

Medlog Denmark A/S

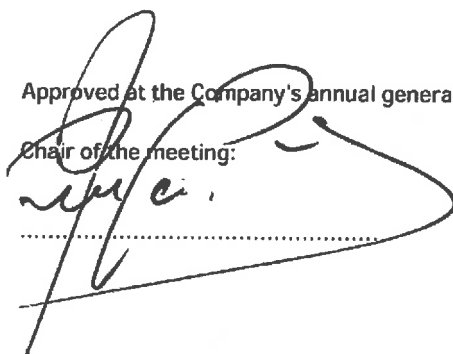
Østhavnsvej 34, 8000 Aarhus C

CVR no. 39 19 29 26

Annual report 2020

Approved at the Company's annual general meeting on

Chair of the meeting:

A large, stylized handwritten signature in black ink, written over a dotted line. The signature is cursive and appears to be 'M. C.'.



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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Medlog Denmark A/S for the financial year 1 January - 31 December 2020.

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 of the Company at 31 December 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

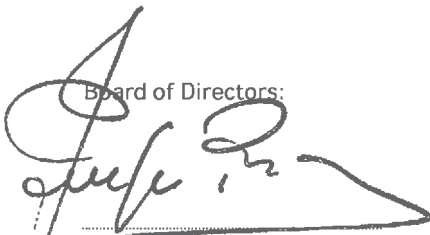
We recommend that the annual report be approved at the annual general meeting.

Aarhus, 15 March 2021
Executive Board:

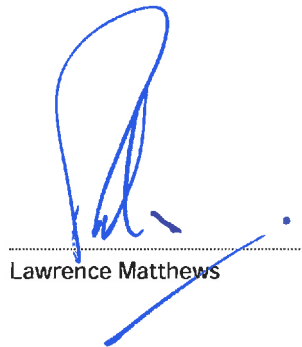


Mogens Møller Klintemark
CEO

Board of Directors:



Giuseppe Prudente
Chair



Lawrence Matthews



Mogens Møller Klintemark

Independent auditor's report

To the shareholders of Medlog Denmark A/S

Opinion

We have audited the financial statements of Medlog Denmark A/S for the financial year 1 January - 31 December 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including 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 financial position of the Company at 31 December 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020 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 financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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 rules and requirements.

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 as to 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 the 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.

Independent auditor's report

- ▶ 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.
- ▶ 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 note 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.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Aarhus, 15 March 2021
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Claus Hammer-Pedersen
State Authorised Public Accountant
mne21334



Management's review

Company details

Name	Medlog Denmark A/S
Address, Postal code, City	Østhavnsvej 34, 8000 Aarhus C
CVR no.	39 19 29 26
Established	27 December 2017
Registered office	Aarhus Kommune
Financial year	1 January - 31 December
Board of Directors	Giuseppe Prudente, Chairman Lawrence Matthews Mogens Møller Klintemark
Executive Board	Mogens Møller Klintemark, CEO
Auditors	EY Godkendt Revisionspartnerselskab Værkmestergade 25, P.O. Box 330, 8100 Aarhus C, Denmark



Management's review

Business review

The object of the Company is to engage in container and terminal operation and other related activities.

Financial review

The income statement for 2020 shows a profit of DKK 10,768 thousand against a loss of DKK 3,819 thousand last year, and the balance sheet at 31 December 2020 shows equity of DKK 8,313 thousand. Management considers the Company's financial performance in the year satisfactory.

Events after the balance sheet date

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

Financial statements 1 January - 31 December

Income statement

Note	DKK'000	2020	2019
	Revenue	58,581	14,723
	Cost of sales	-14,002	-4,781
	Other external expenses	-2,813	-1,533
	Gross profit	41,766	8,409
2	Staff costs	-20,737	-8,462
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-5,440	-3,260
	Other operating expenses	-120	0
	Profit/loss before net financials	15,469	-3,313
3	Financial expenses	-1,660	-1,583
	Profit/loss before tax	13,809	-4,896
4	Tax for the year	-3,041	1,077
	Profit/loss for the year	10,768	-3,819
	Recommended appropriation of profit/loss		
	Retained earnings/accumulated loss	10,768	-3,819
		10,768	-3,819



Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2020	2019
	ASSETS		
	Fixed assets		
5	Property, plant and equipment		
	Land and buildings	46,400	39,310
	Fixtures and fittings, other plant and equipment	10,413	8,267
		<u>56,813</u>	<u>47,577</u>
	Investments		
	Deposits, investments	268	0
		<u>268</u>	<u>0</u>
	Total fixed assets	<u>57,081</u>	<u>47,577</u>
	Non-fixed assets		
	Inventories		
	Raw materials and consumables	1,266	646
		<u>1,266</u>	<u>646</u>
	Trade receivables	0	44
	Receivables from group enterprises	11,584	3,091
	Deferred tax assets	106	1,077
	Other receivables	671	246
	Prepayments	614	546
		<u>12,975</u>	<u>5,004</u>
	Cash	647	0
	Total non-fixed assets	<u>14,888</u>	<u>5,650</u>
	TOTAL ASSETS	<u>71,969</u>	<u>53,227</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2020	2019
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	400	400
	Retained earnings	7,913	-2,855
	Total equity	8,313	-2,455
	Liabilities other than provisions		
6	Non-current liabilities other than provisions		
	Bank debt	5,700	9,550
	Lease liabilities	32,138	24,809
	Payables to group entities	8,061	9,852
	Other payables	404	127
		46,303	44,338
	Current liabilities other than provisions		
6	Short-term part of long-term liabilities other than provisions	9,718	7,877
	Bank debt	0	1,238
	Trade payables	2,309	1,108
	Joint taxation contribution payable	2,403	0
	Other payables	2,923	1,121
		17,353	11,344
		63,656	55,682
	TOTAL EQUITY AND LIABILITIES	71,969	53,227

- 1 Accounting policies
- 7 Contractual obligations and contingencies, etc.
- 8 Collateral
- 9 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

DKK'000	Share capital	Retained earnings	Total
Equity at 1 January 2019	500	-486	14
Capital increase	386	964	1,350
Capital reduction	-486	486	0
Transfer through appropriation of loss	0	-3,819	-3,819
Equity at 1 January 2020	400	-2,855	-2,455
Transfer through appropriation of profit	0	10,768	10,768
Equity at 31 December 2020	400	7,913	8,313

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Medlog Denmark A/S for 2020 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

Income from the rendering of services is recognised as revenue as the services are rendered.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the Company's core activities, including losses on the sale of fixed assets.

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

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

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Depreciation

The item comprises depreciation of property, plant and equipment.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Buildings	20 years
Fixtures and fittings, other plant and equipment	3-8 years

Depreciation is recognised in the income statement as amortisation, depreciation and impairment losses.

The basis of depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Land is not depreciated, except right-of-use assets.

Financial expenses

Financial expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Leased assets and lease commitments are recognised in the balance sheet when the leased asset under a lease entered into regarding a specific identifiable asset is made available to the Company in the lease term, and when the Company obtains the right to almost all economic benefits from the use of the identified asset and the right to control the use of the identified asset.

On initial recognition, lease commitments are measured at the present value of the future lease payments discounted by an incremental borrowing rate. The following lease payments are recognised as part of the lease commitment:

- Fixed payments.
- Variable payments that change concurrently with changes to an index and an interest rate based on said index or interest rate.
- Payments overdue subject to a residual value guarantee.
- Exercise price of call options that it is highly probable that Management will exercise.
- Payments subject to an extension option that it is highly probable that the Group will exercise.
- Penalty related to a termination option unless it is highly probable that the Group will not exercise the option.

The lease commitment is measured at amortised cost according to the effective interest method. The lease commitment is recalculated when the underlying contractual cash flows change due to changes in an index or an interest rate if the Company's estimate of a residual value guarantee changes or if the Group changes its assessment of whether call options, extension options or termination options can reasonably be expected to be exercised.

On initial recognition, the leased asset is measured at cost, corresponding to the value of the lease commitment adjusted for prepaid lease payments plus directly related costs and estimated costs for demolition, repairs or the like and less discounts or other types of incentive payments received from the lessor.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Subsequently, the asset is measured at cost less accumulated depreciation and impairment losses. The leased asset is depreciated over the shorter of the lease term and the useful life of the leased asset. Depreciation charges are recognised on a straight-line basis in the income statement.

The leased asset is adjusted for changes to the lease commitment due to changes to the terms of the lease or changes to the cash flows of the lease concurrently with changes to an index or an interest rate.

Leased assets are depreciated on a straight-line basis over the expected lease term, which is:

Land: 20 years

Fixtures and fittings, other plant and equipment: 3-5 years

The Company has chosen not to recognise leased assets of a low value and short-term leases in the balance sheet. Instead, related lease payments are recognised on a straight-line basis in the income statement.

Leases

The Company has chosen IFRS 16 as interpretation for classification and recognition of leases.

As opposed to previously, the Company recognises all leases in the balance sheet.

In accordance with the transitional provisions of IFRS 16, the Company has chosen:

- Not to recognise leases with a term of less than 12 months or of low value.
- Not to reassess whether a contract is or comprises a lease.
- To determine a discount rate on a portfolio of leases with similar characteristics.

When assessing the future lease payments, the Company reviewed its leases and identified the lease payments related to a lease component that are fixed or variable but change in line with changes in an index or an interest rate. The Company has chosen not to recognise payments related to service components as part of the lease commitment.

When assessing the expected lease term, the Company identified the non-cancellable lease term of the lease plus periods covered by an extension option that Management is reasonably likely to exercise plus periods covered by a termination option that Management is reasonably unlikely to exercise.

For leases on equipment and properties, the Company has assessed that the expected lease term is the non-cancellable lease term in the leases, as the Company has not historically exercised the extension options in similar leases.

When discounting the lease payments to present value, the Company used its incremental borrowing rate, which is the cost of obtaining external financing for a corresponding asset with a financing period corresponding to the term of the lease denominated in the currencies in which lease payments are settled. The Company has documented the incremental borrowing rate of each portfolio of leases with similar characteristics.

When measuring the lease commitment, the Company has applied an incremental borrowing rate of 3.15 % for the leased assets representing what a lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Inventories

Inventories are measured at cost in accordance with the first in first out method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

The cost of raw materials and consumables comprises the cost of acquisition plus delivery costs.

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash comprises cash.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Joint taxation contribution payable and receivable is recognised in the balance sheet as "Joint taxation contribution receivable" or "Joint taxation contribution payable".

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost.

Other liabilities are measured at net realisable value.

Financial statements 1 January - 31 December

Notes to the financial statements

DKK'000	2020	2019	
2 Staff costs			
Wages/salaries	18,343	7,541	
Pensions	2,217	851	
Other social security costs	122	59	
Other staff costs	55	11	
	<u>20,737</u>	<u>8,462</u>	
Average number of full-time employees	<u>39</u>	<u>24</u>	
3 Financial expenses			
Interest expenses, credit institutions	373	343	
Interest expenses, group entities	329	388	
Interest regarding IFRS 16	932	764	
Other financial expenses	26	88	
	<u>1,660</u>	<u>1,583</u>	
4 Tax for the year			
Estimated tax charge for the year	2,403	-1,121	
Deferred tax adjustments in the year	638	44	
	<u>3,041</u>	<u>-1,077</u>	
5 Property, plant and equipment			
DKK'000	Land and buildings	Fixtures and fittings, other plant and equipment	Total
Cost at 1 January 2020	41,091	9,746	50,837
Additions	10,007	4,838	14,845
Disposals	-261	-66	-327
Cost at 31 December 2020	<u>50,837</u>	<u>14,518</u>	<u>65,355</u>
Impairment losses and depreciation at 1 January 2020	1,781	1,479	3,260
Depreciation	2,677	2,648	5,325
Reversal of accumulated depreciation and impairment of assets disposed	-21	-22	-43
Impairment losses and depreciation at 31 December 2020	<u>4,437</u>	<u>4,105</u>	<u>8,542</u>
Carrying amount at 31 December 2020	<u>46,400</u>	<u>10,413</u>	<u>56,813</u>
Property, plant and equipment include finance leases with a carrying amount totalling	28,384	7,085	35,469

Financial statements 1 January - 31 December

Notes to the financial statements

6 Non-current liabilities other than provisions

DKK'000	Total debt at 31/12 2020	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Bank debt	9,550	3,850	5,700	0
Lease liabilities	36,215	4,077	32,138	20,551
Payables to group entities	9,852	1,791	8,061	0
Other payables	404	0	404	0
	<u>56,021</u>	<u>9,718</u>	<u>46,303</u>	<u>20,551</u>

7 Contractual obligations and contingencies, etc.

Other contingent liabilities

Medlog Denmark A/S is jointly taxed with other Danish group companies. As a group company, the Company has joint and several unlimited liability, together with other Danish group companies, for all Danish income taxes and withholding taxes on dividend, interest and royalties within the group of jointly taxed entities. The jointly taxed entities' total known net liability in respect of income taxes and withholding taxes payable on dividend, interest and royalties are recognised in the financial statements of the administration company, MSC Denmark A/S, CVR no. 32 55 13 35. Any subsequent corrections of income subject to joint taxation and withholding taxes, etc. could entail an increase in the entities' tax liability.

8 Collateral

As collateral for the Company's debt to Sparekassen Kronjylland, the Company has provided a floating company charge secured on its assets for at total amount of DKK 5,000 thousand. The total carrying amount of these assets is DKK 16,178 thousand. Furthermore, Medlog SA (the sole shareholder) has provided a guarantee for any obligation, which the Company has to Sparekassen Kronjylland.

9 Related parties

Medlog Denmark A/S' related parties comprise the following:

Significant influence

Related party	Domicile	Basis for significant influence
Medlog SA	Chemin Rieu 12-14, 1208 Geneva	The company holds the majority of the share capital in the entity.