

# BUSINESS REVIEW 2015



SHIP SUPPLY

OUR MISSION

# EXPERT CARE

Wrist Ship Supply is the world's leading ship and offshore supplier of provisions and stores with a market share above 7%.

Wrist offers a global 24/7 service, including handling of owners' goods, shipping, airfreight and related marine services that meet the demands of international organisations as well as local businesses.

From offices around the globe all Wrist staff takes pride in making it easy for customers to receive their supplies – where and when requested – efficiently and at the best possible price.

Our mission is to provide expert care to each ship and offshore location.

- Wrist branches
- Representative offices





# SIGNIFICANT STEPS

## Acquisition of Garrets to expand Provision Management services

Wrist acquired Garrets International in January 2016, a leading provider of provision management services to over 1,000 ships worldwide. Merged with Wrist's SeaStar subsidiary Garrets will strengthen the global proposition to customers, deploy more resources for the development of service tools for the crew, enhancing welfare on board.

## Leading Scottish offshore supplier acquired

North Sea Stores, Aberdeen's oldest stores supplier, joined Wrist in May 2015. The experienced staff joined the Strachans operation in Aberdeen.

## Expanding newbuilding services

During 2015, Wrist stepped-up initial deliveries to shipyards, primarily in the Asian region, offering ship management companies and ship-owners the capabilities, infrastructure, experience and competitive prices of the world's largest ship and offshore provider.

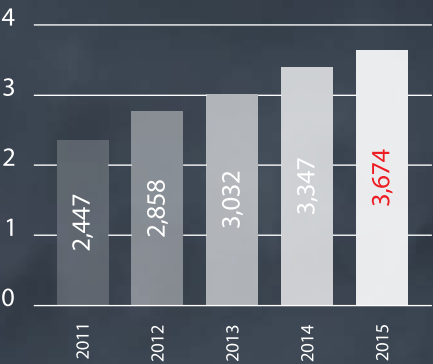
## Dutch offshore supplier joined Wrist

After more than 25 years of close cooperation, leading Dutch offshore supplier Den Helder Stores was acquired in November 2015 as another step in Wrist's growth strategy, offering a global value proposition in both the offshore and shipping segments.

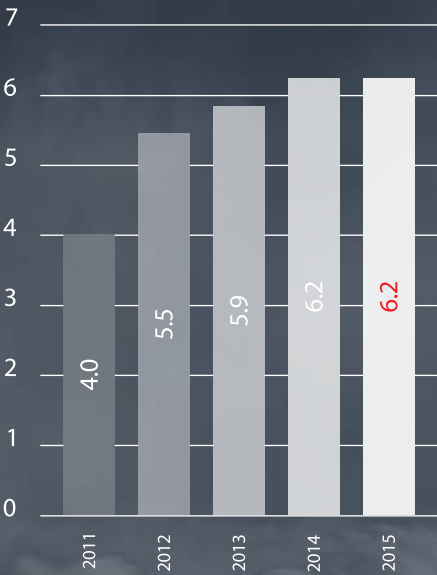
## Continued development of global infrastructure

Wrist continued developing and improving its storage and warehousing infrastructure in order to increase the operational efficiency, including new facilities in Algeciras, Spain, in Corpus Christi in the Mexican Gulf and in Peterhead in Scotland, allowing for additional volumes and optimisation of processes.

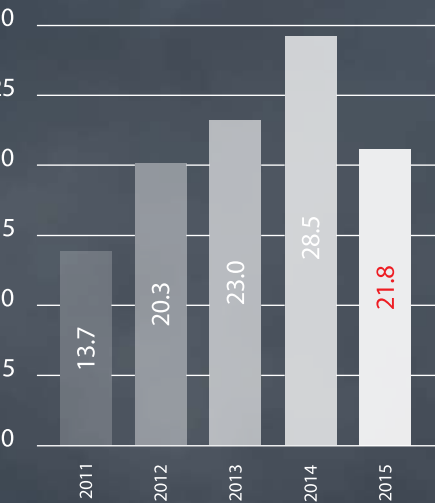
Net sales  
DKKm



Operating margin (EBITDA)  
(%)



Return on invested capital  
(%)







# SOLID PERFORMANCE CONTINUED IN 2015

*During 2015 Wrist further consolidated its position as the world's largest supplier to ships and offshore locations.*

## Volumes and sales increased more than market growth

We achieved a substantial growth in volumes supplied to ships, but saw decreased demand from the badly hit offshore market. Based on our constant focus on customer service, responsiveness to changes in customer demand and competitive sourcing a substantial growth in our supplies to ships more than offset the negative impact from the headwind in the offshore oil & gas industry. Actually, Group revenue increased by 1% in local currencies and even 10% in our reporting currency, reaching DKK 3.7bn.

## Operating profits increased

Due to improved efficiency in all aspects of our operations we increased our gross profit rate from 24.1 percent in 2014 to 25.4 percent in 2015. The operating profit (EBITDA) advanced by 9% from DKK 209m in 2014 to DKK 228m in 2015, and the operating margin remained at a healthy level of 6.2 percent for 2015.

## Business platform expanded through acquisitions

In order to expand our offering further and capture opportunities in the market, Wrist acquired businesses in Aberdeen in the UK and Den Helder in the Netherlands, both contributing positively to sales as well as earnings. January 2016 we were pleased to announce our acquisition of Garrets International which provides provision management services to more than 1,000 ships worldwide. Together with Wrist's subsidiary SeaStar Management Garrets will strengthen the global proposition to customers and provide an enhanced ability to support welfare on board as well as more resources for the development of service tools for the crew.



ROBERT KLEDAL  
CEO

**"We achieved a substantial growth in volumes supplied to ships, but saw decreased demand from the badly hit offshore market."**

## Innovation in service offerings

Wrist continued to seek solutions that improve its range of service offerings. We introduced bundled services to ship customers, including provision management and optimisation of the last mile logistics, enabling savings in the operations budget of the ships. Another initiative was additional investments in 'Ice-Box' container inlets, a concept enabling stable temperature for several days without a power source, introduced to customers in the North Sea, US Gulf and Middle East. Further, we initiated the implementation of a new and more efficient procurement and stock management tool for ships operating on provision management contracts.

## Further investments in operational capabilities and infrastructure

We continued developing our global operational capabilities and infrastructure in order to improve quality and responsiveness in our customer service and at the same time to increase our operational efficiency. Development and improvement of storage and warehousing facilities included new facilities in Algeciras, Corpus Christi and Peterhead, allowing for additional volumes as well as process flow optimisation. Enhanced quality management systems were implemented in more locations, allowing e.g. higher levels of quality accreditation. Further, in 2015 we initiated the roll out of a new, global business support system, building the platform for additional digitalised customer and vendor solutions.



# THE SHIP AND OFFSHORE SUPPLY MARKET

The key determinants of the ship and offshore supply market are the world fleet developments, fleet composition and offshore oil and gas exploration and installations.

The market continues its expansion, and an annual global market growth of 3 to 4 percent is expected in the medium term. In the short term the market is expected to grow moderately due to a negative growth in the offshore sector, where especially the North Sea is experiencing layoffs and reduction in exploration expenditure. The prospect of the dry bulk market and the container market is depressed after a prolonged period of overcapacity meaning that rates are at a low level. The tanker market is the primary bright spot where rates were healthy for the better part of 2015 and is expected to stay at a sustainable level in 2016. Market growth is expected to be highest in the Asian ship supply market.

The past year also saw many uncertainties for world trade, as there is still turmoil in Syria and Iran, and the situation with Russia following the Crimea conflict with Ukraine have hindered the flow of goods in these regions. The effect in the short term and medium term is still unknown. The recent agreement between Iran and the United Nations, ending sanctions during many years, could help tanker and container rates but also

negatively affect the offshore sector as more oil could put further pressure on oil prices.

## Customer demands

Wrist and other suppliers bring together the interests of customers in the shipping and offshore industries on one side and manufacturers and onshore wholesalers on the other. The customers require consolidation of broad product ranges, a high service level, and fast delivery within short and dynamic time limits, customised logistical service solutions and e-business offerings. The ability to consolidate product deliveries, delivery flexibility in logistics and handle frequent changes in deliveries is distinctive for ship suppliers. In addition, customers in general aim to reduce their operational costs of the ships and bundled services, including provision management and optimisation of the last mile logistics, enables such optimisations.

Ship management companies operate an increasing number of vessels, and consolidation of ship owners and managers is progressing – in particular among large corporate entities. Concurrently, high standards for suppliers emerge, and a professional procurement and customer service approach is required, just as the needs for account management as well as customer relationship management are growing.

## Industry trends

Transparency and budget control are key priorities for the customers, and in the current market ensuring optimum efficiency is business-critical. In general, the interest for e-business compatibility has increased as have requests for quotations and orders submitted electronically.

Thus, main trends affecting the supply industry include:

- Shipping industry consolidation
- Stronger focus on operational savings
- Professionalisation of procurement
- Digitalisation is increasing, requiring e.g. efficient system integration solutions
- More and more owners are entering into provision management and/or ship management agreements
- The recent decline in oil prices has stemmed down the demand for drilling rigs and seismic, offshore support and other specialised vessels
- Increasing customer demand for certification (HACCP, ISO, etc.) and system integrations.

The key characteristics of – and current trends within – the shipping and offshore industry corresponds very well to Wrist's business model, focusing on the procurement set-up to consistently source the best products at the most competitive prices and being committed to continuously enhancing its customer service.





Offer easily accessible services/organisation and efficient warehouse infrastructure.

Nurture relationships with a broad range of global and local vendors.

Build strong operational capabilities and business systems, facilitating the servicing of customers.

*These are the three cornerstones of Wrist's strategy, all being strengthened and developed continuously >*

## THE STRATEGY

# STRATEGY FOR PROFITABLE GROWTH

**Martin Christiansen**, Executive Vice President

**Søren Jørgensen**, Executive Vice President, CCO

**Robert Kledal**, CEO

**Anders Skipper**, Executive Vice President, CFO



Sourcing and procurement at wholesalers and manufacturers

Warehousing located at major shipping lanes or offshore hubs

One-stop shop for customers

Service oriented distribution network

Cost and time efficient solutions to customers

The Wrist value chain serves to save costs and time for customers, and the strategy meets the customers' demand for a broad product range, a high service level, stock management, procurement capabilities, delivery on demand, fast and secure delivery, customised logistics service concepts and e-business.

### Wrist's value chain

Complying with customer needs is essential, and Wrist's global key account management programme and the geographical presence of its offices support this strategic priority. In addition, Wrist aims to further expand its geographical presence through acquisitions or greenfield start-ups.

### Prepared for the future

Wrist is focusing on the development of global solutions that increase efficiency by streamlining operations to save both time and costs – without compromising on service quality. All Wrist branches meet customer demand for proven quality procedures, and the company's consolidated high-volume procurement supports competitive prices.

Being the world's largest ship and offshore supplier, Wrist strives to stay ahead of market trends.

### Mission and vision of excellence

Wrist takes pride in making it easy for customers to receive their supplies, wherever and whenever their need arises, efficiently and at the best possible price. The mission is encapsulated in the statement:

**Expert Care to each Ship & Offshore Location**

In the wake of challenging market conditions for the shipping industry in the recent years, the growth of the business is a testimony to Wrist's ability to support customers' quest for profitability and to seize the potential for making a genuinely positive difference – to the benefit of not only the customers' bottom lines but also each individual seafarer. Wrist appreciates that healthy, content and productive people on board are crucial to the success of shipping companies.

To live out its mission, Wrist's management and staff find inspiration and guidance in the company's formulated vision:

**We are recognised for making our customers' life at sea better**

This vision is a shared ambition for the way the entire Wrist organisation is serving its customers. The priority of providing every vessel and crew with the highest quality in service and products will remain the guiding star for all activities.

## OUR WAY OF THINKING

### Vision

We are recognised for making our customers' life at sea better

### Values

- Hard working
- Customer orientation
- Winning attitude



### Compentencies

- Key account management
- Scope of offices
- Global ERP/IT platform
- Global supply chain

### Brand promise

- Wherever - whenever
- Global supplier
  - Local excellence
  - Expert care/crew care



## WRIST'S BUSINESS MODEL

## CUSTOMER FOCUS



Wrist is an experienced and recognised supplier of provision and stores to the shipping and offshore industries. The company is constantly developing its business and capabilities, and with more than 60 years in the market, Wrist is today the world's leading ship supplier with a market share above 7%.

Wrist's principal activities are the sale and delivery of provision and stores to ships, offshore locations and selected adjacent markets. The company supplies a broad range of products, including deck, engine, electrical, cabin and bonded stores. The company also provides a total service concept comprising the storing, surrender and transport of shipping customers' own supplies and spare parts – often through a general warehouse.

### Seafarers' welfare

Wrist knows how important seafarers are to its customers. Seafarers' welfare is paramount, and Wrist works hard to ensure delivery of high-quality products and services wherever the seafarers may be in the world. This is essential for them to stay healthy, content and motivated, and it makes their lives at sea better.

Wrist assumes responsibility and goes beyond the primary competitive parameters to make a difference.

### Global network, local excellence

Through Wrist's global key account management organisation regional and local teams provide customers with outsourced ship

supply support that operates as an extension of their own business, optimising operational efficiencies and vessel profitability. Wrist wants to understand the needs of each customer as far as possible.

That is the objective in developing the regional networks and appointing key account managers to provide a dedicated outsourced service in important regions where they need support – i.e. global customer expertise combined with local supply chain knowledge and understanding. Customers aim to work with a supplier that provides the scale, organisational resources, technology and infrastructure required to deliver an end-to-end service. The worldwide network is essential to meeting these demands,

and Wrist continuously strives to strengthen this even further.

The employees are instrumental in unlocking growth potential in new geographical regions. The operational capability to streamlining the procurement process and playing an active role in raising the level of crew nutrition enables Wrist to continuously improve its service and create stronger partnerships. Customers' require effective management by specialist providers with technology that can ensure budget transparency and planning control.

### Provision management

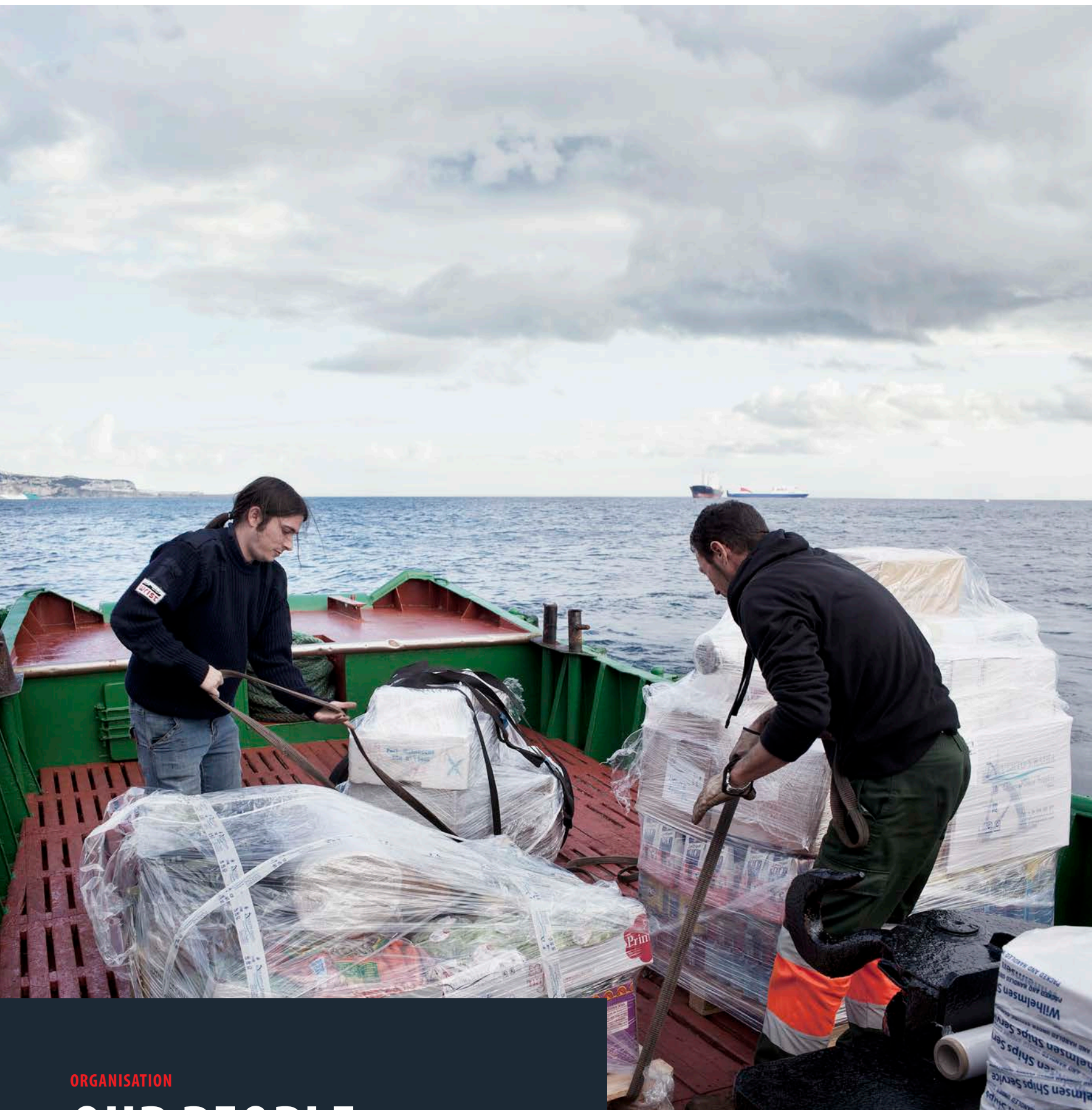
Outsourcing of vessel provisioning has increased significantly during recent years. More and more operators are looking to centralise their processes to a single point of contact and are looking for partners that can take care of all their purchasing and supply needs – globally. They wish to outsource processes as a means of enhancing efficiency and reducing overhead costs without impacting quality or the morale of their crews.

Garrets is a business unit within Wrist, dedicated to the handling of consumable budgets and delivery of provisions and stores to ships all over the world. The business unit more than doubled

in volume through the merger of Wrist Ship Supply's subsidiary SeaStar Management and Garrets International in early 2016.

Garrets' strategy is to assist clients in optimising their supply patterns by guiding their vessels to use the most cost-efficient ports during their voyage globally. Through extensive knowledge, the business unit also guides the vessels to generate the correct product mix for their provision order, ensuring a nutritious and healthy menu plan for the crew on board in compliance with MLC 2006 requirements. Customer focus is driving improvements, increasing efficiencies and streamlining customers' procurement processes.





## ORGANISATION

## OUR PEOPLE

For each of our customers, Wrist is equal to the faces and voices of their Account Executive, their day-to-day point of contact for new orders and the people who deliver goods and services to each ship or offshore location.

Behind the front staff an army of highly skilled staff secures that each and every order is handled professionally and efficiently in order for Wrist to live up to the customers' expectations.

Wrist continues to develop and harness its people. Management seeks to ensure the organisation is equipped to attract, develop and retain the talent that is necessary for delivering on Wrist's promise and for pursuing the Group's growth strategy.

In developing the human resources and providing for the future, Wrist focuses strongly on recruitment, talent development and graduate training programmes. The purpose is to create and nurture a sustainable talent pool with sufficient leadership potential to drive organic or acquisition growth and to develop new services or new market segments.

## Recruitment

Wrist has developed a number of best practice models for recruitment, covering the entire spectrum from the planning to the on-boarding phase. Managers across the organisation can use the toolbox to enhance their recruiting experience by selecting from the wealth of tools, guides and samples that are available for each phase of the recruitment process.

In addition, Wrist has various assessment tools which will help managers in the selection and development of new talent by understanding and judging the compatibility between candidate and job.

## Talent development

Talent development covers a range of activities and aims, chief being succession planning. Wrist's leadership team assigns



a significant amount of time to discuss and design development opportunities for the talent pool in order to prepare for the transition to the next leadership level and/or to be part of the short or long-term succession plan.

Wrist conducts a formal talent development programme that covers a wide range of topics, most noticeably strategy, business finance and leadership. The program runs over the course of 20 months, and the participants are assigned a number of team projects of significant importance to the Wrist business model. This way they learn a holistic approach to the solution of various challenges. Wrist believes strongly in learning by doing, and managers are encouraged to identify opportunities for team members where the development of competencies becomes an inte-

gral part of the job scope.

In addition, Wrist offers talent development programmes for global sales and global procurement activities.

## Graduate programme

Wrist's two-year Graduate Training Programme continues its success. The current participants will complete the programme early summer 2016. The next step will be matching skills, competencies and interests with available opportunities – including overseas assignments, where practicable.

A new Graduate Training Programme, targeting graduates in geographies of significant interest to Wrist's current and future business footprint, is scheduled to start in the autumn of 2016.



Wrist is committed to carry out business in a sustainable way. In order to promote the long-term interests of Wrist and our stakeholders, we strive to maintain the highest legal and ethical standards in all business practices.

# COMMITMENT TO ETHICS AND RESPONSIBILITY

To promote and support the long-term interests of its important stakeholders as well as the Group itself, Wrist strives to comply with high ethical standards in all aspects of its business and organisation.

## Business principles

Wrist's Business Principles provide guidelines to increase transparency and describe the way the company and its staff must act whilst working towards the business objectives.

The Business Principles are incorporated in Wrist's general business practices, and they reflect the principles of the UN Global Compact and relevant regulation on anti-corruption, competition law and international trade sanctions. The Business Principles guide and direct employees and managers in essential matters such as:

- Relationships with authorities
- Transparency
- Anti-trust, anti-corruption, and trade sanctions
- Anti-fraud and accuracy of accounting records
- Respect for generally recognised human and labour rights and employment practices – internationally and locally.

The Business Principles are a codification of the ethical standards representing the Wrist culture and they are an important step in the formulation and communication of Wrist's ethical position and policies.

Wrist's Business Principles are available on [www.wrist.com](http://www.wrist.com)

It is essential for Wrist that all business is performed in respect of human and labour rights, for instance fair employment, dissociation of forced or compulsory labour and the use of child labour, freedom of association, the right to collective bargaining and freedom from discrimination. Employees must act accordingly and the Wrist Business Principles are used as a point of reference when cooperating with external stakeholders.

Wrist supports a precautionary approach to environmental challenges for improved environmental performance and resource utilisation in order to run own operations as clean and efficiently as possible.

## Compliance

Wrist's Compliance Programme relates to all applicable rules and regulations and is tailored to Wrist and its industry. For each of the topics the programme consists of a detailed written policy and training. The programme covers these topics:

- International trade sanctions.
- Anti-bribery rules and principles.
- Anti-trust rules/competition law.

The policies contain rules and regulations as well as practical advice to the employees, and they are distributed to relevant employees and followed-up by training.

The Anti-Bribery Programme consists of a set of guidelines with clear and specific rules for the giving and receiving of business courtesies. It is supplemented by a set of procedures designed

to monitor compliance with the anti-bribery policy. To limit the risk of inappropriate behaviour the programme was extended in 2015 to include procedures for providing cash discounts in cash sales and a procedure for cash withdrawals.

A whistleblowing system has been developed in cooperation with a leading Danish law firm. The system offers employees a venue for reporting observed or suspected violations of laws and policies with no risk of retaliation. The whistleblowing system is awaiting approval by the Danish Data Protection Agency and is expected to be introduced early 2016.

## Seafarers' welfare

Wrist wishes to be recognised for making our customers' life at sea better.

Consequently, the seafarer is an everyday core target for Wrist. Life at sea may be tough due to demanding working conditions and long hiring periods, meaning absence from families and friends and in case of danger help is not close at hand.

Wrist supports charity organisations helping seafarers, including membership of ISWAN (International Seafarers' Welfare and Assistance Network), sponsoring the 2015 ISWAN award "Seafarer Centre of the Year", supplying computers and other equipment to a new welfare centre in Rotterdam run by The Danish Government's Seamen's Service, donating to "Seamen Aalborg", and recognising crew members of vessels, that picked up large numbers of refugees in the Mediterranean.



# OUR FINANCIAL PERFORMANCE

DKK'000 and ratios	IFRS 2015	IFRS 2014	DK GAAP 2013	DK GAAP 2012	DK GAAP 2011
Net Sales	3,674,577	3,347,343	3,032,383	2,858,159	2,447,000
Gross profit	932,444	805,408	701,355	663,512	574,238
Operating profit (EBITDA)	227,598	208,638	180,145	155,792	98,611
Earnings befor interest and tax (EBIT)	190,092	210,753	125,431	104,594	57,000
Profit of financial items	-51,572	-46,927	-20,277	-21,320	-21,000
Profit for the year	104,555	130,091	75,900	60,893	21,691
Inventories	218,230	195,202	166,467	152,547	143,859
Trade receivables	574,949	549,142	469,425	530,020	491,546
Total assets	1,717,337	1,522,820	1,289,874	1,261,368	1,163,000
Shareholder's equity	463,204	337,218	231,692	271,338	204,607
Investment capital including goodwill	883,302	755,504	690,723	680,000	622,000
Net interst-bearing debt (NIBD)	469,018	474,223	520,677	388,000	497,000
Acquisitiom etc of property, plant and equipment	37,495	49,516	81,883	23,206	17,934
Cash flow from investing activities (CFFI)	89,441	33,481	102,219	46,145	153,403
Cash flow from operating activities (CFFO)	143,245	135,860	103,002	209,911	38,000
Number of employees	1,167	1,105	981	948	939
Performance ratios (%)					
Gross margin	25.4	24.1	23.1	23.2	23.5
Operating margin (EBITDA)	6.2	6.2	5.9	5.5	4.0
Return on invested capital	21.8	28.5	23.0	20.3	13.7
Equity ratio	26.1	45.7	30.2	25.6	11.2

The figures stated for 2014 amd 2015 as well as the balance sheet items for 2013 have been prepared in accordance with IFRS. All other figures have been prepared in accordance with Danish Financial Statements Act. The effect of the change to IFRS is described in note 1.

# FINANCIAL REVIEW

## Sales

Sales developed positively in all regions except Asia. The supplies to ships developed very positively whereas supplies to offshore decreased due to less activity in the offshore oil & gas industry. Net sales reached DKK 3,675m compared to DKK 3,347m in 2014, an increase of 9.8%. Measured in the local currencies the growth was 1.0%.

## Gross profit

Gross profit amounted to DKK 932m compared to DKK 805m in 2014, an increase of 15.8%. The gross profit ratio increased to 25.4% compared to 24.1% in 2014, supported by the group’s continued focus on procurement.

## Operating profit

Operating profit (EBITDA) amounted to DKK 228m compared to DKK 209m in 2014, an increase of 9.1%. The profit margin stayed at 6.2%.

## Net profit and distribution

Profit for the year amounted to DKK 105m compared to DKK 130m in 2014, an increase of 37%. The profit is satisfactory and above the expected level. In 2014 net profit was affected by an income of DKK 33m from the sale a facility in Singapore. Adjusted for this special item net profit increased by 8.3%.

## Cash flows

Cash flow from operating activities amounted to DKK 143m in 2015 against DKK 136m in 2014, an improvement on 5.4%. The flow improvement was due to im-

proved earnings whereas working capital increased to 8.5% of net sales compared to 8.2% in 2014. The group’s procurement strategies to improve service and achieve more competitive pricing have resulted in higher inventories.

## Investments

Net investments amounted to DKK 89m compared to DKK 33m in 2014. Investments in software and property, plant and equipment aggregated DKK 53m in 2015 against DKK 77m in 2014. The 2014 sales of assets of DKK 43m mainly relate to the previously mentioned sale of a facility in Singapore.

## Financial position

At 31 December 2015, cash and cash equivalents totalled DKK 186m, while undrawn credit facilities amounted to DKK 70m. Accordingly, total available cash and undrawn credit facilities amounted to DKK 266m. Wrist has entered into a long-term committed financing agreement with credit facilities enabling both current operations and planned expansion.

Net interest bearing debt amounted to DKK 469m at 31 December 2015 (DKK 474m at the end of 2014). The net interest bearing debt as a ratio to like-for-like EBITDA improved to 2.1 in 2015 from 2.3 in 2014.

## Subsequent events

Since the balance sheet date, Wrist acquired Garrets International Ltd. – a global provider of provision management solutions to ship owners and ship managers. Garrets has yearly sales above DKK 0.5bn and the ac-

quisition will strengthen Wrist’s presence in this niche market. The acquisition was financed by available cash and a new committed credit facility.

## Expectations for 2016

The shipping industry expects to face another challenging year in 2016 in most of the segments. Activity in the ship supply markets is dependent on ships in operation, and thus the growth in global transports driven by the global economic growth. However, Wrist expects growth in supplies to the shipping markets. The outlook in the offshore sector is depressing due to the continued low oil prices and thus a lower demand for drilling rigs, seismic offshore support and other specialized ships.

The recent acquisitions have strenghtened the position in key market segments and will, combined with new green field establishments, underpin the strong market position of Wrist and the strength of the business model. The continued focus on developing a robust and stable logistics and technologic infrastructure, supported by financial resources, global presence, agility, as well as high quality of products and services, remain the mainstay of the business.

Overall, Wrist anticipates organic growth in sales, benefitting from the strong market position and the constant enhancements of the business model. For 2016, Wrist expects total sales of DKK 4.2-4.5bn and operating profit (EBITDA) of DKK 270-290m. The basis for expectations are foreign exchange rates similar to the December 2015 rates.



FINANCIAL STATEMENTS

CONSOLIDATED  
INCOME STATEMENT

	2015 DKK'000	2014 DK'000
Net Sales	3,674,577	3,347,343
Cost of sales	-2,742,133	-2,541,935
Gross profit	932,444	805,408
Other external expenses	-253,550	-221,800
Staff Costs	-452,531	-375,132
Other operating income	0	32,204
Other operating expenses	1,235	162
Depreciation, amortisation and impairment	-37,506	-30,089
Operating profit before interest and tax (EBIT)	190,092	210,753
Financial income	22,366	20,042
Financial expenses	-73,938	-66,969
Profit before tax (EBT)	138,520	163,826
Income tax	-33,852	-33,712
Profit for the year	104,698	103,114
Attributable to:		
Shareholders of Wrist Ship Supply A/S	104,555	130,091
Non-controlling interest	113	23

FINANCIAL STATEMENTS

CASH FLOW

	2015 DKK'000	2014 DK'000
Profit before tax (EBT)	138,520	163,828
Amortisation, deporeciation and impairment lossses	37,506	30,089
Working capital changes	-9,799	3,775
Adjustmets for non-cash items	52,549	16,031
Cash flow from ordinary operating activities	218,776	213,723
Financial income	22,461	19,914
Financial expenses	-68,629	-62,600
Income taxes refunded/paid	-29,363	-35,177
Cash flow from operating activities (CFFO)	143,245	135,860
Acquisition etc of intangible assets	-15,020	-27,382
Acquisition etc of property, plant and equipment	-37,495	-49,516
Sale of property, plant and equipment	2,694	43,200
Acquisition of enterprises	-39,620	0
Disposal of enterprises	0	217
Cash flow investing activities (CFFI)	-89,441	-33,481
Loans raised	39,617	82,200
Instalmenst on loeans etc	-39,766	-87,312
Dividend paid	0	-40,000
Other cash flows from financing activities	257	-2,593
Cash flows from financing activities	108	-47,705
Cash flow for the year	53,912	54,673
Cash and cash equivalents at 1 January	132,169	77,214
Currency translation adjustments of cash and cash equivalents	-171	282
Cash and cash equivalents at 31 December	185,911	132,169

The cash flow statement cannot be derived from the published financial information only.



FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEETS

	2015	2014
Assets	DKK'000	DK'000
Goodwill	380,728	322,155
Software	33,031	3,501
Intangible assets in development	11,732	29,859
Intangible assets	425,491	355,515
Land and buildings	75,033	78,184
Fixtures and fittings, tools and equipment	105,891	95,246
Leasehold improvements	18,892	15,796
Prepayments for prorerty, plant and equitment	0	593
Property, plant and equipment	199,815	189,819
Investments in associates	0	0
Deffered tax assets	16,047	22,686
Other non-current assets	16,047	22,686
Total non-current assets	641,353	568,020
Inventories	218,230	195,202
Trade receiveables	574,949	549,142
Receivables from group enterprises	14,322	1,739
Income tax receivable	1,467	3,532
Other receivables	73,811	65,520
Prepayments	7,295	7,496
Receivables	671,844	627,429
Cash and cash equivalents	185,911	132,169
Total current assets	1,075,984	954,800
Total assets	1,717,337	1,552,820

	2015	2014
Liabilities and shareholder's equity	DKK'000	DK'000
Share capital	16,112	16,112
Foreign currency translation reserve	38,076	17,451
Hedging reserves	-1,676	-2,369
Retained earnings	410,604	306,049
Shareholders' share of equity	463,116	337,243
Shareholders' of minority interests	88	-25
Shareholders' equity	463,204	337,218
Deferred tax	6,892	3,543
Provisions	7,672	6,491
Accrual for straight line lease expense	14,480	12,852
Debt to mortgage credit institutions	2,998	3,271
Debt to credit institutions	489,688	477,768
Leasing debt	34,117	38,212
Other debt	42	114
Total non-current liabilities	555,890	542,251
Instalment of non-current debt next year	91,673	54,006
Provisions	19	107
Debt to credit institutions	0	7,545
Trade creditors	379,303	384,155
Debt to group enterprises	38,273	27,612
Corporate tax	7,185	13,868
Other payables	175,668	152,170
Deffered income	6,122	3,886
Total current liabilities	698,243	643,351
Total liabilities	1,254,133	1,185,602
Total equity and liabilities	1,717,337	1,522,820

FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME

	2015	2014
	DKK'000	DK'000
Profit of the year	104,668	130,114
Other comprehensice income		
Items that can be reclassifies to the income statement when certain conditions are met:		
Exchange differences, foreign entities	20,625	17,451
Fair value adjustment for the year relating to hedging instruments	905	-2,489
Tax relating to hedging instruments	-212	498
Total comprehensive income	125,986	145,574
Attributable to:		
Shareholders of Wrist Ship Supply A/S	125,873	145,551
Non-controlling interests	113	23
	125,986	145,574



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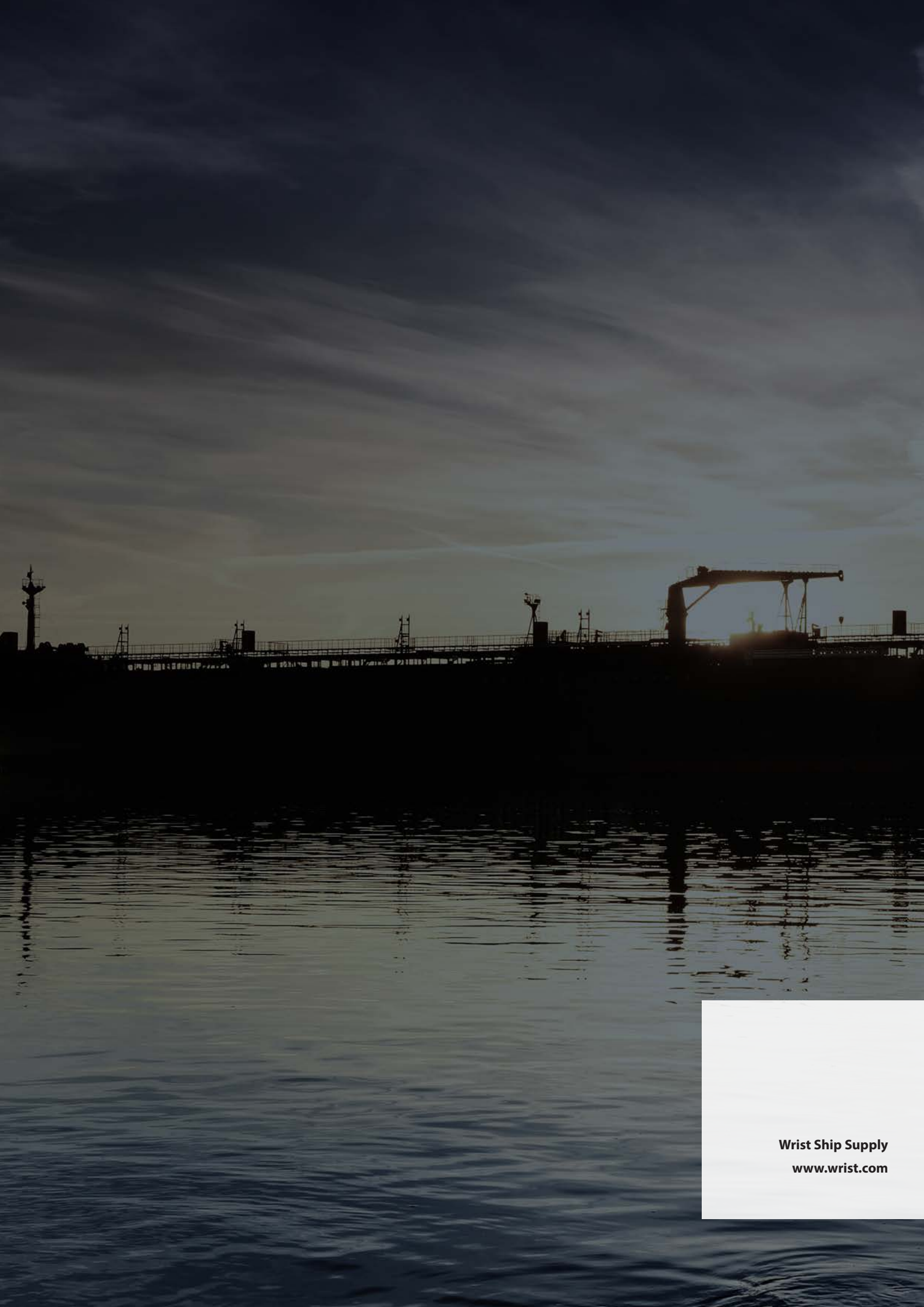
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