

DSV Road Services A/S

Hovedgaden 630, 2640 Hedehusene

CVR No. 39 40 24 16

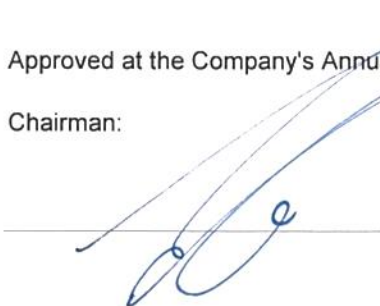
Annual Report

for the period 12 March to 31 December 2018

1st financial year

Approved at the Company's Annual General Meeting on 28 May 2019

Chairman:

A handwritten signature in blue ink is written over a horizontal line. The signature is stylized and appears to be a cursive name.

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Statement by Management on the Annual Report

Today, the Executive Board have discussed and approved the annual report of DSV Road Services A/S for the financial year 12 March 2018 - 31 December 2018.

The annual report has been prepared in accordance with the provisions of 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 2018 and of the results of the Company's operations for the financial year 12 March 2018 - 31 December 2018.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the result of the Company's operations and financial position.

At the board meeting it will be decided that the annual accounts for 2019 onwards are not subject to audit. The board of directors and the managing director considers the requirements of omission of audit as met.

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

Hedehusene, May 2019.

Executive Board:



Peter Glargaard Wiinholt

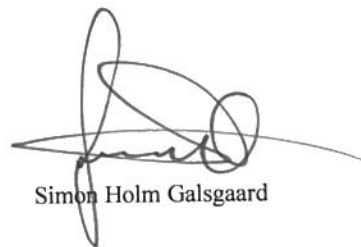
Board of Directors:



Jens H. Lund
Chairman



Søren Schmidt



Simon Holm Galsgaard

INDEPENDENT AUDITOR'S REPORT

To the shareholder of DSV Road Services A/S

Opinion

We have audited the financial statements of DSV Road Services A/S for the financial year 12 March – 31 December 2018, which comprise an 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 2018 and of the results of the Company's operations for the financial year 12 March – 31 December 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 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 additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 our procedures, 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.

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.

Auditors' 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 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.

Independent Auditor's Report (continued)

As part of an audit conducted in accordance with ISAs and 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 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.
- ▶ 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 conclusion is 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.

Copenhagen, 28 May 2019

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31



Kim Fuchsel

State Authorised Public Accountant
MNE-nr. 9291

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31



Dan Bjerregaard

State Authorised Public Accountant
MNE-nr. 33701

INFORMATION ABOUT THE COMPANY

DSV Road Services A/S
Hovedgaden 630
2640 Hedehusene
Tel: +45 43 20 30 40
Fax: +45 43 20 30 41

Executive Board:
Peter Glargaard Wiinholt

Board of Directors
Jens H. Lund, (Chairman)
Søren Schmidt
Simon Holm Galsgaard

Auditors:
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab

Shareholders holding 5% or more of the share capital or the voting rights:
DSV Road Holding A/S, Hedehusene (100%)

Parent company:
DSV Road Holding A/S, Hedehusene (100%)

Management's review

Main activity

The Company's objects are to buy and sell products and services for use by other DSV companies.

Financial review

The income statement of the Company for 2018 shows a profit of TDKK 1,503 and at 31 December 2018 the balance sheet of the Company shows equity of TDKK 1,875. The management considers the Company's result as satisfactory.

Targets and expectations for the year ahead

For the year 2019, the Management expects an increased activity level and a result similar to 2018.

Subsequent events

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

Financial statements 12 March 2018 – 31 December 2018

INCOME STATEMENT

Note	2018 DKK '000
Revenue	4,355
2 Staff costs	-1,005
Other external expenses	-1,469
Gross margin	1,881
3 Financial income	409
4 Financial expenses	-400
Profit before tax	1,890
5 Tax for the year	-387
Profit for the year	1,503
 Recommended appropriation of profit	
Transferred to reserves under equity	1,503
	1,503

Financial statements 12 March 2018 – 31 December 2018

BALANCE SHEET

Note	2018 DKK '000
ASSETS	
Trade receivables	500
Receivables from Group companies	1,962
Deferred tax assets	15
Other receivables	<u>2,055</u>
Total current assets	<u>4,532</u>
TOTAL ASSETS	<u><u>4,532</u></u>
EQUITY AND LIABILITIES	
Equity	
6 Share capital	500
Retained earnings	<u>1,375</u>
Total equity	<u>1,875</u>
Current liabilities	
Suppliers of goods and services	19
Payables to Group Companies	1,503
Tax payable	402
Other debt	<u>733</u>
Total current liabilities	<u>2,657</u>
TOTAL EQUITY AND LIABILITIES	<u><u>4,532</u></u>
1 Accounting policies	
7 Contingent liabilities and other commitments	
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Financial statements 12 March 2018 – 31 December 2018

STATEMENT OF CHANGES IN EQUITY

DKK'000	Share capital	Retained earnings	Total
Shareholders' Equity at 12 March 2018	<u>500</u>	<u>0</u>	<u>500</u>
Other adjustments		-128	-128
Transfer, see "Appropriation of profit"	<u>0</u>	<u>1,503</u>	<u>1,503</u>
Shareholders' Equity at 31 December 2018	<u>500</u>	<u>1,375</u>	<u>1,875</u>

Financial statements 12 March 2018 – 31 December 2018

Notes

1 Accounting policies

The annual report of DSV Road Services A/S has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities. Furthermore, the Company has chosen to comply with some of the rules applying for class C enterprises.

This is the first financial year and therefore no comparative figures are disclosed.

The amounts in the Annual Report are stated in Danish kroner (DKK) and rounded to the nearest thousands.

Foreign currency translation

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

Income statement

Net turnover

Revenue comprises services invoiced. All kinds of discounts, including cash discounts, are recognised under revenue. Revenue is measured exclusive of VAT and other taxes collected on behalf of third parties.

Staff costs

Staff costs include wages and salaries, pensions, social security costs and other staff costs.

Other external expenses

Other external expenses comprise expenses incurred during the year related to management and administration of the Company.

Financial income and expenses

Financial income and expenses comprise interest income and expense, realised and unrealised gains and losses on payables and transactions denominated in foreign currencies, amortisation of financial assets as well as surcharges and refunds under the on-account tax scheme, etc.

Tax for the year

Tax for the year comprises current tax for the year and changes in deferred tax. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity. The tax expense recognised in the income statement relating to the extraordinary profit/loss for the year is allocated to this item whereas the remaining tax expense is allocated to the profit/loss for the year from ordinary activities.

Financial statements 12 March 2018 – 31 December 2018

Notes

1 Accounting policies (continued)

Balance sheet

Receivables

Receivables are measured at amortised cost.

Equity

Dividend

Dividend proposed for the year is recognised as a liability at the date when it is adopted at the annual general meeting (declaration date). Dividend expected to be distributed for the financial year is presented as a separate line item under "Equity".

Incentive programmes

The Company's incentive schemes include equity-settled share-based share option and warrants programmes which are settled in DSV A/S shares.

The value of the services, which the staff delivers in return for granting of options and warrants are measured at the fair value of the options and warrants.

The equity-settled share-based payment arrangements are measured at fair value at the time of granting and are recognised in the profit and loss account under staff costs during the period where the final right to the options or warrants is achieved. The counter item is directly recognised in equity.

In connection with the first recognition of share-based arrangements, the number of options and warrants which the staff are expected to gain right to is estimated subsequently, changes are adjusted for related to the number of the right of acquisition of options and warrants so that the total recognition is based on the actual number of rights of acquisition of options and warrants.

The fair value of the granted options and warrants is estimated by the use of the Black-Scholes valuation method. By the estimation terms and conditions related to the granted options and warrants are taken into account.

Corporation tax

Current tax liabilities and outstanding current tax are included in the balance sheet as tax calculated on the taxable income for the year adjusted for tax from previous years' taxable income and pre-paid taxes.

Current liabilities

Liabilities are valued at net realisable value.

Financial statements 12 March 2018 – 31 December 2018

Notes

	2018 DKK'000
2 Staff costs	
Specification of staff costs:	
Salaries, wages, share options and warrants	1,003
Pension costs	1
Other expenses for social security	0
Other staff costs	<u>1</u>
	<u><u>1,005</u></u>
Average number of employees	<u>1</u>
<p>Information regarding remuneration to the Executive Board is excluded with reference to the Danish Financial Statements Act. Section 98 b, subsection 3.</p> <p>The Board of Directors does not receive remuneration for their roles as members of the board.</p> <p>DSV A/S has established a share option and warrant programme for the Group's employees. The Executive Board in DSV Road Services A/S has been granted share options from the programme. The Board of Directors have received options from the programme for their roles in DSV A/S. DSV Road Services A/S's part of costs regarding the share options and warrants program are included as staff costs on a continuing basis.</p>	
3 Financial income	2018 DKK'000
Interest income from Group Companies	3
Other financial income	400
Foreign currency translation adjustments	<u>6</u>
	<u><u>409</u></u>
4 Financial expenses	<u>400</u>
Other financial expenses	<u>400</u>
5 Tax for the year	402
Current tax for the year	-15
Deferred tax charge for the year	<u>-15</u>
	<u><u>387</u></u>
6 Share capital	
The share capital comprises:	
Shares, 500,000 of DKK 1 nominal value each	<u>500</u>

There has been no changes to the share capital since the company was founded 12 March 2018.

Notes (continued)

7 Contingent liabilities and other commitments

The Company has no further commitments or liabilities except from those included in the financial statements.

The Company and its ultimate parent company, DSV A/S, are taxed on a joint basis. The Company is thus jointly and severally liable for any taxes relating to the joint taxation arrangement.

8 Related parties

DSV Road Services A/S' related parties comprise the following:

Parties exercising control

DSV Road Holding A/S, Hovedgaden 630, 2640 Hedehusene, which exercises control.

Other

Transactions with other related parties comprise interest bearing accounts.

Transactions with related parties has been conducted on arms length principles.

There are not entered agreements or other transactions with companies where the Executive Board have had any financial interest except from transactions related to the conditions of employment.

9 Consolidated financial statements

The financial statements of DSV Road Services A/S is included in the consolidated financial statements of DSV A/S, Hedehusene, Denmark. The consolidated financial statements of DSV A/S can be requested at the following address:

DSV A/S
Hovedgaden 630
DK-2640 Hedehusene
Denmark

or: www.investor.dsv.com