

**AA Holding Århus ApS**  
Nordre Villavej 4  
7100 Vejle  
Central Business Registration  
No 34884463

## **Annual report 2016**

The Annual General Meeting adopted the annual report on 19.06.2017

### **Chairman of the General Meeting**

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Name: Anders Andersen

## Contents

	<b><u>Page</u></b>
Entity details	1
Statement by Management on the annual report	2
Independent auditor's report	3
Management commentary	6
Consolidated income statement for 2016	8
Consolidated balance sheet at 31.12.2016	9
Consolidated statement of changes in equity for 2016	11
Consolidated cash flow statement for 2016	12
Notes to consolidated financial statements	13
Parent income statement for 2016	18
Parent balance sheet at 31.12.2016	19
Parent statement of changes in equity for 2016	21
Notes to parent financial statements	22
Accounting policies	24

## Entity details

### Entity

AA Holding Århus ApS  
Nordre Villavej 4  
7100 Vejle

Central Business Registration No: 34884463  
Registered in: Vejle  
Financial year: 01.01.2016 - 31.12.2016

### Executive Board

Anders Andersen

### Auditors

Deloitte Statsautoriseret Revisionspartnerselskab  
City Tower, Værkmestergade 2  
8000 Aarhus C

## Statement by Management on the annual report

The Executive Board have today considered and approved the annual report of AA Holding Århus ApS for the financial year 01.01.2016 - 31.12.2016.

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

In my opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2016 and of the results of its operations and cash flows for the financial year 01.01.2016 - 31.12.2016.

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

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

Vejle, 19.06.2017

**Executive Board**

Anders Andersen

# Independent auditor's report

## To the shareholders of AA Holding Århus ApS

### Opinion

We have audited the consolidated financial statements and the parent financial statements of AA Holding Århus ApS for the financial year 01.01.2016 - 31.12.2016, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared 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 31.12.2016, and of the results of their operations and the consolidated cash flows for the financial year 01.01.2016 - 31.12.2016 in accordance with the Danish Financial Statements Act.

### 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 consolidated financial statements and the parent financial statements section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board of 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 consolidated financial statements and the 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.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Group or the Entity or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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

## Independent auditor's report

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 consolidated financial statements and parent 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 consolidated financial statements and the parent 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 Group's and the Entity'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 consolidated financial statements and the parent 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 Group's and the Entity'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 consolidated financial statements and the parent 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 Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

## Independent auditor's report

### Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Aarhus, 19.06.2017

### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
Central Business Registration No: 33963556

Lars Andersen  
State Authorised Public Accountant

## Management commentary

	<b>2016</b> <b>DKK'000</b>	<b>2015</b> <b>DKK'000</b>
<b>Financial highlights</b>		
<b>Key figures</b>		
Gross profit	11.574	6.919
Operating profit/loss	1.600	(1.857)
Net financials	(1.011)	(708)
Profit/loss for the year	345	(2.348)
Total assets	38.335	40.648
Investments in property, plant and equipment	582	4.728
Equity incl minority interests	1.260	1.089
Cash flows from (used in) operating activities	(1.651)	1.045
Cash flows from (used in) investing activities	5	(4.469)
Cash flows from (used in) financing activities	(457)	2.336
<b>Ratios</b>		
Return on equity (%)	29,4	(215,7)
Equity ratio (%)	3,3	2,7

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

<b>Ratios</b>	<b>Calculation formula</b>	<b>Ratios</b>
Return on equity (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity incl minority interests}}$	The entity's return on capital invested in the entity by the owners.
Equity ratio (%)	$\frac{\text{Equity incl minority interests} \times 100}{\text{Total assets}}$	The financial strength of the entity.

## Management commentary

### Primary activities

The company's primary activity consists of holding shares in the other company.

The Group's primary activity consists of shipping and haulage business with focus on Southern Europe markets.

### Development in activities and finances

Profit for the year for the group was a profit after tax of DKK 344.897. The year's result is considered unsatisfactory.

The result has been affected by falling freight rates in the latter half of the year as well as a number of nonrecurring expenses.

### Outlook

Management continuously seeks to adjust the current cost level to the given circumstances, so management expects a positive result for 2017, which is better than this year's result.

### Material assumptions and uncertainties

The financial statements are not based on any special assumptions or uncertainties.

### Particular risks

The Group is not affected by risks that are significantly different from those usual for the transport and shipping industry in general.

### Environmental performance

The Group, however, does what it can to reduce emissions.

### Research and development activities

The Company has no special development activities.

### 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.

## Consolidated income statement for 2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK</u>
<b>Gross profit</b>		<b>11.574.393</b>	<b>6.918.930</b>
Staff costs	1	(8.812.331)	(7.158.676)
Depreciation, amortisation and impairment losses	2	(1.161.959)	(1.617.412)
<b>Operating profit/loss</b>		<b>1.600.103</b>	<b>(1.857.158)</b>
Income from investments in associates		28	0
Other financial income	3	559.899	219.977
Other financial expenses	4	(1.570.604)	(927.762)
<b>Profit/loss before tax</b>		<b>589.426</b>	<b>(2.564.943)</b>
Tax on profit/loss for the year	5	(244.529)	216.445
<b>Profit/loss for the year</b>	6	<b>344.897</b>	<b>(2.348.498)</b>

## Consolidated balance sheet at 31.12.2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK</u>
Goodwill		20.000	40.000
<b>Intangible assets</b>	7	<b>20.000</b>	<b>40.000</b>
Land and buildings		1.415.625	1.441.750
Other fixtures and fittings, tools and equipment		2.497.083	3.045.761
<b>Property, plant and equipment</b>	8	<b>3.912.708</b>	<b>4.487.511</b>
Investments in associates		0	226.878
Deposits		476.908	540.704
Other receivables		1.610.460	2.133.620
<b>Fixed asset investments</b>	9	<b>2.087.368</b>	<b>2.901.202</b>
<b>Fixed assets</b>		<b>6.020.076</b>	<b>7.428.713</b>
Trade receivables		29.380.109	30.687.777
Deferred tax	10	432.700	529.298
Other receivables		516.716	224.644
Income tax receivable		0	92.000
Prepayments		1.106.019	388.103
<b>Receivables</b>		<b>31.435.544</b>	<b>31.921.822</b>
<b>Cash</b>		<b>879.661</b>	<b>1.297.733</b>
<b>Current assets</b>		<b>32.315.205</b>	<b>33.219.555</b>
<b>Assets</b>		<b>38.335.281</b>	<b>40.648.268</b>

## Consolidated balance sheet at 31.12.2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK</u>
Contributed capital		80.000	80.000
Retained earnings		834.573	624.782
Proposed dividend		51.700	50.600
<b>Equity attributable to the Parent's owners</b>		<b>966.273</b>	<b>755.382</b>
<b>Share of equity attributable to minority interests</b>		<b>293.996</b>	<b>333.327</b>
<b>Equity</b>		<b>1.260.269</b>	<b>1.088.709</b>
Mortgage debts		517.867	0
Finance lease liabilities		403.327	1.741.335
<b>Non-current liabilities other than provisions</b>	11	<b>921.194</b>	<b>1.741.335</b>
Current portion of long-term liabilities other than provisions	11	1.518.016	1.104.662
Bank loans		5.175.905	3.490.299
Deposits		4.680	0
Prepayments received from customers		5.500	0
Trade payables		25.359.227	25.242.378
Payables to shareholders and management		8.844	50.336
Income tax payable		662.554	919.177
Other payables	12	3.419.092	7.011.371
<b>Current liabilities other than provisions</b>		<b>36.153.818</b>	<b>37.818.223</b>
<b>Liabilities other than provisions</b>		<b>37.075.012</b>	<b>39.559.558</b>
<b>Equity and liabilities</b>		<b>38.335.281</b>	<b>40.648.267</b>
Unrecognised rental and lease commitments	14		
Mortgages and securities	15		
Group relations	16		
Subsidiaries	17		

## Consolidated statement of changes in equity for 2016

	<b>Contributed capital DKK</b>	<b>Retained earnings DKK</b>	<b>Proposed dividend DKK</b>	<b>Share of equity attributable to minority interests DKK</b>
Equity beginning of year	80.000	624.783	50.600	333.327
Effect of divestments of entities etc	0	0	0	(158.857)
Ordinary dividend paid	0	0	(50.600)	0
Exchange rate adjustments	0	25.981	0	0
Profit/loss for the year	0	183.809	51.700	119.526
<b>Equity end of year</b>	<b>80.000</b>	<b>834.573</b>	<b>51.700</b>	<b>293.996</b>
				<b>Total DKK</b>
Equity beginning of year				1.088.710
Effect of divestments of entities etc				(158.857)
Ordinary dividend paid				(50.600)
Exchange rate adjustments				25.981
Profit/loss for the year				355.035
<b>Equity end of year</b>				<b>1.260.269</b>

## Consolidated cash flow statement for 2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK</u>
Operating profit/loss		1.600.103	(1.857.158)
Amortisation, depreciation and impairment losses		1.161.959	1.617.412
Working capital changes	13	(3.146.167)	1.992.042
<b>Cash flow from ordinary operating activities</b>		<b>(384.105)</b>	<b>1.752.296</b>
Financial income received		559.899	219.977
Financial income paid		(1.570.604)	(927.762)
Income taxes refunded/(paid)		(256.623)	0
<b>Cash flows from operating activities</b>		<b>(1.651.433)</b>	<b>1.044.511</b>
Acquisition etc of property, plant and equipment		(581.811)	(4.709.535)
Sale of fixed asset investments		586.953	241.008
<b>Cash flows from investing activities</b>		<b>5.142</b>	<b>(4.468.527)</b>
Incurrence of lease obligations		0	2.385.429
Reduction of lease commitments		(406.787)	0
Dividend paid		(50.600)	(49.900)
<b>Cash flows from financing activities</b>		<b>(457.387)</b>	<b>2.335.529</b>
<b>Increase/decrease in cash and cash equivalents</b>		<b>(2.103.678)</b>	<b>(1.088.487)</b>
Cash and cash equivalents beginning of year		(2.192.566)	(1.104.079)
<b>Cash and cash equivalents end of year</b>		<b>(4.296.244)</b>	<b>(2.192.566)</b>
Cash and cash equivalents at year-end are composed of:			
Cash		879.661	1.297.733
Short-term debt to banks		(5.175.905)	(3.490.299)
<b>Cash and cash equivalents end of year</b>		<b>(4.296.244)</b>	<b>(2.192.566)</b>

## Notes to consolidated financial statements

	<b>2016 DKK</b>	<b>2015 DKK</b>
<b>1. Staff costs</b>		
Wages and salaries	7.513.226	6.440.122
Pension costs	441.050	380.062
Other social security costs	815.959	305.592
Other staff costs	42.096	32.900
	<b>8.812.331</b>	<b>7.158.676</b>

Average number of employees	<b>64</b>
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Referring to section 98b of the Danish Financial Statements Act, Management's remuneration has not been disclosed.

	<b>2016 DKK</b>	<b>2015 DKK</b>
<b>2. Depreciation, amortisation and impairment losses</b>		
Amortisation of intangible assets	20.000	20.000
Impairment losses on intangible assets	0	1.015.732
Depreciation of property, plant and equipment	1.141.594	572.669
	<b>1.161.594</b>	<b>1.608.401</b>

	<b>2016 DKK</b>	<b>2015 DKK</b>
<b>3. Other financial income</b>		
Financial income arising from group enterprises	126.982	0
Interest income	432.917	219.977
	<b>559.899</b>	<b>219.977</b>

	<b>2016 DKK</b>	<b>2015 DKK</b>
<b>4. Other financial expenses</b>		
Financial expenses from group enterprises	17.500	0
Interest expenses	974.363	548.167
Exchange rate adjustments	76.265	216.237
Other financial expenses	337.474	163.358
	<b>1.405.602</b>	<b>927.762</b>

## Notes to consolidated financial statements

	<b>2016 DKK</b>	<b>2015 DKK</b>
<b>5. Tax on profit/loss for the year</b>		
Tax on current year taxable income	147.931	292.193
Change in deferred tax for the year	96.598	(541.128)
Adjustment concerning previous years	0	32.080
Effect of changed tax rates	0	410
	<b>244.529</b>	<b>(216.445)</b>
	<b>2016 DKK</b>	<b>2015 DKK</b>
<b>6. Proposed distribution of profit/loss</b>		
Ordinary dividend for the financial year	51.700	50.600
Retained earnings	391.096	(1.473.340)
Minority interests' share of profit/loss	(97.899)	(925.758)
	<b>344.897</b>	<b>(2.348.498)</b>
		<b>Goodwill DKK</b>
<b>7. Intangible assets</b>		
Cost beginning of year		1.115.732
<b>Cost end of year</b>		<b>1.115.732</b>
Amortisation and impairment losses beginning of year		(1.075.732)
Amortisation for the year		(20.000)
<b>Amortisation and impairment losses end of year</b>		<b>(1.095.732)</b>
<b>Carrying amount end of year</b>		<b>20.000</b>

## Notes to consolidated financial statements

	<b>Land and buildings DKK</b>	<b>Other fixtures and fittings, tools and equipment DKK</b>	
<b>8. Property, plant and equipment</b>			
Cost beginning of year	1.441.750	3.738.955	
Additions	0	581.811	
Disposals	0	(22.528)	
<b>Cost end of year</b>	<b>1.441.750</b>	<b>4.298.238</b>	
Depreciation and impairment losses beginning of the year	0	(693.194)	
Depreciation for the year	(26.125)	(1.115.469)	
Reversal regarding disposals	0	7.508	
<b>Depreciation and impairment losses end of the year</b>	<b>(26.125)</b>	<b>(1.801.155)</b>	
<b>Carrying amount end of year</b>	<b>1.415.625</b>	<b>2.497.083</b>	
	<b>Investments in associates DKK</b>	<b>Deposits DKK</b>	<b>Other receivables DKK</b>
<b>9. Fixed asset investments</b>			
Cost beginning of year	226.878	540.704	2.133.620
Disposals	(226.878)	(63.796)	(523.160)
<b>Cost end of year</b>	<b>0</b>	<b>476.908</b>	<b>1.610.460</b>
Impairment losses beginning of year	(226.878)	0	0
Reversal regarding disposals	226.878	0	0
<b>Impairment losses end of year</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>0</b>	<b>476.908</b>	<b>1.610.460</b>

## Notes to consolidated financial statements

	<b>2016 DKK</b>	<b>2015 DKK</b>
<b>10. Deferred tax</b>		
Intangible assets	5.000	4.000
Property, plant and equipment	63.000	95.000
Liabilities other than provisions	11.000	0
Tax losses carried forward	353.700	430.298
	<b>432.700</b>	<b>529.298</b>

### Changes during the year

Beginning of year	529.298
Recognised in the income statement	(96.598)
<b>End of year</b>	<b>432.700</b>

	<b>Instalments within 12 months 2016 DKK</b>	<b>Instalments within 12 months 2015 DKK</b>	<b>Instalments beyond 12 months 2016 DKK</b>	<b>Outstanding after 5 years DKK</b>
<b>11. Liabilities other than provisions</b>				
Mortgage debts	17.913	0	517.867	444.603
Finance lease liabilities	1.500.103	1.104.662	403.327	0
	<b>1.518.016</b>	<b>1.104.662</b>	<b>921.194</b>	<b>444.603</b>

	<b>2016 DKK</b>	<b>2015 DKK</b>
<b>12. Other short-term payables</b>		
VAT and duties	1.071.429	2.825.777
Wages and salaries, personal income taxes, social security costs, etc payable	5.893	450.482
Holiday pay obligation	313.020	312.217
Other costs payable	2.028.750	3.422.895
	<b>3.419.092</b>	<b>7.011.371</b>

	<b>2016 DKK</b>	<b>2015 DKK</b>
<b>13. Change in working capital</b>		
Increase/decrease in receivables	297.680	(3.725.465)
Increase/decrease in trade payables etc	(3.506.742)	5.717.507
Other changes	62.895	0
	<b>(3.146.167)</b>	<b>1.992.042</b>

## Notes to consolidated financial statements

	<b>2016</b>	<b>2015</b>
	<b>DKK</b>	<b>DKK</b>
<b>14. Unrecognised rental and lease commitments</b>		
Hereof liabilities under rental or lease agreements until maturity in total	<b>7.421.827</b>	<b>11.257.970</b>

### 15. Mortgages and securities

Mortgage debt is secured by way of an owner's mortgage on land and buildings, and the Group has provided security of a nominal value of DKK 20k secured on land and buildings. The carrying amount of land and buildings is DKK 1,416k.

Bank debt is secured by way of letters of indemnity (floating charge) of DKK 6,000k nominal on intangible assets, property, plant and equipment and receivables.

The carrying amount of mortgages intangible assets is DKK 20k.

The carrying amount of mortgages property, plant and equipment is DKK 2,199k.

The carrying amount of mortgages receivables is DKK 17,427k.

On behalf of the Flex Logistics A/S, the company's bank, has provided payments guarantess of a total of DKK 4,089k.

### 16. Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group: Flex Holding A/S, Lindevej 15, Lindved

	<b>Registered in</b>	<b>Corpo- rate form</b>	<b>Equity inte- rest %</b>
<b>17. Subsidiaries</b>			
Flex Logistics A/S	Vejle	A/S	100,0
A2B Trans Sp Z.o.o.	Konin, PL	Z.o.o.	100,0
FLex Logistics Spain S.L.	Barcelona, ESP	S.L.	100,0
FLex Logistics Polen Z.o.o.	Konin, PL	Z.o.o.	100,0
Flex Holding A/S	Vejle	A/S	72,2

## Parent income statement for 2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK</u>
<b>Gross profit</b>		<b>16.149</b>	<b>(16.035)</b>
Depreciation, amortisation and impairment losses		(26.125)	0
<b>Operating profit/loss</b>		<b>(9.976)</b>	<b>(16.035)</b>
Income from investments in group enterprises		284.375	(1.371.209)
Income from investments in associates		28	0
Other financial income	1	126.982	78.750
Other financial expenses		(165.002)	(84.364)
<b>Profit/loss before tax</b>		<b>236.407</b>	<b>(1.392.858)</b>
Tax on profit/loss for the year	2	(898)	(29.882)
<b>Profit/loss for the year</b>	3	<b>235.509</b>	<b>(1.422.740)</b>

## Parent balance sheet at 31.12.2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK</u>
Land and buildings		1.415.625	1.441.750
<b>Property, plant and equipment</b>	4	<b>1.415.625</b>	<b>1.441.750</b>
Investments in group enterprises		763.784	453.428
Investments in associates		0	226.878
<b>Fixed asset investments</b>	5	<b>763.784</b>	<b>680.306</b>
<b>Fixed assets</b>		<b>2.179.409</b>	<b>2.122.056</b>
Receivables from group enterprises		1.933.161	2.020.352
Deferred tax		1.300	2.198
Income tax receivable		0	92.000
<b>Receivables</b>		<b>1.934.461</b>	<b>2.114.550</b>
<b>Current assets</b>		<b>1.934.461</b>	<b>2.114.550</b>
<b>Assets</b>		<b>4.113.870</b>	<b>4.236.606</b>

## Parent balance sheet at 31.12.2016

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK</u>
Contributed capital		80.000	80.000
Retained earnings		834.573	624.783
Proposed dividend		51.700	50.600
<b>Equity</b>		<b>966.273</b>	<b>755.383</b>
Mortgage debts		517.867	0
<b>Non-current liabilities other than provisions</b>	<b>6</b>	<b>517.867</b>	<b>0</b>
Current portion of long-term liabilities other than provisions	6	17.913	0
Bank loans		66.838	823.557
Deposits		4.680	0
Prepayments received from customers		5.500	0
Trade payables		15.000	4.375
Payables to shareholders and management		8.844	50.336
Income tax payable		510.955	602.955
Other payables		2.000.000	2.000.000
<b>Current liabilities other than provisions</b>		<b>2.629.730</b>	<b>3.481.223</b>
<b>Liabilities other than provisions</b>		<b>3.147.597</b>	<b>3.481.223</b>
<b>Equity and liabilities</b>		<b>4.113.870</b>	<b>4.236.606</b>
Contingent liabilities	7		
Mortgages and securities	8		

## Parent statement of changes in equity for 2016

	<b>Contributed capital DKK</b>	<b>Reserve for net revaluation according to the equity method DKK</b>	<b>Retained earnings DKK</b>	<b>Proposed dividend DKK</b>
Equity beginning of year	80.000	0	624.783	50.600
Ordinary dividend paid	0	0	0	(50.600)
Exchange rate adjustments	0	25.981	0	0
Profit/loss for the year	0	(25.981)	209.790	51.700
<b>Equity end of year</b>	<b>80.000</b>	<b>0</b>	<b>834.573</b>	<b>51.700</b>
				<b>Total DKK</b>
Equity beginning of year				755.383
Ordinary dividend paid				(50.600)
Exchange rate adjustments				25.981
Profit/loss for the year				235.509
<b>Equity end of year</b>				<b>966.273</b>

## Notes to parent financial statements

	<b>2016 DKK</b>	<b>2015 DKK</b>
<b>1. Other financial income</b>		
Financial income arising from group enterprises	126.982	78.750
	<b>126.982</b>	<b>78.750</b>
	<b>2016 DKK</b>	<b>2015 DKK</b>
<b>2. Tax on profit/loss for the year</b>		
Change in deferred tax for the year	898	(2.608)
Adjustment concerning previous years	0	32.080
Effect of changed tax rates	0	410
	<b>898</b>	<b>29.882</b>
	<b>2016 DKK</b>	<b>2015 DKK</b>
<b>3. Proposed distribution of profit/loss</b>		
Ordinary dividend for the financial year	51.700	50.600
Transferred to reserve for net revaluation according to the equity method	(25.981)	0
Retained earnings	209.790	(1.473.340)
	<b>235.509</b>	<b>(1.422.740)</b>
		<b>Land and buildings DKK</b>
<b>4. Property, plant and equipment</b>		
Cost beginning of year		1.441.750
<b>Cost end of year</b>		<b>1.441.750</b>
Depreciation for the year		(26.125)
<b>Depreciation and impairment losses end of the year</b>		<b>(26.125)</b>
<b>Carrying amount end of year</b>		<b>1.415.625</b>

## Notes to parent financial statements

	<b>Investments in group enterprises DKK</b>	<b>Investments in associates DKK</b>
<b>5. Fixed asset investments</b>		
Cost beginning of year	1.300.010	226.878
Disposals	0	(226.878)
<b>Cost end of year</b>	<b>1.300.010</b>	<b>0</b>
Impairment losses beginning of year	(846.582)	(226.878)
Exchange rate adjustments	25.981	0
Share of profit/loss for the year	284.375	0
Reversal regarding disposals	0	226.878
<b>Impairment losses end of year</b>	<b>(536.226)</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>763.784</b>	<b>0</b>

	<b>Instalments within 12 months 2016 DKK</b>	<b>Instalments beyond 12 months 2016 DKK</b>	<b>Outstanding after 5 years DKK</b>
<b>6. Liabilities other than provisions</b>			
Mortgage debts	17.913	517.867	444.603
	<b>17.913</b>	<b>517.867</b>	<b>444.603</b>

### 7. Contingent liabilities

The Entity serves as an administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable from the financial year 2013 for income taxes etc for the jointly taxed entities and from 1. July 2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these entities.

### 8. Mortgages and securities

Mortgage debt is secured by way of an owner's mortgage on land and buildings, and the company has provided security of a nominal value of DKK 20k secured on land and buildings. The carrying amount of land and buildings is DKK 1,416k.

## Accounting policies

### Reporting class

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

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 comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

### 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.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements.

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

## Accounting policies

### Income statement

#### Gross profit or loss

Gross profit or loss comprises revenue, cost of raw materials and consumables and external expenses.

#### Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

#### Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

#### 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 writedowns of receivables recognised in current assets.

#### Property costs

Property costs include costs incurred to operate the Entity's properties in the financial year, including repair and maintenance costs, property tax and electricity, water and heating, which are not charged directly from the lessee.

#### Staff costs

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

#### Depreciation, amortisation 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.

#### Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of internal profits or losses.

#### Income from investments in associates

Income from investments in associates comprises the pro rata share of the individual associates' profit/loss after elimination of internal profits or losses.

#### Other financial income from group enterprises

Other financial income from group enterprises comprises interest income etc on receivables from group enterprises.

## Accounting policies

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

### Financial expenses from group enterprises

Financial expenses from group enterprises comprise interest expenses etc from payables to group enterprises.

### 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.

### Tax on profit/loss for the year

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.

### Balance sheet

#### Goodwill

Goodwill is the positive difference between cost and value in use of assets and liabilities taken over as part of the acquisition. Goodwill is amortised straight-line over its estimated useful life which is fixed based on the experience gained by Management for each business area. Useful life is determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets.

The amortisation periods used are 5 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

#### Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

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

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment

3-5 years

## Accounting policies

Estimated useful lives and residual values are reassessed annually.

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

### Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

### Investments in associates

Investments in associates are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the associates' equity value plus unamortised goodwill and plus or minus unrealised pro rata intra-group profits and losses.

Associates with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant associate, and it is probable that such obligation is imminent, a provision is recognised that is measured at present of the costs deemed necessary to incur to settle the obligation.

Upon distribution of profit or loss, net revaluation of investments in associates is transferred to Reserve for net revaluation according to the equity method under equity.

Goodwill is calculated as the difference between cost of the investments and fair value of the pro rata share of assets and liabilities acquired. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. Useful life is determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful lives are reassessed annually. The amortisation periods used are 5 years.

Investments in associates are written down to the lower of recoverable amount and carrying amount.

Investments in associates are measured at cost and are written down to the lower of recoverable amount and carrying amount.

### Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

## 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 carry forwards, 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.

### Cash

Cash comprises cash in hand and bank deposits.

### Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

### Minority interests

Minority interests consist of non-controlling interests' share of equity in subsidiaries not 100% owned by the Parent.

### Mortgage debt

At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds to the proceeds received less transaction costs incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

### Finance lease liabilities

Lease commitments relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease commitments are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

### Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

## Accounting policies

### Other financial liabilities

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

### Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

### 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.

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 less short-term bank loans.