
Stena RoRo A/S

Færgehavnsvej 10, DK-9000 Frederikshavn

Annual Report for 1 January - 31 December 2016

CVR No 36 08 78 70

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
19/4 2017

Carl Anders Bäckelin
Chairman



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Stena RoRo A/S for the financial year 1 January - 31 December 2016.

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 2016 of the Company and of the results of the Company operations for 2016.

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

Frederikshavn, 19 April 2017

Executive Board

Olof Johannes Berndtsson

Board of Directors

Carl Anders Bäckelin
Chairman

Olof Johannes Berndtsson

Angela Jenhed

Independent Auditor's Report

To the Shareholder of Stena RoRo A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2016 and of the results of the Company operations for the financial year 1 January - 31 December 2016 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Stena RoRo A/S for the financial year 1 January - 31 December 2016, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies ("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.

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.

Independent Auditor's Report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the 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.

Aalborg, 19 April 2017

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Marianne Fog Jørgensen

State Authorised Public Accountant

Company Information

The Company

Stena RoRo A/S
Færgehavnsvej 10
DK-9000 Frederikshavn

CVR No: 36 08 78 70
Financial period: 1 January - 31 December
Financial year: 2nd financial year
Municipality of reg. office: Frederikshavn

Board of Directors

Carl Anders Bäckelin , Chairman
Olof Johannes Berndtsson
Angela Jenhed

Executive Board

Olof Johannes Berndtsson

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Skelagervej 1A
DK-9000 Aalborg

Income Statement 1 January - 31 December

	Note	2016 EUR	2014/15 (16 months) EUR
Gross profit/loss		592.656	-224.538
Staff expenses	2	-148.575	-86.440
Profit/loss before financial income and expenses		444.081	-310.978
Financial income	3	1.909	3.790
Financial expenses	4	-17.825	-13.091
Profit/loss before tax		428.165	-320.279
Tax on profit/loss for the year	5	-225.234	-16.517
Net profit/loss for the year		202.931	-336.796

Distribution of profit

Proposed distribution of profit

Retained earnings	202.931	-336.796
	202.931	-336.796

Balance Sheet 31 December

	Note	2016 EUR	2015 EUR
Assets			
Inventories		0	198.108
Trade receivables		155.703	2.720
Receivables from group enterprises		647.802	830.619
Other receivables		840.405	791.139
Corporation tax		31.583	0
Prepayments		34.416	49.062
Receivables		1.709.909	1.673.540
Cash at bank and in hand		569.788	440.331
Currents assets		2.279.697	2.311.979
Assets		2.279.697	2.311.979
Liabilities and equity			
Share capital		69.000	69.000
Retained earnings		266.135	63.204
Equity	6	335.135	132.204
Credit institutions		934.253	12.892
Prepayments received from customers		114.100	245.700
Trade payables		0	1.457.613
Payables to group enterprises		784.696	9.551
Corporation tax		3.591	16.517
Other payables		107.922	437.502
Short-term debt		1.944.562	2.179.775
Debt		1.944.562	2.179.775
Liabilities and equity		2.279.697	2.311.979
Main activity	1		
Contingent assets, liabilities and other financial obligations	7		
Related parties	8		

Notes to the Financial Statements

1 Main activity

The objects for which the Company is established are to engage in shipping and other activities related thereto as decided by the Board of Directors.

	2016 EUR	2014/15 (16 months) EUR
2 Staff expenses		
Wages and salaries	114.051	43.472
Pensions	17.942	23.065
Other staff expenses	16.582	19.903
	148.575	86.440
Average number of employees	2	2
3 Financial income		
Other financial income	1.909	3.790
	1.909	3.790
4 Financial expenses		
Other financial expenses	24.092	7.785
Exchange loss	-6.267	5.306
	17.825	13.091
5 Tax on profit/loss for the year		
Current tax for the year	225.234	16.517
	225.234	16.517

Notes to the Financial Statements

6 Equity

	Share capital	Retained earnings	Total
	EUR	EUR	EUR
Equity at 1 January	69.000	63.204	132.204
Net profit/loss for the year	0	202.931	202.931
Equity at 31 December	69.000	266.135	335.135

The share capital consists of 69,000 shares of a nominal value of EUR 1. No shares carry any special rights.

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

7 Contingent assets, liabilities and other financial obligations

Contingent liabilities

Unrecognised tax liabilities exist concerning any later secession of the tonnage tax regime or upon disposal of ferries without new investments. The Company has no intention to secede from the arrangement.

The Danish group enterprises are jointly and severally liable for tax on the jointly taxed income of the Group and for Danish taxes at source such as dividend tax, tax on royalty payments and withholding tax.

8 Related parties

Ownership

The following shareholder is recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Stena Rederi AB, Göteborg Sweden

Notes, Accounting Policies

Basis of Preparation

The Annual Report of Stena RoRo A/S for 2016 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

Financial Statements for 2016 are presented in EUR.

Recognition and measurement

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.

Translation policies

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. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

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.

Notes, Accounting Policies

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 from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Other external expenses

Other external expenses comprise indirect production costs and 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 other than production wages.

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 changes in 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.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Notes, Accounting Policies

Balance Sheet

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected sales sum.

The cost of goods for resale, raw materials and consumables equals landed cost.

Receivables

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

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.

Notes, 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

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