.780	82.587
Other changes	-6.262	13.051
	-63.536	33.076

18. Financial instruments

In the financial year, the Group entered into forward exchange contracts of DKK 15,429 thousand distributed among the currencies EUR, SEK and NOK. The fair value of these contracts amounts to DKK 727 thousand that has been recognized as other payables, and the fair value adjustment has been recognized in the income statement. All forward exchange contracts expire in the financial year 2019.

	2018 DKK'000	2017 DKK'000
19. Unrecognized rental and lease commitments		
Liabilities under rental or lease agreements until maturity in total	106.999	81.499

Liabilities under rental or lease agreements until maturity can be divided into liabilities under rental agreements DKK 76,756 thousand (2017: DKK 46,936 thousand) and DKK 30,243 thousand liabilities under lease agreements (2017: DKK 34,716 thousand).

	2018 DKK'000	2017 DKK'000
20. Contingent liabilities		
Recourse and non-recourse guarantee commitments	52.543	52.662
Contingent liabilities in total	52.543	52.662

Notes to consolidated financial statements

21. Assets charged and collateral

The LEMAN Group has provided bank guarantees limited to 35.500 thousand on bank debt.

The LEMAN Groups debt to Sydbank A/S is secured by way of a mortgage deed registered to the mortgagor and a letter of indemnity on its properties of DKK 11.750 thousand.

The LEMAN Groups debt to Nykredit A/S is secured by way of a mortgage deed registered to the mortgagor and a letter of indemnity on its properties of DKK 22.777 thousand.

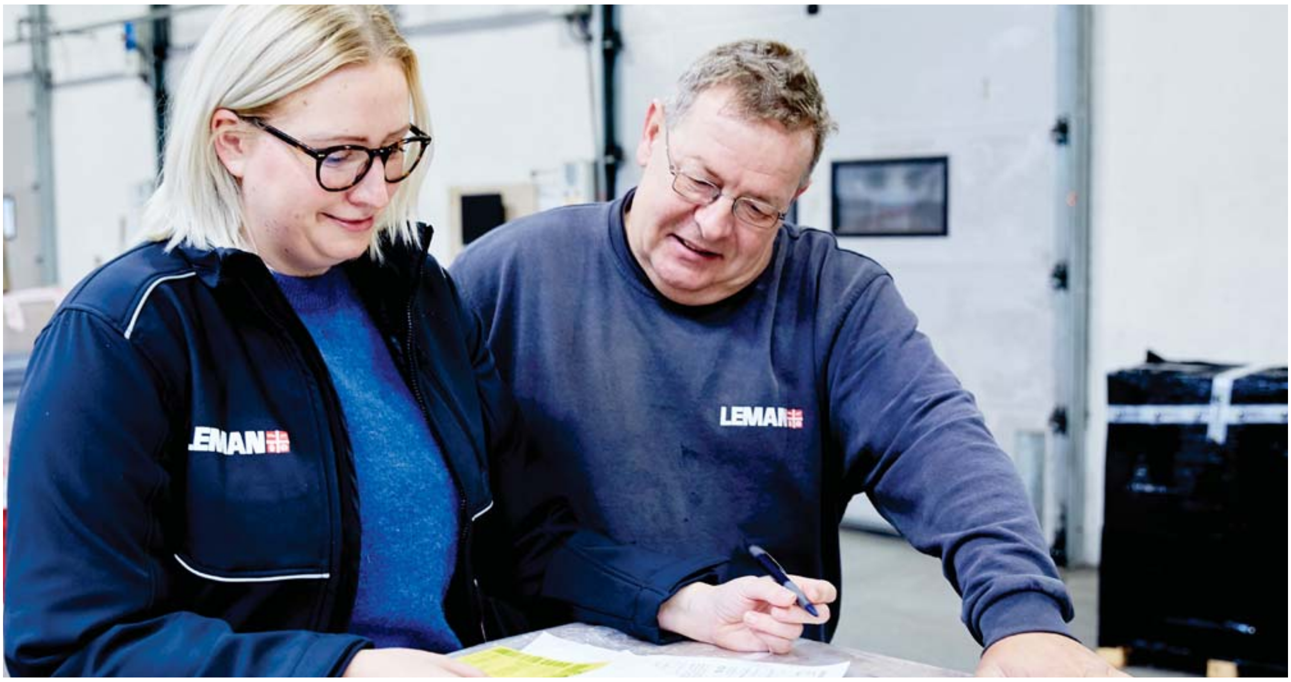
22. Transactions with related parties

All transactions with related parties were made on an arm's length basis in the financial year 2018.

23. Subsidiaries

	Registered in	Corporate form	Equity interest %
LEMAN A/S	Greve	A/S	100
LEMAN U.S.A. Inc.	Sturtevant	Inc.	100
LEMAN OY	Helsinki	OY	100
FL Services OY	Helsinki	OY	100
LEMAN Norge AS	Drammen	AS	100
LEMAN Int. System Transport AB	Helsingborg	AB	100
LEMAN International Transport Limited	Bradford	Ltd.	100
Maru International Limited	Dewsbury	Ltd.	100
IntraVAT ApS	Greve	ApS	100
Inter-Distrans AS	Oslo	AS	100
Inter-Distrans AB	Helsingborg	AB	100
Inter-Distrans OY	Helsinki	OY	100
Worldtrans Aeroship A/S	Greve	A/S	100
F.S.I. A/S	Greve	A/S	100

Complete transport and logistics solutions with customized additional services.



Parent income statement for 2018

	Notes	2018 DKK'000	2017 DKK'000
Revenue		16.998	17.665
Other operating income		0	3.515
Other external expenses	1	-3.100	-4.383
Gross profit/loss		**13.898**	**16.797**
Depreciation, amortisation and impairment losses	2	-4.839	-4.757
Operating profit/loss		**9.059**	**12.040**
Income from investments in group enterprises		19.620	21.137
Income from other fixed asset investments		0	11.885
Other financial income	3	1.381	1.700
Other financial expenses	4	-6.779	-9.019
Profit/loss before tax		**23.281**	**37.743**
Tax on profit/loss for the year	5	-611	-856
Profit/loss for the year	6	**22.670**	**36.887**

Parent balance sheet at 31.12.2018

	Notes	2018 DKK'000	2017 DKK'000
Land and buildings		229.018	231.136
Property, plant and equipment	7	**229.018**	**231.136**
Investments in group enterprises		432.945	417.141
Other investments		45.384	45.384
Fixed asset investments	8	**478.329**	**462.525**
Fixed assets		**707.347**	**693.661**
Receivables from group enterprises	9	21.166	20.511
Income tax receivable		2.881	1.234
Joint taxation contribution receivable		4.655	1.616
Prepayments	10	425	255
Receivables		**29.127**	**23.616**
Cash		**5.334**	**2.127**
Current assets		**34.461**	**25.743**
Assets		**741.808**	**719.404**

Parent balance sheet at 31.12.2018

	Notes	2018 DKK'000	2017 DKK'000
Contributed capital	11	30.000	30.000
Reserve for net revaluation according to the equity method		419.675	403.871
Retained earnings		101.804	104.318
Proposed dividend		7.500	0
Equity		**558.979**	**538.189**
Deferred tax	12	28.590	28.585
Provisions		**28.590**	**28.585**
Montgage debt		20.231	21.573
Non-current liabilities other than provisions	13	**20.231**	**21.573**
Current portion of long-term liabilities other than provisions	13	1.381	993
Payables to group enterprises	14	132.578	129.712
Other payables		49	352
Current liabilities other than provisions		**134.008**	**131.057**
Liabilities other than provisions		**154.239**	**152.630**
Equity and liabilities		**741.808**	**719.404**
Contingent liabilities	15		
Assets charged and collareral	16		
Related parties with controlling interest	17		
Transactions with related parties	18		

Parent statement of changes in equity for 2018

	Contributed capital DKK'000	Reserve for net revaluation according to the equity method DKK'000	Retained earnings DKK'000	Proposed dividends DKK'000
Equity beginning of year	30.000	403.871	104.318	0
Exchange rate adjustments	0	-1.880	0	0
Profit/loss for the year	0	17.684	-2.514	7.500
Equity end of year	**30.000**	**419.675**	**101.804**	**7.500**

	Total DKK'000
Equity beginning of year	538.189
Exchange rate adjustments	-1.880
Profit/loss for the year	22.670
Equity end of year	**558.979**

Notes to parent financial statements

	2018 DKK'000	2017 DKK'000
1. Other external expenses		
Remuneration of management		
Board of Directors	555	370
	555	**370**

	2018 DKK'000	2017 DKK'000
2. Depreciation, amortisation and impairment losses		
Depreciation of property, plant and equipment	4.839	4.504
Profit/loss from sale of intangible assets and property, plant and equipment	0	253
	4.839	**4.757**

	2018 DKK'000	2017 DKK'000
3. Other financial income		
Financial income from group enterprises	165	1.174
Other interests income	1.216	526
	1.381	**1.700**

Other interest income also consists of exchange gains.

	2018 DKK'000	2017 DKK'000
4. Other financial expenses		
Financial expenses from group enterprises	5.683	5.516
Other interest expenses	1.096	3.503
	6.779	**9.019**

Other interest expences also consist of exchange losses.

Notes to parent financial statements

	2018 DKK'000	2017 DKK'000
5. Tax on profit/loss for the year		
Current tax	562	1.561
Change in deferred tax	5	-447
Adjustment concerning previous years	44	-258
	611	856

	2018 DKK'000	2017 DKK'000
6. Proposed distribution of profit/loss		
Ordinary dividend for the financial year	7.500	0
Transferred to reserve for net revaluation according to the equity method	17.684	23.073
Retained earnings	-2.514	13.814
	22.670	36.887

	Land and buildings DKK'000
7. Property, plant and equipment	
Cost beginning of year	278.123
Additions	2.720
Cost end of year	**280.843**
Depreciation and impairment losses beginning of year	-46.987
Depreciation for the year	-4.838
Depreciation and impairment losses end of year	**-51.825**
Carrying amount end of year	**229.018**

Notes to parent financial statements

	Investments in group enterprises DKK'000	Other investments DKK'000
8. Fixed asset investments		
Cost beginning of year	13.271	33.499
Cost end of year	**13.271**	**33.499**
Revaluations beginning of year	403.870	11.885
Exchange rate adjustments	-1.880	0
Share of profit/loss for the year	19.620	0
Investments with negative equity value depreciated over receivables	-1.936	0
Revaluations end of year	**419.674**	**11.885**
Carrying amount end of year	**432.945**	**45.384**

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

9. Receivables from group enterprises

No due date has been determined for the receivables from group enterprises. However, they are expected to fall due within one year.

10. Prepayments

Prepayments comprise prepaid expenses.

Notes to parent financial statements

	Number	Par value DKK'000	Nominal Value DKK'000
11. Contributed capital			
Class A shares	120	250	30.000
	120		30.000

There have been no changes in the contributed capital during the past five years.

Treasury shares	Number	Nominal value DKK'000	Recorded par value DKK'000	Share of contributed capital %
Holding of treasury shares:				
Class A shares	12	250	3.000	10,0
	12	250	3.000	10,0

	2018 DKK'000	2017 DKK'000
12. Deferred tax		
Property, plant and equipment	28.673	28.673
Liabilities other than provisions	-83	-88
	28.590	28.585

Changes during the year	
Beginning of year	28.585
Recognised in the income statement	5
End of year	28.590

Notes to parent financial statements

	Due within 12 months 2018 DKK'000	Due within 12 months 2017 DKK'000	Due after more than 12 months 2018 DKK'000	Outstanding after 5 years DKK'000
13. Liabilities other than provisions				
Mortgage debts	1.381	993	20.231	14.493
	1.381	**993**	**20.231**	**14.493**

14. Payables to group enterprises

No due date has been determined for the payables to group enterprises. However, they are expected to fall due within one year.

	2018 DKK'000	2017 DKK'000
15. Contingent liabilities		
Recourse and non-recourse guarantee commitments	3.309	3.424
Contingent liabilities in total	**3.309**	**3.424**

Other contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement of the LEMAN Group. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for these entities.

16. Assets charged and collateral

LEMAN Holdings A/S' debt to Sydbank A/S is secured by way of a mortgage deed registered to the mortgagor and a letter of indemnity on its properties of DKK 11.750 thousand.

LEMAN Holdings A/S' debt to Totalkredit A/S is secured by way of a mortgage deed registered to the mortgagor and a letter of indemnity on its properties of DKK 22.777 thousand.

Collateral provided for group enterprises

LEMAN Holding A/S has provided bank guarantees limit to 35.500 thousand for bank debt in subsidiaries.

Notes to parent financial statements

17. Related parties with controlling interest

Related parties with a controlling interest in LEMAN A/S:

- La Capite S.A., 10 Rue Nicolas Adames, L-1114 Luxembourg

18. Transactions with related parties

All transactions with related parties were made on an arm's length basis in the financial year 2018.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

The accounting policies applied to these consolidated financial statements and parent financial statements are consistent with those applied last year.

A few changes have been made to the presentation of the Group's comparative figures. These changes have no effect on the Group's income statement or equity.

Recognition and measurement

Assets are recognized in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognized in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognized in the income statement when earned, whereas costs are recognized by the amounts attributable to this financial year.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Accounting policies

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognized in full in the consolidated financial statements.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition date, with net assets having been calculated at fair value.

Business combinations

Newly acquired or newly established enterprises are recognized in the consolidated financial statements from the time of acquiring or establishing such enterprises. Divested or wound-up enterprises are recognized in the consolidated income statement up to the time of their divestment or winding-up.

The purchase method is applied at the acquisition of new enterprises, under which identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date. Provisions for costs of restructuring of the enterprise acquired are only made in so far as such restructuring was decided by the enterprise acquired prior to acquisition. Allowance is made for the tax effect of restatements.

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognised under intangible assets, and they are amortised systematically over the income statement based on an individual assessment of their useful life, however no more than 20 years.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the trans-action date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognized in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Accounting policies

When recognizing foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Goodwill is considered belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates as well as out of the translation of income statements from average rates to the exchange rates at the balance sheet date are recognized directly in equity.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Derivative financial instruments are recognized under other receivables or other payables.

Income statement

Revenue

Revenue from the sale of services is recognized in the income statement when delivery is made to the buyer. Revenue is recognized net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Segment information

The primary activities of the LEMAN Group comprise transportation and logistics to and from foreign destinations on behalf of Danish and foreign customers in Europe and the USA. The transportations are arranged through an extended network of cooperation among agents.

The services rendered by the Company and the Group, respectively, comprise fairly uniform transportation services which do not differ from each other significantly. Consequently, it is not relevant to provide further disclosures on business segments, just as it is not relevant to provide disclosures on geographical markets.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost.

Accounting policies

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognized in current assets.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of internal profits or losses.

Income from other fixed asset investments

Income from other fixed asset investments comprises gains in the form of interest, dividends, etc. on the fixed asset investments which are not investments in group enterprises or associates.

Other financial income

Other financial income comprises dividends etc. received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Accounting policies

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognized in the income statement by the portion attributable to the profit for the year and recognized directly in equity by the portion attributable to entries directly in equity.

The Parent, LEMAN Holding A/S, is jointly taxed with all Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with refund concerning tax losses).

Balance sheet

Goodwill

Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. The amortisation period is usually ten years based on acquired market positions and long-term earnings profile.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Intellectual property rights etc

Intellectual property rights comprise of development projects in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilization, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognized as intangible assets. Other development costs are recognized as costs in the income statement as incurred. When recognizing development projects as intangible assets, an amount equalling the costs incurred is taken to equity under reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation on property, plant and equipment used in the development process are recognized in cost based on time spent on each project.

Accounting policies

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are five years.

Property, plant and equipment

Land and buildings, plant and machinery as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For self-manufactured assets, cost comprises direct and indirect costs of materials, components, subsuppliers and labour costs.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Buildings	39-50 years
Plant and machinery	5 years
Other fixtures and fittings, tools and equipment	3-8 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

In the parent financial statements, investments in group enterprises are recognized and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealized intra-group profits and losses. Please refer to the above section on business combinations for more details about the accounting policies used on acquisition of investments in group enterprises.

Goodwill is calculated as the difference between cost of the investments and fair value of the pro rata share of assets and liabilities acquired. Goodwill is amortised straigth-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. The amortisation period used is ten years.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Accounting policies

Other investments
Other investments comprise listed securities which are measured at fair value (market price) at the balance sheet date and unlisted investments measured at market value of the investment.

Receivables
Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Income tax payable or receivable
Current tax payable or receivable is recognized in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Prepayments
Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Other investments
Other current asset investments comprise listed securities measured at fair value (market price) at the balance sheet date.

Cash
Cash comprises cash in hand and bank deposits.

Dividend
Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Deferred tax
Deferred tax is recognized on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset or the planned settlement of each liability.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognized in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Accounting policies

Other provisions

Other provisions comprise anticipated additional costs of completion of transports in progress or completed.

Other provisions are recognized and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date.

Mortgage

At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds to the proceeds received less transaction costs incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of the loan is recognized in the income statement as a financial expense over the term of the loan applying the effective interest method.

Operating leases

Lease payments on operating leases are recognized on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Joint taxation contributions receivable or payable

Current joint taxation contributions receivable or joint taxation contributions payable are recognized in the balance sheet, calculated as tax computed on the taxable income of the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognized if such losses are expected to be used under the joint taxation arrangement.

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Accounting policies

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments as well as purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, inception of finance leases, instalments on interest-bearing debt, purchase of treasury shares and payment of dividend.

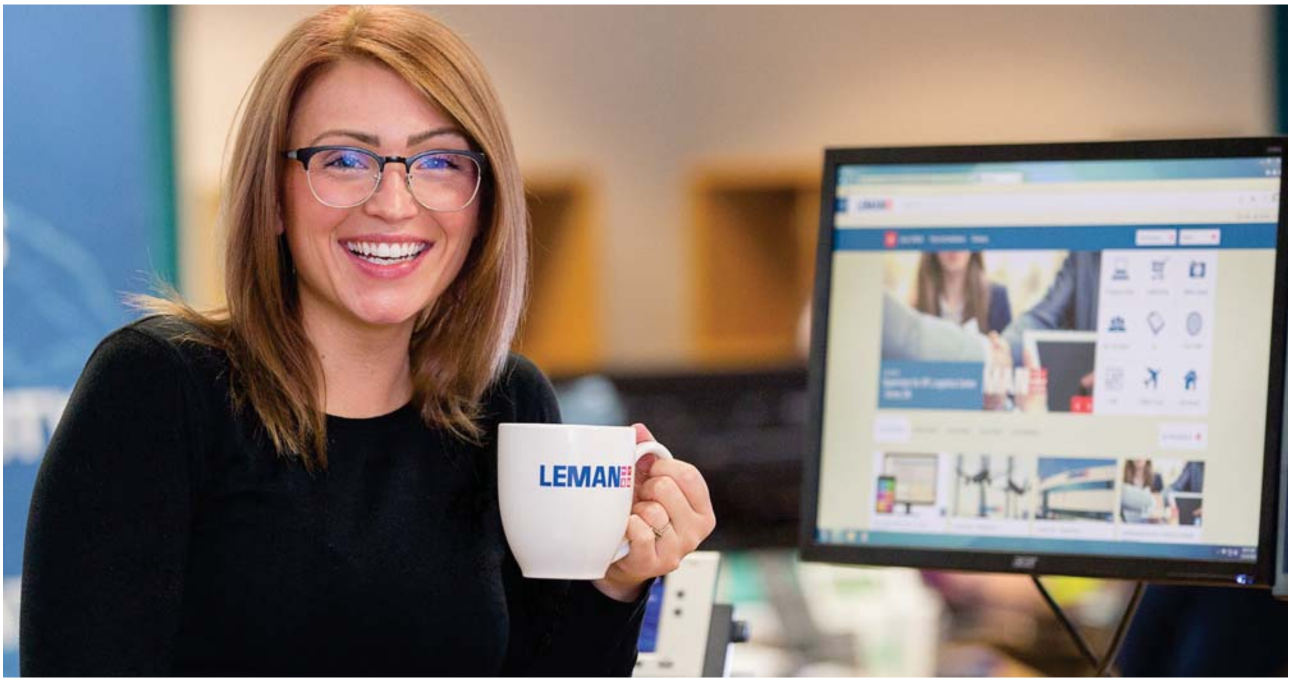
Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank loans.

Financial highlights

Financial highlights are defined and calculated in accordance with "Recommendations & Ratios 2015" issued by the Danish Society of Financial Analysts.

Ratios	Calculation formula	Ratios reflect
Gross margin (%)	$\frac{\text{Gross profit/loss x 100}}{\text{Revenue}}$	The Entity's operating gearing.
Return on equity (%)	$\frac{\text{Profit/loss for the year x 100}}{\text{Average equity}}$	The Entity's return on capital invested in the Entity by the owners.
Equity ratio (%)	$\frac{\text{Equity x 100}}{\text{Total assets}}$	The financial strength of the Entity.

State of the art service teams provide the optimal solutions for customers.

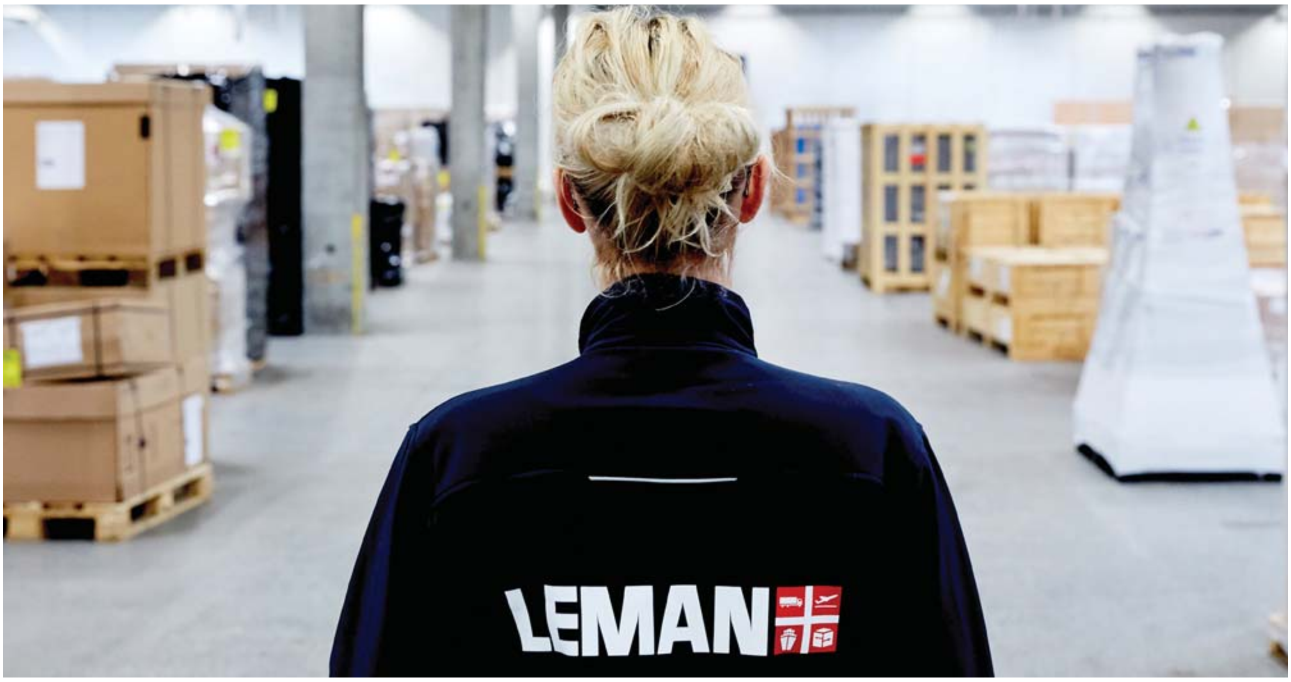


LEMAN

LEMAN

YOUR PERSONAL LINK TO GLOBAL
TRANSPORTATION AND LOGISTICS

YOUR PERSONAL LINK TO GLOBAL TRANSPORTATION AND LOGISTICS



LEMAN Holding A/S
Ventrupvej 6
DK-2670 Greve
Denmark

+45 33 43 42 00
kontakt.dk@leman.com
CBR: 36 70 05 13
www.leman.com