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# ***Nagel Transport & Logistik ApS***

Thorsvej 19, Frøslev, DK-6330 Padborg

## **Annual Report for 1 January - 31 December 2017**

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CVR No 79 03 50 17

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
23/5 2018

Tobias Nagel  
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 2017.

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 2017 of the Company and of the results of the Company operations for 2017.

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, 23 May 2018

### **Executive Board**

Martin Ventker

Kim Hedegaard Sørensen

# Independent Auditor's Report

To the Shareholder of Nagel Transport & Logistik ApS

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Nagel Transport & Logistik ApS for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet, statement of changes in equity 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 Financials 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.
- 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

# Independent Auditor's Report

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,

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Jan Bunk Harbo Larsen

State Authorised Public Accountant

mne30224

Henrik Forthoft Lind

State Authorised Public Accountant

mne34169

## **Company Information**

### **The Company**

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

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E-mail: [dk.info@nagel-group.dk](mailto:dk.info@nagel-group.dk)  
Website: [www.nagel-group.dk](http://www.nagel-group.dk)

CVR No: 79 03 50 17  
Financial period: 1 January - 31 December  
Incorporated: 20 September 1985  
Financial year: 32nd financial year  
Municipality of reg. office: Aabenraa

### **Executive Board**

Martin Ventker  
Kim Hedegaard Sørensen

### **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:

	2017 TDKK	2016 TDKK	2015 TDKK	2014 TDKK	2013 TDKK
<b>Key figures</b>					
<b>Profit/loss</b>					
Gross profit/loss	46.504	104.802	110.142	116.765	134.956
Profit/loss before financial income and expenses	-38	255	1.246	2.020	97
Net financials	1.616	1.287	1.154	1.558	1.342
Net profit/loss for the year	1.238	1.192	1.815	2.691	995
<b>Balance sheet</b>					
Balance sheet total	47.369	60.056	63.498	63.277	73.887
Equity	27.716	26.478	25.286	23.471	20.780
Investment in property, plant and equipment	0	173	95	1.366	1.546
Number of employees	97	209	227	248	288
<b>Ratios</b>					
Return on assets	-0,1%	0,4%	2,0%	3,2%	0,1%
Solvency ratio	58,5%	44,1%	39,8%	37,1%	28,1%
Return on equity	4,6%	4,6%	7,4%	12,2%	4,9%

See the description 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 2017 shows a profit of TDKK 1,238, and at 31 December 2017 the balance sheet of the Company shows equity of TDKK 27,716.

## Development expectations

Also 2018 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 2018.

## 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	2017 TDKK	2016 TDKK
<b>Gross profit/loss</b>		<b>46.504</b>	<b>104.802</b>
Staff expenses	2	-46.264	-104.219
Depreciation and impairment of property, plant and equipment		-278	-292
Other operating expenses		0	-36
<b>Profit/loss before financial income and expenses</b>		<b>-38</b>	<b>255</b>
Financial income	3	1.820	1.822
Financial expenses	4	-204	-535
<b>Profit/loss before tax</b>		<b>1.578</b>	<b>1.542</b>
Tax on profit/loss for the year	5	-340	-350
<b>Net profit/loss for the year</b>		<b>1.238</b>	<b>1.192</b>

## Balance Sheet 31 December

### Assets

	Note	2017 TDKK	2016 TDKK
Land		792	792
Other fixtures and fittings, tools and equipment		591	868
<b>Property, plant and equipment</b>	6	<b>1.383</b>	<b>1.660</b>
<b>Fixed assets</b>		<b>1.383</b>	<b>1.660</b>
Trade receivables		5	0
Receivables from group enterprises		45.383	55.386
Other receivables		0	39
Deferred tax asset	7	78	0
Prepayments		12	761
<b>Receivables</b>		<b>45.478</b>	<b>56.186</b>
<b>Cash at bank and in hand</b>		<b>508</b>	<b>2.210</b>
<b>Currents assets</b>		<b>45.986</b>	<b>58.396</b>
<b>Assets</b>		<b>47.369</b>	<b>60.056</b>

# Balance Sheet 31 December

## Liabilities and equity

	Note	2017 TDKK	2016 TDKK
Share capital		2.200	2.200
Retained earnings		25.516	24.278
<b>Equity</b>		<b>27.716</b>	<b>26.478</b>
Provision for deferred tax	7	0	118
<b>Provisions</b>		<b>0</b>	<b>118</b>
Trade payables		1.513	8.789
Payables to group enterprises		11.891	8.278
Corporation tax		535	202
Other payables		5.714	16.191
<b>Short-term debt</b>		<b>19.653</b>	<b>33.460</b>
<b>Debt</b>		<b>19.653</b>	<b>33.460</b>
<b>Liabilities and equity</b>		<b>47.369</b>	<b>60.056</b>
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## Statement of Changes in Equity

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 January	2.200	24.278	26.478
Net profit/loss for the year	0	1.238	1.238
<b>Equity at 31 December</b>	<b>2.200</b>	<b>25.516</b>	<b>27.716</b>

# Notes to the Financial Statements

## 1 Subsequent events

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

	<u>2017</u> TDKK	<u>2016</u> TDKK
<b>2 Staff expenses</b>		
Wages and salaries	41.547	93.851
Pensions	3.846	8.825
Other social security expenses	460	1.045
Other staff expenses	411	498
	<u>46.264</u>	<u>104.219</u>
<b>Average number of employees</b>	<u>97</u>	<u>209</u>
<b>3 Financial income</b>		
Interest received from group enterprises	1.820	1.822
	<u>1.820</u>	<u>1.822</u>
<b>4 Financial expenses</b>		
Interest paid to group enterprises	181	582
Other financial expenses	9	2
Exchange loss	14	-49
	<u>204</u>	<u>535</u>
<b>5 Tax on profit/loss for the year</b>		
Current tax for the year	535	202
Deferred tax for the year	-195	148
	<u>340</u>	<u>350</u>

# Notes to the Financial Statements

## 6 Property, plant and equipment

	Land TDKK	Other fixtures and fittings, tools and equipment TDKK
Cost at 1 January	792	3.082
Disposals for the year	<u>0</u>	<u>-302</u>
Cost at 31 December	<u>792</u>	<u>2.780</u>
Impairment losses and depreciation at 1 January	0	2.214
Depreciation for the year	0	278
Reversal of impairment and depreciation of sold assets	<u>0</u>	<u>-303</u>
Impairment losses and depreciation at 31 December	<u>0</u>	<u>2.189</u>
<b>Carrying amount at 31 December</b>	<b><u>792</u></b>	<b><u>591</u></b>
Depreciated over		<u>3-10 years</u>

## 7 Deferred tax asset

Deferred tax asset at 1 January	-118	30
Amounts recognised in the income statement for the year	<u>195</u>	<u>-148</u>
<b>Deferred tax asset at 31 December</b>	<b><u>78</u></b>	<b><u>-118</u></b>

The recognised tax asset comprises temporary differences expected to be utilised within the next three to four years.

## 8 Distribution of profit

Retained earnings	<u>1.238</u>	<u>1.192</u>
	<b><u>1.238</u></b>	<b><u>1.192</u></b>

## Notes to the Financial Statements

	<u>2017</u> TDKK	<u>2016</u> TDKK
<b>9 Contingent assets, liabilities and other financial obligations</b>		
<b>Charges and security</b>		
The following assets have been placed as security with :		
Mortgages registered to the mortgagors and all monies mortgages totalling TDKK 360 on lands with a total carrying amount of	792	792
<b>Rental and lease obligations</b>		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	6.079	7.725
Between 1 and 5 years	7.691	13.698
	<u>13.770</u>	<u>21.423</u>

### Other 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

## 10 Related parties

	<u>Basis</u>
<b>Controlling interest</b>	
Nagel Danmark A/S, Thorsvej 19, 6330 Padborg	Immediate Parent Company
<b>Other related parties</b>	
Nagel-Group SE & Co. KG, D33775 Versmold	Ultimate Parent Company

### Consolidated Financial Statements

The company is included in the Consolidated Financial Statements of its immediate parent company Andreas Andresen Holding ApS, CVR No 29 24 17 67.

Moreover, the company is included in the Consolidated Financial Statements of its ultimate parent company, Nagel-Group SE & Co. KG.

<u>Name</u>	<u>Place of registered office</u>
Nagel-Group SE & Co. KG	D-33775 Versmold, Germany
Andreas Andresen Holding ApS	6330 Padborg, Denmark

The Group Annual Report of Nagel-Group SE & Co. KG may be obtained at the following address:

Friedrich-Menzefricke-Straße 6  
D-33775 Versmold  
Germany

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

Thorsvej 19  
Frøslev  
6330 Padborg  
Denmark

# Notes to the Financial Statements

## 11 Accounting Policies

The Annual Report of Nagel Transport & Logistik ApS for 2017 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.

The Financial Statements for 2017 are presented in TDKK.

### Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of Andreas Andresen Holding ApS, the Company has not prepared a cash flow statement.

### 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.

# Notes to the Financial Statements

## 11 Accounting Policies (continued)

### 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 alternative borrowing rate 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

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

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.

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

### 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.

# Notes to the Financial Statements

## 11 Accounting Policies (continued)

### Direct freight expenses

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

### Other external expenses

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

### Gross profit/loss

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

### 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 main activities of the Company, 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 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, Nagel Liller A/S and Andreas Andresen Holding ApS. Andreas Andresen Holding ApS is the management company under the joint taxation. The tax effect

# Notes to the Financial Statements

## 11 Accounting Policies (continued)

of the joint taxation with the subsidiaries is allocated to enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

## Balance Sheet

### 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      3-10    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.

### 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.

# Notes to the Financial Statements

## 11 Accounting Policies (continued)

Deferred tax assets 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 or in equity if the deferred tax relates to items recognised in equity.

### **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.

# Notes to the Financial Statements

## 11 Accounting Policies (continued)

### 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	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$