



**Scan Group A/S  
Central Business Registration No.  
81260311  
Snorresgade 18-20  
2300 Copenhagen S**

**Annual report 2015**

The Annual General Meeting adopted the annual report on 13.05.2016

**Chairman of the General Meeting**

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Name: John Hemming

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## **Entity details**

### **Entity**

Scan Group A/S  
Snorresgade 18-20  
2300 Copenhagen S

Central Business Registration No: 81260311

Registered in: Copenhagen

Financial year: 01.01.2015 - 31.12.2015

Phone: +4532668100

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Internet: [www.scan-group.com](http://www.scan-group.com)

### **Board of Directors**

Morten Jæpelt, Chairman

Arne Simonsen

Klaus H. Jepsen

Sune Simonsen

Ulrik Jespersen

### **Executive Board**

Arne Simonsen, Chief Executive Officer

Sune Simonsen

### **Entity auditors**

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

0900 Copenhagen C

## Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Scan Group A/S for the financial year 01.01.2015 - 31.12.2015.

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2015 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2015 - 31.12.2015.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 13.05.2016

### Executive Board

Arne Simonsen  
Chief Executive Officer

Sune Simonsen

### Board of Directors

Morten Jæpelt  
Chairman

Arne Simonsen

Klaus H. Jepsen

Sune Simonsen

Ulrik Jespersen

## **Independent auditor's reports**

### **To the owner of Scan Group A/S Report on the financial statements**

We have audited the consolidated financial statements and parent financial statements of Scan Group A/S for the financial year 01.01.2015 - 31.12.2015, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes for the Group as well as for the Parent and the consolidated cash flow statement. The consolidated financial statements and parent financial statements are prepared in accordance with the Danish Financial Statements Act.

#### **Management's responsibility for the consolidated financial statements and parent financial statements**

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent 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 consolidated financial statements and parent 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 about whether consolidated financial statements and parent financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and parent financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the consolidated financial statements and parent financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements and parent 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 entity'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 the overall presentation of the consolidated financial statements and parent 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 consolidated financial statements and parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2015, and of the results of their operations and the Group's cash flows for the financial year 01.01.2015 - 31.12.2015 in accordance with the Danish Financial Statements Act.

## **Independent auditor's reports**

### **Statement on the management commentary**

Pursuant to the Danish Financial Statements Act, we have read the management commentary. We have not performed any further procedures in addition to the audit of the consolidated financial statements and parent financial statement.

On this basis, it is our opinion that the information provided in the management commentary is consistent with the consolidated financial statements and parent financial statement.

Copenhagen, 13.05.2016

### **Deloitte**

Statsautoriseret Revisionspartnerselskab

Anders Kreiner

State Authorised Public Accountant

Christian Sanderhage

State Authorised Public Accountant

CVR-nr. 33963556

## Management commentary

	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>	<b>DKK'000</b>
<b>Financial high-lights</b>					
<b>Key figures</b>					
Revenue	4.405.495	5.786.136	6.570.753	6.731.206	6.307.986
Gross profit/loss	724.094	861.036	693.130	665.515	607.842
EBITDA	117.355	236.233	116.836	114.526	112.787
Operating profit/loss	91.064	209.868	90.951	89.559	88.398
Net financials	21.289	6.603	(9.786)	442	(6.326)
Profit/loss for the year	81.567	193.043	59.172	60.452	55.560
Total assets	1.452.696	1.397.345	1.341.941	1.318.784	1.166.999
Investments in property, plant and equipment	48.366	42.856	61.658	61.658	44.611
Equity	842.617	755.296	561.524	513.697	450.565
Employees in average	2.647	2.465	2.392	2.068	1.820
<b>Ratios</b>					
Gross margin (%)	16,4	14,9	10,5	9,9	9,6
Net margin (%)	1,9	3,3	0,9	0,9	0,9
Return on equity (%)	10,2	29,3	11,0	12,5	13,0
Equity ratio (%)	57,6	54,1	41,8	39,0	38,6

The number of employees represents the average number of employees in the controlled enterprises.

## **Management commentary**

### **Primary activities**

As in earlier years, the primary activity of the Group is international shipping services.

### **Development in activities and finances**

Profit for the year amounts to DKK 112,353 thousand before tax. Equity totals DKK 842,617 thousand at 31.12.2015.

The Board of Directors considers the performance for the year satisfactory given that the results in 2014 were better than provided for in the budget due to the sale of shares in an associated company.

The Group's revenue for 2015 has been reduced because of a heavy decline in the freight rates as well as the sale of shares in the above-mentioned associated company.

However, it should be noted that the development in the freight volumes has been positive in the past year, and that the Group's level of activity continues to move upwards.

In the financial year, the Group invested in several new subsidiaries, other shipping-related activities as well as land and buildings.

### **Outlook**

Positive results are expected in 2016.

### **Particular risks**

#### **Price risks**

The Group is to a wide extent dependent on the development in global shipping prices and in the USD exchange rate.

#### **Currency exposure**

Due to foreign activities results, cash flows and equity are affected by the exchange rate movements in a number of foreign currencies. Exchange rate adjustments of investments in subsidiaries are recognised directly in equity. It is not company policy to hedge the above risks by means of financial instruments as purchase and sale of shipping services to a wide extent take place in the same foreign currency.

#### **Interest rate exposure**

Reasonable changes in the interest level will have no material impact on the Group. Consequently, no agreements are made on hedging of interest rate exposure.



## Management commentary

### Consolidation

	<b>Share- holding %</b>
Scan-Shipping AB, Sweden	100
Scanway Shipping AS, Norway	100
OY Scan-Shipping AB, Finland	100
Scan-Shipping G.m.b.H., Germany	100
Scan-Group Agencies Sp.z.o.o, Poland	100
Scan-Shipping (Pte.) Ltd., Singapore	100
Scan-Shipping Hong Kong Ltd., Hong Kong	100
Scan-Shipping LLC, United Arab Emirates	100
Scan Group DMCC, United Arab Emirates	100
Scanway Shipping LLC, Russia	100
Shipco-Shipping Jylland A/S, Denmark	100
Scan-Shipping Italia SRL, Italy	100
Scan-Shipping Inc., USA	100
Scan-Shipping LLC, Ukraine	100
Scan-Shipping OU, Estonia	100
Shipco-Shipping AB, Sweden	100
Scan-Shipping SIA, Latvia	100
PT Scan-Shipping, Indonesia	100
Scan-Shipping (Shanghai) Ltd., China	100
Scan-Shipping Colombo (Pte.) Ltd., Sri Lanka	100
Expa-Services (Pte.) Ltd., Singapore	100
Seaway Shipping AS, Norway	100
Scan-Shipping AB, Sweden	100
Scanway Shipping Real Estate AB, Sweden	100
Scan Shipping d.o.o, Slovenia	100
Scan-Shipping (Thailand) Ltd., Thailand	100
Scan-Shipping (Turkey) Ltd., Turkey	100
Scan-Shipping Norway AS, Norway	100
Scan-Shipping srl., Romania	100
Scanway Shipping Property AB, Sweden	100
Scan-Shipping A/S, Denmark	100
Scan Real Estate AS, Norway	100
Shipco Transport Holding A/S, Denmark	100
SSNYC Inc., USA	100

## Management commentary

### Consolidation (continued)

	<b>Share- holding %</b>
Shipco Transport Inc., USA	100
Worldwide Alliance Inc., USA	100
International Cargo Terminals Inc., USA	100
Shipco Transport (Chile) S.A., Chile	100
Shipco Transport (HK) Ltd., Hong Kong	100
PT Shipco Transport Ltd., Indonesia	100
Shipco Transport (Japan) Ltd., Japan	100
Shipco Transport Pte. Ltd., Singapore	100
Shipco Transport (Thailand) Ltd., Thailand	100
Bangkok Resource Center Ltd., Thailand	100
Shipco Transport Sdn. Bhd., Malaysia	100
Shipco Transport (Philippines) Inc., Philippines	51
Shipco Transport DMCC, United Arab Emirates	100
Shipco Transport Sp.z.o.o., Poland	100
SSC Consolidation NV, Belgium	50
SSC Consolidation BV, the Netherlands	50
SSC Consolidation LLC, United Arab Emirates	50
Shipco Transport AB, Sweden	100
OY Shipco Transport AB, Finland	100
Shipco Transport AS, Norway	100
Shipco Transport BV, the Netherlands	100
Shipco Transport Eesti AS, Estonia	100
Shipco Transport GmbH, Germany	100
Shipco Transport Ltd., United Kingdom	100
Shipco Transport Ltd., Ireland	100
Shipco Transport NV, Belgium	100
Shipco Transport Denmark A/S, Denmark	100
Shipco Transport Ltd., Ukraine	100
Shipco Transport (Shanghai) Ltd, China	100
Shipco Transport SIA, Latvia	100
Shipco Transport UAB, Lithuania	100
Shipco Transport Vietnam Limited, Vietnam	51
Shipco Transport Istanbul, Turkey	100
Shipco Transport Taiwan Co Ltd., Taiwan	100
Shipco Transport, Sri Lanka	100

## Management commentary

### Consolidation (continued)

	<b>Share- holding %</b>
Shipco-Transport Bulgaria EOOD, Bulgaria	100
Shipco Transport Co. Ltd., Korea	51
Shipco Transport srl, Romania	100
Shipco Transport Ltd., New Zealand	51
Shipco Transport d.o.o, Slovenia	100
Shipco Transport LLC, Russia	100
Shipco Transport (Canada) Inc., Canada	100
Strait Air Transport A/S, Denmark	100
Strait Air Transport AB, Sweden	100
Strait Air Transport AS, Norway	100
Strait Air Transport Eesti AS, Estonia	100
OY Strait Air Transport AB, Finland	100
Simon's Golf A/S, Denmark	100
Nybovej 6 ApS, Denmark	100
Forward – Shipping A/S, Denmark	100
Scan Real Estate A/S, Denmark	100
Scan Real Estate France A/S, Denmark	100
Scan Real Estate Ltd., United Kingdom	100
SARL La Mess	100
S.R.E. A/S, Denmark	100
Fredensborg Vagt & Security ApS, Denmark	100
Scan Real Estate Properties A/S, Denmark	100
Scan Factory A/S, Denmark	100
Scan-Sailing Inc., USA	100
80 Washington Street, USA	100
Copenhagen Maritime Services ApS, Denmark	100
Scan-IT Holding A/S, Denmark	100
Scan-IT Pte. Ltd, Singapore	100
Shipco-IT (India) Private Limited, India	100
Scan-IT (Thailand) Pvt., Thailand	100

Some subsidiaries are not included in the group chart according to section 72(4) of the Danish Financial Statements Act.

## **Management commentary**

### **Statutory corporate social responsibility report according to section 99a of the Danish Financial Statements Act**

Please refer to the management commentary of the Parent.

### **Report on efforts made in relation to the underrepresented gender**

It is the policy of Scan Group A/S to secure the best professional competence possible at all levels in the Company. The members of Management are solely appointed based on their qualifications and not based on their gender. By doing so equal opportunities for both genders are secured provided that the candidates applying for the management positions possess the professional skills required.

### **Target figures for the Board of Directors**

At the time of presentation of the annual report, the Board of Directors at Scan Group A/S has no female members while the Parent, A.S. Scan Holding A/S, has three female board members out of eight board members corresponding to 37.5%.

Based on a specific assessment of the Company's situation, including the competences to be present at the Board of Directors, the target is to identify at least one female candidate for the Board of Directors at Scan Group A/S before 2017. This is considered an achievable and ambitious target figure.

### **Events after the balance sheet date**

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

## **Accounting policies**

### **Reporting class**

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

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

### **Recognition and measurement**

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

### **Consolidated financial statements**

The consolidated financial statements include Scan Group A/S (Parent) and subsidiaries in which Scan Group A/S either directly or indirectly holds more than 50% of the voting rights or in any other way have controlling influence. Jointly controlled entities are consolidated on a pro rata basis.

All entities, which are partly owned at present, are considered jointly controlled entities and have therefore been recognised on a pro rata basis.

### **Basis of consolidation**

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

## **Accounting policies**

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in the income statement and the balance sheet, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the takeover date, with net assets having been calculated at fair value.

### **Business combinations**

Newly acquired or newly established enterprises are recognised in the consolidated financial statements from the time of acquiring or establishing such enterprises. Divested or wound-up enterprises are recognised in the consolidated income statement up to the time of their divestment or winding-up.

The purchase method is applied at the acquisition of new enterprises, under which identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date. On acquisition of enterprises, provisions are made for costs relating to decided and published restructurings in the acquired enterprise. Allowance is made for the tax effect of restatements.

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognised under intangible assets, and they are amortised systematically over the income statement based on an individual assessment of their useful life, however, no more than 20 years. Negative differences in amount (negative goodwill), corresponding to an estimated adverse development in the relevant enterprises, are recognised in the balance sheet under deferred income, and they are recognised in the income statement when such adverse development is realised.

### **Profits or losses from divestment of equity investments**

Profits or losses from divestment or winding-up of subsidiaries are calculated as the difference between selling price or settlement price and the carrying amount of the net assets at the time of divestment or winding-up, inclusive of non-amortised goodwill and estimated divestment or winding-up expenses.

### **Foreign currency translation**

Foreign currency transactions are translated applying the exchange rates at the transaction date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date are recognised in the income statement as financial income or financial expenses.

Receivables, payables, and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated applying the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the balance sheet date and the one in effect at the time when the receivable or payable arose are recognised in the income statement as financial income or financial expenses.

## **Accounting policies**

If the foreign subsidiaries meet the criteria of independent entities, their income statements and balance sheets are translated applying the exchange rates at the balance sheet date. Exchange differences that arise from translation of foreign subsidiaries' equity at the beginning of the year, applying the exchange rates at the balance sheet date, are recognised directly in equity.

### **Income statement**

#### **Revenue**

Revenue is recognised in the income statement if delivery to the Group's cooperators has taken place before year-end and if the income can be computed reliably and receipt is expected. Revenue is recognised net of VAT, duties and sales discounts.

#### **Other operating income**

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including rental income and gains from the sale of intangible assets and property, plant and equipment, including gains from the sale of investments in associates etc.

#### **Cost of sales**

Costs relating to revenue are accrued according to the method of revenue recognition. Other costs relating to the financial year in terms of time are charged to the income statement.

#### **Other external expenses**

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write-downs of receivables recognised in current assets.

#### **Staff costs**

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

#### **Amortisation, depreciation and impairment losses**

Amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

#### **Other financial income**

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital gains on securities, payables and transactions

## Accounting policies

in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

### Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

### Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Company is jointly taxed with its Parent, A.S. Scan Holding A/S, and all of the Parent's other Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed companies proportionally to their taxable income (full allocation with a refund concerning tax losses).

## Balance sheet

### Goodwill

Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. The period of amortisation is usually five years.

The carrying amount of goodwill is assessed currently and written down to recoverable amount if the carrying amount exceeds the estimated future net income from the enterprise or activity to which the goodwill is related.

### Property, plant and equipment

Land and buildings, other fixtures and fittings, tools and equipment as well as leasehold improvements are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

The basis of depreciation is cost less estimated residual value after the end of useful life.

Cost comprises the acquisition price and costs directly attributable to the acquisition until the time when it is ready to be put into operation.

Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:



## Accounting policies

Buildings	15-50 years
Other fixtures and fittings, tools and equipment	3-10 years
Leasehold improvements	3-10 years

On initial recognition, lease contracts regarding property, plant and equipment in which the Company holds all material risks and advantages related to the ownership (finance leasing) are measured in the balance sheet at fair value or present value, if lower, of future lease payments. At the computation of present value, the internal interest rate of the lease contract or an approximate value is used as discount factor. Assets held under finance leases are then treated as the Company's other property, plant and equipment.

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

### Investments in group enterprises

#### *Income statement*

The Company's share of the subsidiaries' profits or losses after elimination of unrealised intra-group profits and losses and plus or minus amortisation of positive, or negative, goodwill is recognised in the income statement.

#### *Balance sheet*

Investments in subsidiaries are recognised in the balance sheet at the pro rata share of the enterprises' equity in accordance with the Parent's accounting policies plus or minus unrealised intra-group profits and losses and plus or minus the residual value of positive, or negative, goodwill calculated according to the purchase method.

Subsidiaries with negative equity are measured at zero value, and any receivable from these enterprises is written down by the Parent's share of such negative equity. If the negative equity exceeds the amounts receivable, the remaining amount is recognised under provisions if the Parent has a legal or constructive obligation to cover the negative balance of the relevant subsidiary.

Net revaluation of investments in subsidiaries is taken to reserve for net revaluation under the equity method if the carrying amount exceeds cost less amortisation of goodwill.

### Receivables

Receivables are measured at amortised cost, usually equalling nominal value. Provisions for bad debts are made at net realisable value.

### Other investments

Other investments recognised as fixed asset investments comprise listed securities which are measured at fair value (market price) at the balance sheet date. Unlisted securities etc are measured at estimated market value.

## Accounting policies

### Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

### Prepayments

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

### Other investments

Other investments recognised as current assets comprise listed securities and investments which are measured at fair value (market price) at the balance sheet date. Unlisted securities etc are measured at estimated market value.

### Cash

Cash comprises cash in hand and bank deposits.

### Other financial liabilities

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

### Income tax receivable or payable

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

### Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments as well as purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

## Accounting policies

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, inception of finance leases, instalments on interest-bearing debt, purchase of treasury shares, and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank debt.

## Segment information

Besides activities regarding rental, golf course and hotel operation, the Group's activities only comprise sea freight, shipping and logistics on the world market. Consequently, it is not relevant to provide further disclosures on business segments, just as it is not relevant to provide disclosures on geographical markets.

## Financial highlights

Financial highlights are defined and calculated in accordance with "Recommendations & Ratios 2015" issued by the Danish Society of Financial Analysts.

Ratios	Calculation formula	Ratios reflect
Gross margin (%)	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$	The Entity's operating gearing.
Net margin (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Revenue}}$	The Entity's operating profitability.
Return on equity (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$	The Entity's return on capital invested in the Entity by the owners.
Equity ratio (%)	$\frac{\text{Equity} \times 100}{\text{Total assets}}$	The financial strength of the Entity.

## Consolidated income statement for 2015

	<u>Notes</u>	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>
Revenue	1	4.405.495	5.786.136
Other operating income		0	150.438
Cost of sales		(3.426.488)	(4.800.836)
Other external expenses	4	<u>(254.913)</u>	<u>(274.702)</u>
<b>Gross profit/loss</b>		<b>724.094</b>	<b>861.036</b>
Staff costs	2	(606.739)	(624.803)
Depreciation, amortisation and impairment losses	3	<u>(26.291)</u>	<u>(26.365)</u>
<b>Operating profit/loss</b>		<b>91.064</b>	<b>209.868</b>
Other financial income	5	27.843	15.989
Other financial expenses	6	<u>(6.554)</u>	<u>(9.386)</u>
<b>Profit/loss from ordinary activities before tax</b>		<b>112.353</b>	<b>216.471</b>
Tax on profit/loss from ordinary activities	7	<u>(30.786)</u>	<u>(23.428)</u>
<b>Profit/loss for the year</b>		<b><u>81.567</u></b>	<b><u>193.043</u></b>
<b>Proposed distribution of profit/loss</b>			
Retained earnings		<u>81.567</u>	<u>193.043</u>
		<b><u>81.567</u></b>	<b><u>193.043</u></b>

## Consolidated balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>
Goodwill		451	589
<b>Intangible assets</b>	8	<u>451</u>	<u>589</u>
Land and buildings		302.828	278.226
Other fixtures and fittings, tools and equipment		58.807	54.806
Leasehold improvements		6.626	7.740
<b>Property, plant and equipment</b>	9	<u>368.261</u>	<u>340.772</u>
Other investments		6.421	4.478
Other receivables		11.360	10.483
<b>Fixed asset investments</b>	10	<u>17.781</u>	<u>14.961</u>
<b>Fixed assets</b>		<u>386.493</u>	<u>356.322</u>
Trade receivables		457.625	511.623
Receivables from group enterprises		2.924	1.859
Deferred tax assets	11	21.897	21.432
Other short-term receivables		59.825	38.803
<b>Receivables</b>		<u>542.271</u>	<u>573.717</u>
Other investments		57.417	38.992
<b>Other investments</b>		<u>57.417</u>	<u>38.992</u>
<b>Cash</b>		<u>466.515</u>	<u>428.314</u>
<b>Current assets</b>		<u>1.066.203</u>	<u>1.041.023</u>
<b>Assets</b>		<u>1.452.696</u>	<u>1.397.345</u>

**Consolidated balance sheet at 31.12.2015**

	<u>Notes</u>	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>
Contributed capital		3.000	3.000
Retained earnings		<u>839.617</u>	<u>752.296</u>
<b>Equity</b>		<b><u>842.617</u></b>	<b><u>755.296</u></b>
Provisions for deferred tax	11	<u>1.242</u>	<u>0</u>
<b>Provisions</b>		<b><u>1.242</u></b>	<b><u>0</u></b>
Other payables		<u>20.086</u>	<u>20.832</u>
<b>Non-current liabilities other than provisions</b>	12	<b><u>20.086</u></b>	<b><u>20.832</u></b>
Current portion of long-term liabilities other than provisions	12	1.839	1.830
Trade payables		487.919	548.063
Payables to group enterprises		0	1.670
Income tax payable		10.340	1.654
Other payables		<u>88.653</u>	<u>68.000</u>
<b>Current liabilities other than provisions</b>		<b><u>588.751</u></b>	<b><u>621.217</u></b>
<b>Liabilities other than provisions</b>		<b><u>608.837</u></b>	<b><u>642.049</u></b>
<b>Equity and liabilities</b>		<b><u><u>1.452.696</u></u></b>	<b><u><u>1.397.345</u></u></b>
Unrecognised rental and lease commitments	14		
Contingent liabilities	15		
Consolidation	16		

**Consolidated statement of changes in equity for 2015**

	<b>Contri- buted capi- tal DKK'000</b>	<b>Retained earnings DKK'000</b>	<b>Total DKK'000</b>
Equity beginning of year	3.000	752.296	755.296
Exchange rate adjustments	0	5.754	5.754
Profit/loss for the year	0	81.567	81.567
<b>Equity end of year</b>	<b>3.000</b>	<b>839.617</b>	<b>842.617</b>

## Consolidated cash flow statement for 2015

	<u>Notes</u>	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>
Operating profit/loss		91.064	209.868
Amortisation, depreciation and impairment losses		26.291	26.365
Working capital changes	13	<u>(17.106)</u>	<u>35.535</u>
<b>Cash flow from ordinary operating activities</b>		<b>100.249</b>	<b>271.768</b>
Financial income received		27.843	15.989
Financial income paid		(6.554)	(9.386)
Income taxes refunded/(paid)		<u>(21.338)</u>	<u>(23.975)</u>
<b>Cash flows from operating activities</b>		<b>100.200</b>	<b>254.396</b>
Acquisition etc of property, plant and equipment		(48.366)	(42.856)
Sale of property, plant and equipment		3.812	51.903
Acquisition of fixed asset investments		(2.477)	(6.967)
Sale of fixed asset investments		6.957	0
Acquisition of enterprises		<u>0</u>	<u>(693)</u>
<b>Cash flows from investing activities</b>		<b>(40.074)</b>	<b>1.387</b>
Instalments on loans etc		(1.830)	(49.496)
Dividend paid		<u>0</u>	<u>(3.000)</u>
<b>Cash flows from financing activities</b>		<b>(1.830)</b>	<b>(52.496)</b>
<b>Increase/decrease in cash and cash equivalents</b>		<b>58.296</b>	<b>203.287</b>
Cash and cash equivalents beginning of year		<u>465.636</u>	<u>262.349</u>
<b>Cash and cash equivalents end of year</b>		<b><u>523.932</u></b>	<b><u>465.636</u></b>
Cash and cash equivalents at year-end are composed of:			
Cash		466.515	428.314
Securities		57.417	38.992
Short-term debt to banks		<u>0</u>	<u>(1.670)</u>
<b>Cash and cash equivalents end of year</b>		<b><u>523.932</u></b>	<b><u>465.636</u></b>



## Notes to consolidated financial statements

	<b>2015</b> <b>DKK'000</b>	<b>2014</b> <b>DKK'000</b>
<b>1. Revenue</b>		
Shipping services	4.389.111	5.769.538
Rental income, golf course and hotel operation	16.384	16.598
	<b>4.405.495</b>	<b>5.786.136</b>
	<b>2015</b> <b>DKK'000</b>	<b>2014</b> <b>DKK'000</b>
<b>2. Staff costs</b>		
Wages and salaries	529.261	543.290
Pension costs	22.208	35.857
Other social security costs	55.270	45.656
	<b>606.739</b>	<b>624.803</b>
Average number of employees	<b>2.647</b>	<b>2.465</b>
	<b>Remune- ration of manage- ment 2015 DKK'000</b>	<b>Remune- ration of manage- ment 2014 DKK'000</b>
Executive Board	9.311	2.483
	<b>9.311</b>	<b>2.483</b>
	<b>2015</b> <b>DKK'000</b>	<b>2014</b> <b>DKK'000</b>
<b>3. Depreciation, amortisation and impairment losses</b>		
Amortisation of intangible assets	138	104
Depreciation of property, plant and equipment	26.153	26.261
	<b>26.291</b>	<b>26.365</b>
	<b>2015</b> <b>DKK'000</b>	<b>2014</b> <b>DKK'000</b>
<b>4. Fees to the auditor appointed by the Annual General Meeting</b>		
Statutory audit services	5.412	4.880
Other assurance engagements	194	241
Tax services	657	1.332
Other services	1.033	608
	<b>7.296</b>	<b>7.061</b>

## Notes to consolidated financial statements

	<b>2015</b>	<b>2014</b>
	<b>DKK'000</b>	<b>DKK'000</b>
<b>5. Other financial income</b>		
Financial income arising from group enterprises	70	84
Other financial income	<u>27.773</u>	<u>15.905</u>
	<b><u>27.843</u></b>	<b><u>15.989</u></b>
	<b>2015</b>	<b>2014</b>
	<b>DKK'000</b>	<b>DKK'000</b>
<b>6. Other financial expenses</b>		
Other financial expenses	<u>6.554</u>	<u>9.386</u>
	<b><u>6.554</u></b>	<b><u>9.386</u></b>
	<b>2015</b>	<b>2014</b>
	<b>DKK'000</b>	<b>DKK'000</b>
<b>7. Tax on profit/loss from ordinary activities</b>		
Tax on current year taxable income	33.003	30.987
Change in deferred tax for the year	763	(6.505)
Adjustment concerning previous years	<u>(2.980)</u>	<u>(1.054)</u>
	<b><u>30.786</u></b>	<b><u>23.428</u></b>
		<b><u>Goodwill</u></b>
		<b><u>DKK'000</u></b>
<b>8. Intangible assets</b>		
Cost beginning of year		<u>6.413</u>
<b>Cost end of year</b>		<b><u>6.413</u></b>
Amortisation and impairment losses beginning of year		(5.824)
Amortisation for the year		<u>(138)</u>
<b>Amortisation and impairment losses end of year</b>		<b><u>(5.962)</u></b>
<b>Carrying amount end of year</b>		<b><u>451</u></b>

## Notes to consolidated financial statements

	<b>Land and buildings DKK'000</b>	<b>Other fix- tures and fittings, tools and equipment DKK'000</b>	<b>Leasehold improve- ments DKK'000</b>
<b>9. Property, plant and equipment</b>			
Cost beginning of year	342.912	143.128	18.370
Exchange rate adjustments	5.107	8.870	205
Additions	26.111	22.168	87
Disposals	0	(15.447)	(700)
<b>Cost end of year</b>	<b>374.130</b>	<b>158.719</b>	<b>17.962</b>
Depreciation and impairment losses beginning of the year	(64.686)	(88.322)	(10.630)
Exchange rate adjustments	(270)	(4.688)	(136)
Depreciation for the year	(6.346)	(19.125)	(682)
Reversal regarding disposals	0	12.223	112
<b>Depreciation and impairment losses end of the year</b>	<b>(71.302)</b>	<b>(99.912)</b>	<b>(11.336)</b>
<b>Carrying amount end of year</b>	<b>302.828</b>	<b>58.807</b>	<b>6.626</b>

	<b>Other invest- ments DKK'000</b>	<b>Other recei- vables DKK'000</b>
<b>10. Fixed asset investments</b>		
Cost beginning of year	1.151	10.483
Exchange rate adjustments	0	879
Additions	1.035	2.477
Disposals	0	(2.479)
<b>Cost end of year</b>	<b>2.186</b>	<b>11.360</b>
Revaluations beginning of year	3.327	0
Revaluations	908	0
<b>Revaluations end of year</b>	<b>4.235</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>6.421</b>	<b>11.360</b>

## 11. Deferred tax

Deferred tax consists of balances on fixed assets, trade receivables etc and tax loss carryforwards.

## Notes to consolidated financial statements

	<b>Instalments within 12 months 2015 DKK'000</b>	<b>Instalments within 12 months 2014 DKK'000</b>	<b>Instalments beyond 12 months 2015 DKK'000</b>
<b>12. Long-term liabilities other than provisions</b>			
Other payables	1.839	1.830	20.086
	<b>1.839</b>	<b>1.830</b>	<b>20.086</b>
<b>13. Change in working capital</b>			
Increase/decrease in receivables		8.085	119.024
Increase/decrease in trade payables etc		(25.191)	(83.489)
		<b>(17.106)</b>	<b>35.535</b>
<b>14. Unrecognised rental and lease commitments</b>			
Commitments under rental agreements or leases until expiry		<b>68.320</b>	<b>53.369</b>
<b>15. Contingent liabilities</b>			
Recourse and non-recourse guarantee commitments		4.811	5.879
<b>Contingent liabilities</b>		<b>4.811</b>	<b>5.879</b>

The Company participates in a Danish joint taxation arrangement in which A.S. Scan Holding A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore jointly and severally liable as of the financial year 2013 with the other jointly taxed companies for income taxes etc for the jointly taxed companies, and as of 01.07.2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for the jointly taxed companies. The jointly taxed companies' total known net liability in the joint taxation arrangement is stated in the financial statements of the administration company.

## 16. Consolidation

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

A.S. Scan Holding A/S, Snorresgade 18-20, 2300 Copenhagen S

## Parent income statement for 2015

	<u>Notes</u>	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>
Revenue		2.122	1.794
Other operating income		21.498	184.519
Cost of sales		(301)	(765)
Other external expenses	3	<u>(19.226)</u>	<u>(21.926)</u>
<b>Gross profit/loss</b>		<b>4.093</b>	<b>163.622</b>
Staff costs	1	(28.955)	(45.687)
Depreciation, amortisation and impairment losses	2	<u>(2.323)</u>	<u>(1.952)</u>
<b>Operating profit/loss</b>		<b>(27.185)</b>	<b>115.983</b>
Income from investments in group enterprises		83.010	37.505
Income from investments in associates		3.474	25.954
Other financial income	4	20.261	9.148
Other financial expenses	5	<u>(1.363)</u>	<u>(1.129)</u>
<b>Profit/loss from ordinary activities before tax</b>		<b>78.197</b>	<b>187.461</b>
Tax on profit/loss from ordinary activities	6	<u>3.370</u>	<u>5.582</u>
<b>Profit/loss for the year</b>		<b><u>81.567</u></b>	<b><u>193.043</u></b>
<b>Proposed distribution of profit/loss</b>			
Reserve for net revaluation according to the equity method		79.917	63.672
Retained earnings		<u>1.650</u>	<u>129.371</u>
		<b><u>81.567</u></b>	<b><u>193.043</u></b>

**Parent balance sheet at 31.12.2015**

	<u>Notes</u>	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>
Land and buildings		42.950	37.258
Other fixtures and fittings, tools and equipment		18.851	17.708
<b>Property, plant and equipment</b>	7	<b>61.801</b>	<b>54.966</b>
Investments in group enterprises		401.381	318.747
Investments in associates		7.657	9.404
Other receivables		211	211
<b>Fixed asset investments</b>	8	<b>409.249</b>	<b>328.362</b>
<b>Fixed assets</b>		<b>471.050</b>	<b>383.328</b>
Trade receivables		1.122	365
Receivables from group enterprises		219.153	193.297
Receivables from associates		0	41
Deferred tax assets	9	6.233	6.545
Other short-term receivables		274	1.336
Prepayments	10	379	0
<b>Receivables</b>		<b>227.161</b>	<b>201.584</b>
Other investments		51.126	38.992
<b>Other investments</b>		<b>51.126</b>	<b>38.992</b>
<b>Cash</b>		<b>115.107</b>	<b>170.126</b>
<b>Current assets</b>		<b>393.394</b>	<b>410.702</b>
<b>Assets</b>		<b>864.444</b>	<b>794.030</b>

**Parent balance sheet at 31.12.2015**

	<u>Notes</u>	<u>2015 DKK'000</u>	<u>2014 DKK'000</u>
Contributed capital	11	3.000	3.000
Reserve for net revaluation according to the equity method		151.094	65.423
Retained earnings		<u>688.523</u>	<u>686.873</u>
<b>Equity</b>		<u><b>842.617</b></u>	<u><b>755.296</b></u>
Provisions for investments in group enterprises	12	<u>0</u>	<u>211</u>
<b>Provisions</b>		<u><b>0</b></u>	<u><b>211</b></u>
Trade payables		1.229	1.660
Payables to group enterprises		1.214	1.111
Other payables		<u>19.384</u>	<u>35.752</u>
<b>Current liabilities other than provisions</b>		<u><b>21.827</b></u>	<u><b>38.523</b></u>
<b>Liabilities other than provisions</b>		<u><b>21.827</b></u>	<u><b>38.523</b></u>
<b>Equity and liabilities</b>		<u><u><b>864.444</b></u></u>	<u><u><b>794.030</b></u></u>
Unrecognised rental and lease commitments	13		
Contingent liabilities	14		
Related parties with controlling interest	15		
Ownership	16		

**Parent statement of changes in equity for 2015**

	<b>Contributed capital DKK'000</b>	<b>Reserve for net revalua- tion accor- ding to the equity me- thod DKK'000</b>	<b>Retained earnings DKK'000</b>	<b>Total DKK'000</b>
Equity beginning of year	3.000	65.423	686.873	755.296
Exchange rate adjustments	0	5.754	0	5.754
Profit/loss for the year	0	79.917	1.650	81.567
<b>Equity end of year</b>	<b>3.000</b>	<b>151.094</b>	<b>688.523</b>	<b>842.617</b>



## Notes to parent financial statements

	<b>2015</b> <b>DKK'000</b>	<b>2014</b> <b>DKK'000</b>
<b>1. Staff costs</b>		
Wages and salaries	27.756	44.527
Pension costs	1.030	975
Other social security costs	169	185
	<b>28.955</b>	<b>45.687</b>
Average number of employees	<b>37</b>	<b>34</b>
	<b>Remune- ration of manage- ment 2015 DKK'000</b>	<b>Remune- ration of manage- ment 2014 DKK'000</b>
Executive Board	9.311	2.483
	<b>9.311</b>	<b>2.483</b>
	<b>2015</b> <b>DKK'000</b>	<b>2014</b> <b>DKK'000</b>
<b>2. Depreciation, amortisation and impairment losses</b>		
Depreciation of property, plant and equipment	2.323	1.952
	<b>2.323</b>	<b>1.952</b>
	<b>2015</b> <b>DKK'000</b>	<b>2014</b> <b>DKK'000</b>
<b>3. Fees to the auditor appointed by the Annual General Meeting</b>		
Statutory audit services	356	370
Tax services	50	28
Other services	422	530
	<b>828</b>	<b>928</b>
	<b>2015</b> <b>DKK'000</b>	<b>2014</b> <b>DKK'000</b>
<b>4. Other financial income</b>		
Financial income arising from group enterprises	1.335	1.477
Other financial income	18.926	7.671
	<b>20.261</b>	<b>9.148</b>

## Notes to parent financial statements

	<b>2015</b> <b>DKK'000</b>	<b>2014</b> <b>DKK'000</b>
<b>5. Other financial expenses</b>		
Financial expenses from group enterprises	1	18
Other financial expenses	1.362	1.111
	<b>1.363</b>	<b>1.129</b>
	<b>2015</b> <b>DKK'000</b>	<b>2014</b> <b>DKK'000</b>
<b>6. Tax on profit/loss from ordinary activities</b>		
Tax on current year taxable income	0	853
Change in deferred tax for the year	(3.552)	(6.972)
Adjustment concerning previous years	31	537
Effect of changed tax rates	151	0
	<b>(3.370)</b>	<b>(5.582)</b>
	<b>Land and buildings DKK'000</b>	<b>Other fix- tures and fittings, tools and equipment DKK'000</b>
<b>7. Property, plant and equipment</b>		
Cost beginning of year	47.619	29.656
Additions	6.485	2.785
Disposals	0	(175)
<b>Cost end of year</b>	<b>54.104</b>	<b>32.266</b>
Depreciation and impairment losses beginning of the year	(10.361)	(11.948)
Depreciation for the year	(793)	(1.530)
Reversal regarding disposals	0	63
<b>Depreciation and impairment losses end of the year</b>	<b>(11.154)</b>	<b>(13.415)</b>
<b>Carrying amount end of year</b>	<b>42.950</b>	<b>18.851</b>

## Notes to parent financial statements

	<b>Investments in group enterprises DKK'000</b>	<b>Investments in associates DKK'000</b>	<b>Other recei- vables DKK'000</b>
<b>8. Fixed asset investments</b>			
Cost beginning of year	254.644	1.630	211
Transfer to and from other items	(1.341)	1.341	0
Additions	2.000	220	0
Disposals	(550)	0	0
<b>Cost end of year</b>	<b>254.753</b>	<b>3.191</b>	<b>211</b>
Revaluations beginning of year	64.103	7.774	0
Exchange rate adjustments	5.760	(6)	0
Share of profit/loss for the year	83.010	3.474	0
Dividend	(6.500)	(6.617)	0
Other adjustments	255	(159)	0
<b>Revaluations end of year</b>	<b>146.628</b>	<b>4.466</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>401.381</b>	<b>7.657</b>	<b>211</b>

Goodwill on consolidation amounts to DKK 451 thousand at year-end.

Accumulated investments with negative equity depreciated over receivables at year-end amount to DKK 6,761 thousand.

## 9. Deferred tax

Deferred tax consists of balances on fixed assets, trade receivables etc and tax loss carryforwards.

## 10. Prepayments

Prepayments comprise various prepaid expenses. Prepayments are measured at cost.

	<b>Number</b>	<b>Par value DKK'000</b>	<b>Nominal value DKK'000</b>
<b>11. Contributed capital</b>			
A shares	300	1	300
B shares	2.700	1	2.700
	<b>3.000</b>		<b>3.000</b>

A shares, nominal value of DKK 300,000 including ten voting rights

B shares, nominal value of DKK 2,700,000 including one voting right

## 12. Provisions for investments in group enterprises

Provision for investments in group enterprises relates to group enterprises with negative equity.

## Notes to parent financial statements

	<b>2015</b>	<b>2014</b>
	<b>DKK'000</b>	<b>DKK'000</b>
<b>13. Unrecognised rental and lease commitments</b>		
Commitments under rental agreements or leases until expiry	<u>2.782</u>	<u>2.785</u>
	<b>2015</b>	<b>2014</b>
	<b>DKK'000</b>	<b>DKK'000</b>
<b>14. Contingent liabilities</b>		
Recourse guarantee commitments related to Parent and fellow subsidiaries	<u>24.247</u>	<u>17.188</u>
<b>Contingent liabilities related to Parent and fellow subsidiaries</b>	<u><b>24.247</b></u>	<u><b>17.188</b></u>

The Parent has issued letters of support to a number of its subsidiaries.

The Company participates in a Danish joint taxation arrangement in which A.S. Scan Holding A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore jointly and severally liable as of the financial year 2013 with the other jointly taxed companies for income taxes etc for the jointly taxed companies, and as of 01.07.2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for the jointly taxed companies. The jointly taxed companies' total known net liability in the joint taxation arrangement is stated in the financial statements of the administration company.

## 15. Related parties with controlling interest

Related parties with a controlling interest in Scan Group A/S:

- A.S. Scan Holding A/S, Snorresgade 18-20, 2300 Copenhagen S, Parent

## 16. Ownership

The Company has registered the following shareholder to hold more than 5% of the voting share capital or of the nominal value of the share capital:

- A.S. Scan Holding A/S, Snorresgade 18-20, 2300 Copenhagen S, 100%