
Nagel Transport & Logistik ApS

Thorsvej 19, Frøslev, DK-6330 Padborg

Annual Report for 2015

CVR No 79 03 50 17

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
25/5 2016

Kim Gravesen
Chairman



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Management's Statement

The Executive Board has today considered and adopted the Annual Report of Nagel Transport & Logistik ApS for the financial year 1 January - 31 December 2015.

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 2015 of the Company and of the results of the Company operations for 2015.

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.

Padborg, 25 May 2016

Executive Board

Kim Gravesen
CEO

Martin Ventker
COO

Independent Auditor's Report on the Financial Statements

To the Shareholder of Nagel Transport & Logistik ApS

Report on the Financial Statements

We have audited the Financial Statements of Nagel Transport & Logistik ApS for the financial year 1 January - 31 December 2015, which comprise income statement, balance sheet, notes and summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

Management's Responsibility 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Financial Statements are free from material misstatement.

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of Financial Statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2015 and of the results of the Company operations for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

Independent Auditor's Report on the Financial Statements

Statement on Management's Review

We have read Management's Review in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit of the Financial Statements. On this basis, in our opinion, the information provided in Management's Review is in accordance with the Financial Statements.

Trekantområdet, 25 May 2016

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Jan Bunk Harbo Larsen
statsautoriseret revisor

Henrik Forthoft Lind
statsautoriseret revisor

Company Information

The Company

Nagel Transport & Logistik ApS
Thorsvej 19
Frøslev
DK-6330 Padborg

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Facsimile: 74 30 74 00
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Website: www.nagel-group.dk

CVR No: 79 03 50 17
Financial period: 1 January - 31 December
Incorporated: 20 September 1985
Financial year: 30th financial year
Municipality of reg. office: Aabenraa

Executive Board

Kim Gravesen
Martin Ventker

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Herredsvej 32
DK-7100 Vejle

Financial Highlights

Seen over a five-year period, the development of the Company is described by the following financial highlights:

	2015 TDKK	2014 TDKK	2013 TDKK	2012 TDKK	2011 TDKK
Key figures					
Profit/loss					
Gross profit/loss	110.142	116.765	134.956	150.783	177.729
Profit/loss before financial income and expenses	1.246	2.020	97	-781	1.180
Net financials	1.154	1.558	1.342	1.153	1.019
Net profit/loss for the year	1.815	2.691	995	126	1.492
Balance sheet					
Balance sheet total	63.498	63.277	73.887	80.257	82.142
Equity	25.286	23.471	20.780	19.785	19.659
Investment in property, plant and equipment	95	1.366	1.546	600	4.062
Number of employees	227	248	288	321	376
Ratios					
Return on assets	2,0%	3,2%	0,1%	-1,0%	1,4%
Solvency ratio	39,8%	37,1%	28,1%	24,7%	23,9%
Return on equity	7,4%	12,2%	4,9%	0,6%	7,9%

For definitions, see under accounting policies.

Management's Review

Main activity

The Company's main activity comprises primarily national haulage contracting business with focus on temperature-controlled transportation of foodstuff.

Development in the year

The income statement of the Company for 2015 shows a profit of TDKK 1.815, and at 31 December 2015 the balance sheet of the Company shows equity of TDKK 25.286.

Development expectations

Also 2016 is expected to be challenging for both the transport industry and for Nagel Transport & Logistik ApS primarily due to fierce competition in the haulage contracting business.

We expect a profit for 2016.

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	2015 TDKK	2014 TDKK
Gross profit/loss		110.142	116.765
Staff expenses	1	-108.437	-113.945
Depreciation and impairment of property, plant and equipment		-433	-705
Other operating expenses		-26	-95
Profit/loss before financial income and expenses		1.246	2.020
Financial income	2	1.829	1.923
Financial expenses	3	-675	-365
Profit/loss before tax		2.400	3.578
Tax on profit/loss for the year	4	-585	-887
Net profit/loss for the year		1.815	2.691

Distribution of profit

Proposed distribution of profit

Retained earnings	1.815	2.691
	1.815	2.691

Balance Sheet at 31 December

Assets

	Note	2015 TDKK	2014 TDKK
Land		792	792
Other fixtures and fittings, tools and equipment		956	1.365
Property, plant and equipment	5	1.748	2.157
Fixed assets		1.748	2.157
Trade receivables		1.100	7
Receivables from group enterprises		57.689	60.001
Other receivables		1.132	202
Deferred tax asset		31	0
Prepayments		1.504	641
Receivables		61.456	60.851
Cash at bank and in hand		294	269
Currents assets		61.750	61.120
Assets		63.498	63.277

Balance Sheet at 31 December

Liabilities and equity

	Note	2015 TDKK	2014 TDKK
Share capital		2.200	2.200
Retained earnings		23.086	21.271
Equity	6	25.286	23.471
Provision for deferred tax		0	182
Provisions		0	182
Lease obligations		0	55
Trade payables		7.853	8.372
Payables to group enterprises		14.100	13.700
Corporation tax		797	955
Other payables		15.462	16.542
Short-term debt		38.212	39.624
Debt		38.212	39.624
Liabilities and equity		63.498	63.277
Contingent assets, liabilities and other financial obligations	7		
Related parties	8		

Notes to the Financial Statements

	2015 <u>TDKK</u>	2014 <u>TDKK</u>
1 Staff expenses		
Wages and salaries	97.495	101.803
Pensions	9.402	10.171
Other social security expenses	1.100	1.339
Other staff expenses	440	632
	<u>108.437</u>	<u>113.945</u>
Average number of employees	<u>227</u>	<u>248</u>
Including remuneration to the Executive and Supervisory Boards DKK 0.		
2 Financial income		
Interest received from group enterprises	1.829	1.906
Exchange gains	0	17
	<u>1.829</u>	<u>1.923</u>
3 Financial expenses		
Interest paid to group enterprises	618	286
Other financial expenses	1	79
Exchange loss	56	0
	<u>675</u>	<u>365</u>
4 Tax on profit/loss for the year		
Current tax for the year	797	955
Deferred tax for the year	-212	-68
	<u>585</u>	<u>887</u>

Notes to the Financial Statements

5 Property, plant and equipment

	Land TDKK	Other fixtures and fittings, tools and equipment TDKK
Cost at 1 January	792	5.081
Additions for the year	0	94
Disposals for the year	0	-822
Cost at 31 December	<u>792</u>	<u>4.353</u>
Revaluations at 1 January	0	0
Revaluations at 31 December	0	0
Impairment losses and depreciation at 1 January	0	3.716
Depreciation for the year	0	433
Reversal of impairment and depreciation of sold assets	0	-752
Impairment losses and depreciation at 31 December	0	<u>3.397</u>
Carrying amount at 31 December	<u>792</u>	<u>956</u>
Depreciated over		<u>3-10 years</u>

6 Equity

	Share capital TDKK	Retained earnings TDKK	Total TDKK
Equity at 1 January	2.200	21.271	23.471
Net profit/loss for the year	0	1.815	1.815
Equity at 31 December	<u>2.200</u>	<u>23.086</u>	<u>25.286</u>

The share capital consists of 2.200 shares of a nominal value of TDKK 1. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

Notes to the Financial Statements

	2015 TDKK	2014 TDKK
7 Contingent assets, liabilities and other financial obligations		
Rental agreements and leases		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	7.145	7.539
Between 1 and 5 years	6.941	7.090
	14.086	14.629

Security

The following assets have been placed as security with bankers:

Mortgages registered to the mortgagors totalling TDKK 35.600 on fixtures, fittings, tools and equipment with a total carrying amount of TDKK	115	115
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Contingent liabilities

The Danish group enterprises are jointly and severally liable for tax on the consolidated jointly taxed income etc. The total corporation tax payable is shown in the Annual Report of Andreas Andresen Holding ApS, which is the management company of the joint taxation. The Danish group enterprises are moreover jointly and severally liable for Danish withholding taxes. Any subsequent adjustments of corporation tax and withholding taxes may imply that the Company is liable for a higher amount.

Notes to the Financial Statements

8 Related parties

	Basis
Controlling interest	
Nagel Danmark A/S, Thorsvej 19, 6330 Padborg	Parent Company
Other related parties	
Nagel Logistik-Holding GmbH & Co KG, D33775 Versmold	Ultimate Parent Company

Consolidated Financial Statements

The Company is included in the Consolidated Annual Report of its immediate Parent Company Andreas Andresen Holding ApS, CVR-nr. 29 24 17 67.

Moreover, the Company is included in the Consolidated Annual Report of its ultimate Parent Company, Nagel Logistik-Holding GmbH & Co KG, D-33775 Versmold.

The Consolidated Annual Report of Andreas Holding ApS, CVR No 29 24 17 67, may be obtained at the following address:

Thorsvej 19
Frøslev
6330 Padborg

Accounting Policies

Basis of Preparation

Financial Statements of Nagel Transport & Logistik ApS for 2015 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

Financial Statements for 2015 are presented in TDKK.

Recognition and measurement

The Financial Statements have been prepared under the historical cost method.

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.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Danish kroner is used as the measurement currency. All other currencies are regarded as foreign currencies.

Accounting Policies

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.

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. Gains and losses 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.

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 transaction date rates 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 is recognised in the income statement when delivery and transfer of risk to the buyer have been made before year end.

Revenue is recognised exclusive of VAT and net of discounts relating to sales.

Direct freight expenses

Direct freight expenses comprise the transport costs etc. incurred to achieve revenue for the year.

Accounting Policies

Other external expenses

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

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

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

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the core activities of the enterprise, including gains and losses on the sale 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 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.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with Nagel Danmark A/S. Andreas Andresen Holding ApS is the management company under the joint taxation. The tax effect of the joint taxation with the subsidiaries is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses). The jointly taxed enterprises have adopted the on-account taxation scheme.

Balance Sheet

Property, plant and equipment

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

Accounting Policies

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	3-10	years
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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 insurance premiums etc.

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.

Accounting Policies

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

Loans, such as mortgage loans and loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

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

Cash Flow Statement

With reference to section 86 of the Danish Financial Statements Act, the cash flow statement has not been disclosed in the Annual Report.

Financial Highlights

Explanation of financial ratios

Return on assets	$\frac{\text{Profit before financials} \times 100}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets at year end}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$