
Worldtrans Air-Sea Service A/S

Industrivej 1, DK-7120 Vejle Ø

Annual Report for 1 January - 31 December 2016

CVR No 36 72 97 67

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
29/5 2017

Finn Dyhre Hansen
Chairman



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Worldtrans Air-Sea Service A/S for the financial year 1 January - 31 December 2016.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2016 of the Company and of the results of the Company operations for 2016.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Vejle, 29 May 2017

Executive Board

Leo Alex Jensen
Executive Officer

Board of Directors

Ping Wai Ho

Leo Alex Jensen

Finn Dyhre Hansen

Independent Auditor's Report

To the Shareholder of Worldtrans Air-Sea Service A/S

Opinion

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

We have audited the Financial Statements of Worldtrans Air-Sea Service A/S for the financial year 1 January - 31 December 2016, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies ("the Financial Statements").

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 Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for 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.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Independent Auditor's Report

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or 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 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 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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent Auditor's Report

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the 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 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent 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 internal control that we identify during our audit.

Trekantområdet, 29 May 2017

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Carsten Dahl

State Authorised Public Accountant

Company Information

The Company

Worldtrans Air-Sea Service A/S
Industrivej 1
DK-7120 Vejle Ø

Telephone: + 45 8844 4888

CVR No: 36 72 97 67

Financial period: 1 January - 31 December

Municipality of reg. office: Vejle

Board of Directors

Ping Wai Ho
Leo Alex Jensen
Finn Dyhre Hansen

Executive Board

Leo Alex Jensen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Herredsvej 32
DK-7100 Vejle

Lawyers

Codex Advokater
Damhaven 5B
7100 Vejle

Management's Review

Key activities

Worldtrans Air-Sea Service A/S is a freight forwarding company offering transportation and services in particular within sea and air freight.

Development in the year

The income statement of the Company for 2016 shows a loss of DKK 6,725,020, and at 31 December 2016 the balance sheet of the Company shows equity of DKK 1,466,672.

Management considers the performance for the year highly unsatisfactory. The performance should be viewed in the light of a generally very turbulent sea freight market in Asia in 2016 resulting in difficult market conditions. The Company has made the necessary adjustments and has taken steps to entering into strategic alliances with selected business partners.

Capital resources

During the year, the Parent Company made a group contribution of DKK 7,000,000 towards restoring the Company's capital.

The Company is thus no longer subject to the capital loss rules of the Danish Companies Act.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement 1 January - 31 December

	Note	2016 DKK	2015 DKK 8 months
Gross profit/loss		2.665.341	5.861.594
Staff expenses	1	-9.366.616	-4.583.109
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-352.965	-160.923
Profit/loss before financial income and expenses		-7.054.240	1.117.562
Financial income		1.982.910	907.597
Financial expenses		-1.745.369	-1.110.329
Profit/loss before tax		-6.816.699	914.830
Tax on profit/loss for the year	2	91.679	-223.138
Net profit/loss for the year		-6.725.020	691.692

Distribution of profit

Proposed distribution of profit

Retained earnings	-6.725.020	691.692
	-6.725.020	691.692

Balance Sheet 31 December

Assets

	Note	2016 DKK	2015 DKK
Acquired licenses		224.301	382.329
Intangible assets	3	224.301	382.329
Other fixtures and fittings, tools and equipment		257.781	285.139
Leasehold improvements		120.419	79.019
Property, plant and equipment	4	378.200	364.158
Fixed assets		602.501	746.487
Trade receivables		8.882.105	7.833.404
Other receivables		5.367.859	379.732
Corporation tax		100.000	68.610
Prepayments		603.879	1.688.609
Receivables		14.953.843	9.970.355
Cash at bank and in hand		3.098.222	5.067.468
Currents assets		18.052.065	15.037.823
Assets		18.654.566	15.784.310

Balance Sheet 31 December

Liabilities and equity

	Note	2016 DKK	2015 DKK
Share capital		500.000	500.000
Retained earnings		966.672	691.692
Equity	5	1.466.672	1.191.692
Provision for deferred tax		0	91.679
Provisions		0	91.679
Trade payables		10.373.666	10.855.696
Payables to group enterprises		5.303.090	2.493.915
Other payables		1.511.138	1.151.328
Short-term debt		17.187.894	14.500.939
Debt		17.187.894	14.500.939
Liabilities and equity		18.654.566	15.784.310
Contingent assets, liabilities and other financial obligations	6		

Notes to the Financial Statements

	2016 DKK	2015 DKK 8 months
1 Staff expenses		
Wages and salaries	7.661.440	3.978.360
Pensions	990.285	410.730
Other social security expenses	145.281	68.661
Other staff expenses	569.610	125.358
	9.366.616	4.583.109
Average number of employees	19	13
2 Tax on profit/loss for the year		
Current tax for the year	0	131.459
Deferred tax for the year	-91.679	91.679
	-91.679	223.138

Notes to the Financial Statements

3 Intangible assets

	Acquired licenses DKK
Cost at 1 January	474.095
Cost at 31 December	474.095
Impairment losses and amortisation at 1 January	91.766
Amortisation for the year	158.028
Impairment losses and amortisation at 31 December	249.794
Carrying amount at 31 December	224.301

4 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost at 1 January	337.759	95.556
Additions for the year	106.816	102.163
Cost at 31 December	444.575	197.719
Impairment losses and depreciation at 1 January	52.620	16.537
Depreciation for the year	134.174	60.763
Impairment losses and depreciation at 31 December	186.794	77.300
Carrying amount at 31 December	257.781	120.419

Notes to the Financial Statements

5 Equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	500.000	691.692	1.191.692
Contribution from group	0	7.000.000	7.000.000
Net profit/loss for the year	0	-6.725.020	-6.725.020
Equity at 31 December	500.000	966.672	1.466.672

The share capital consists of 500,000 shares of a nominal value of DKK 1. No shares carry any special rights.

	2016	2015
	DKK	DKK
6 Contingent assets, liabilities and other financial obligations		
Contractual obligations		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	125.559	80.235
Between 1 and 5 years	100.952	132.086
	226.511	212.321

The Company has entered into rent agreements concerning office accommodations. The liability during the period of notice represents DKK 199,265.

Notes, Accounting Policies

Basis of Preparation

The Annual Report of Worldtrans Air-Sea Service A/S for 2016 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The Company has implemented amendments of the Danish Financial Statements Act taking effect at 1 January 2016, cf Danish Act No 738 of 1 June 2015.

The amendments of the Danish Financial Statements Act taking effect at 1 January 2016 have not affected the Company's financial position at 31 December 2016, but have only resulted in additional disclosures in the Annual Report.

Financial Statements for 2016 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, 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 out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Leases

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an approximated value as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Company.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

Notes, Accounting Policies

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income Statement

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, revenue has not been disclosed in the Annual Report.

Revenue

Revenue comprises transport deliveries during the year and changes in the value of transactions in progress. Sales of transports and transport-related services are recognised in the income statement provided that delivery and transfer of risk to the buyer have taken place before the end of the year and that the income can be reliably measured and is expected to be received.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Project expenses

Project expenses relate to direct costs in relation to transport deliveries during the year, including freight costs, etc.

Other external expenses

Other external expenses comprise expenses for premises, sales and distribution as well as office expenses, etc.

Notes, Accounting Policies

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses, expenses to warehouse staff and consulting services.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with group companies. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance Sheet

Intangible assets

Patents and licences are measured at the lower of cost less accumulated amortisation and recoverable amount. Patents are amortised over the remaining patent period, and licences are amortised over the licence period; however not exceeding 3 years.

Notes, Accounting Policies

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3 years
Leasehold improvements	3 years

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience from previous years.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions, interest and cost of transports and transport related services.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Notes, Accounting Policies

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Other debts are measured at amortised cost, substantially corresponding to nominal value.