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Worldtrans Air-Sea Service A/S

Industrivej 1
7120 Vejle Øst
Business Registration No
36729767

Annual report 2019

The Annual General Meeting adopted the annual report on 15.09.2020

Chairman of the General Meeting

Name: Finn Dyhre Hansen

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Entity details

Entity

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

Central Business Registration No (CVR): 36729767
Registered in: Vejle
Financial year: 01.01.2019 - 31.12.2019

Board of Directors

Ping Wai Ho
Leo Alex Jensen
Finn Dyhre Hansen

Executive Board

Leo Alex Jensen

Lawyer

Codex Advokater
Damhaven 5B
7100 Vejle

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Egtved Allé 4
6000 Kolding

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Worldtrans Air-Sea Service A/S for the financial year 01.01.2019 - 31.12.2019.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019.

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.

Vejle, 15.09.2020

Executive Board

Leo Alex Jensen

Board of Directors

Ping Wai Ho

Leo Alex Jensen

Finn Dyhre Hansen

Independent auditor's report

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

Opinion

We have audited the financial statements of Worldtrans Air-Sea Service A/S for the financial year 01.01.2019 - 31.12.2019, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity 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 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 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 financial statements unless Management either intends to liquidate the Entity 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:

Independent auditor's report

- 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 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 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 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 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the 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 financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the 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.

Independent auditor's report

Based on the work we have performed, we conclude that the management commentary 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 of the management commentary.

Kolding, 15.09.2020

Deloitte

Statsautoriseret Revisionspartnerselskab

Central Business Registration No (CVR) 33963556

Allan Trolle Pedersen

State Authorised Public Accountant

Identification No (MNE) mne34339

Management commentary

Primary 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 activities and finances

The income statement of the Company for 2019 shows a loss of DKK 196,179 and at 31 December 2019 the balance sheet of the Company show equity of DKK 1,629,612.

Management considers the performance of the year satisfactory given the adjustments to the business made during the year and as such in line with the expectations for the year.

Management has assessed the capital resources and have found that the needed resources to complete the planned activities for 2020 are in place.

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.

The outbreak and spreading of COVID-19 at the beginning of 2020 has significantly impacted the expectations for 2020, but has not impacted the evaluation of the 2019 financial statements.

Income statement for 2019

	<u>Notes</u>	<u>2019 DKK</u>	<u>2018 DKK</u>
Gross profit		2.293.300	3.443.696
Staff costs	1	-2.428.018	-3.123.911
Depreciation, amortisation and impairment losses	2	<u>-26.608</u>	<u>-188.941</u>
Operating profit/loss		-161.326	130.844
Other financial income	3	490.971	868.345
Other financial expenses	4	<u>-525.824</u>	<u>-942.219</u>
Profit/loss for the year		<u>-196.179</u>	<u>56.970</u>
Proposed distribution of profit/loss			
Retained earnings		<u>-196.179</u>	<u>56.970</u>
		<u>-196.179</u>	<u>56.970</u>

Balance sheet at 31.12.2019

	<u>Notes</u>	<u>2019 DKK</u>	<u>2018 DKK</u>
Acquired intangible assets		0	0
Intangible assets	5	0	0
Other fixtures and fittings, tools and equipment		12.696	34.096
Leasehold improvements		0	5.208
Property, plant and equipment	6	12.696	39.304
Fixed assets		12.696	39.304
Trade receivables		1.806.962	2.144.250
Receivables from group enterprises		4.375	4.375
Other receivables		268.414	258.353
Prepayments		1.342.331	1.104.844
Receivables		3.422.082	3.511.822
Cash		2.315.322	2.347.252
Current assets		5.737.404	5.859.074
Assets		5.750.100	5.898.378

Balance sheet at 31.12.2019

	<u>Notes</u>	<u>2019 DKK</u>	<u>2018 DKK</u>
Contributed capital		500.000	500.000
Retained earnings		1.129.612	1.325.791
Equity		1.629.612	1.825.791
Other payables		105.516	0
Non-current liabilities other than provisions		105.516	0
Trade payables		3.763.313	3.639.454
Other payables		251.659	433.133
Current liabilities other than provisions		4.014.972	4.072.587
Liabilities other than provisions		4.120.488	4.072.587
Equity and liabilities		5.750.100	5.898.378
Unrecognised rental and lease commitments	7		
Contingent liabilities	8		

Statement of changes in equity for 2019

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	500.000	1.325.791	1.825.791
Profit/loss for the year	0	-196.179	-196.179
Equity end of year	500.000	1.129.612	1.629.612

Notes

	2019	2018
	DKK	DKK
1. Staff costs		
Wages and salaries	1.962.823	2.550.864
Pension costs	414.895	514.426
Other social security costs	48.765	55.321
Other staff costs	1.535	3.300
	2.428.018	3.123.911
 Average number of employees	 5	 6
	2019	2018
	DKK	DKK
2. Depreciation, amortisation and impairment losses		
Amortisation of intangible assets	0	66.273
Depreciation of property, plant and equipment	26.608	122.573
Profit/loss from sale of intangible assets and property, plant and equipment	0	95
	26.608	188.941
	2019	2018
	DKK	DKK
3. Other financial income		
Exchange rate adjustments	490.971	868.345
	490.971	868.345
	2019	2018
	DKK	DKK
4. Other financial expenses		
Other interest expenses	23.631	18.601
Exchange rate adjustments	502.193	923.618
	525.824	942.219

Notes

	Acquired intangible assets DKK	
5. Intangible assets		
Cost beginning of year		474.095
Cost end of year		474.095
Amortisation and impairment losses beginning of year		-474.095
Amortisation and impairment losses end of year		-474.095
Carrying amount end of year		0
	Other fixtures and fittings, tools and equipment DKK	Leasehold improve- ments DKK
6. Property, plant and equipment		
Cost beginning of year	323.690	197.719
Cost end of year	323.690	197.719
Depreciation and impairment losses beginning of year	-289.594	-192.511
Depreciation for the year	-21.400	-5.208
Depreciation and impairment losses end of year	-310.994	-197.719
Carrying amount end of year	12.696	0
	2019 DKK	2018 DKK
Holiday pay obligation	105.516	0
	105.516	0
	2019 DKK	2018 DKK
7. Unrecognised rental and lease commitments		
Liabilities under rental or lease agreements until maturity in total	189.780	144.360

Notes

The Company has entered into rental agreements with up to 6 months period of notice. The liability for the period of notice amounts to DKK 78k.

8. Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where SH Holding af 2008 ApS serves as the administration company. 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 the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

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

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

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 recognised 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.

Other financial income

Other financial income comprises 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.

Accounting policies

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.

Balance sheet

Intellectual property rights etc

Intellectual property rights etc comprise acquired intellectual property rights.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised over their remaining duration, and licences are amortised over the term of the agreement, however not exceeding 3 years.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

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.

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:

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

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

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.

Receivables

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

Prepayments

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

Accounting policies

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

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