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In accordance with
Regulation 32 of the
Overseas Companies
Regulations 2009

OS AA01

Statement of details of parent law and other
information for an overseas company



THU SATURDAY



☒ What this form is for
You may use this form to
accompany your accounts
disclosed under parent law

☒ What this form is NOT
You cannot use this form
an alteration of manner
with accounting require

A06 *A2ID3500*
05/10/2013 #67
COMPANIES HOUSE
A28 *A2HPO801*
26/09/2013 #169
COMPANIES HOUSE

Part 1 Corporate company name

Corporate name of
overseas company ①

APL LOGISTICS EUROPE BV

UK establishment
number

B R 0 0 6 0 9 2 - FC023240

→ Filing in this form
Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

① This is the name of the company in
its home state

Part 2 Statement of details of parent law and other information for an overseas company

A1 Legislation

Please give the legislation under which the accounts have been prepared and,
if applicable, the legislation under which the accounts have been audited

Legislation ②

DUTCH GAAP

② This means the relevant rules or
legislation which regulates the
preparation and, if applicable, the
audit of accounts

A2 Accounting principles

Accounts

Have the accounts been prepared in accordance with a set of generally accepted
accounting principles?

Please tick the appropriate box

☐ No Go to Section A3

☒ Yes. Please enter the name of the organisation or other
body which issued those principles below, and then go to Section A3

③ Please insert the name of the
appropriate accounting organisation
or body

Name of organisation
or body ③

DUTCH GAAP / DUTCH GOVERNMENT

A3 Accounts

Accounts

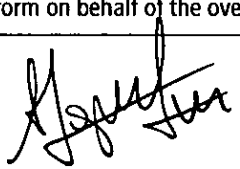
Have the accounts been audited? Please tick the appropriate box

☐ No Go to Section A5

☒ Yes. Go to Section A4

OS AA01

Statement of details of parent law and other information for an overseas company

A4 Audited accounts	
Audited accounts	<p>Have the accounts been audited in accordance with a set of generally accepted auditing standards?</p> <p>Please tick the appropriate box</p> <p><input type="checkbox"/> No Go to Part 3 'Signature'</p> <p><input checked="" type="checkbox"/> Yes Please enter the name of the organisation or other body which issued those standards below, and then go to Part 3 'Signature'</p>
Name of organisation or body ①	<p>DUTCH GOVERNMENT</p>
A5 Unaudited accounts	
Unaudited accounts	<p>Is the company required to have its accounts audited?</p> <p>Please tick the appropriate box</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes</p>
Part 3 Signature	
<p>I am signing this form on behalf of the overseas company</p>	
Signature	<p>Signature</p> <p>X  X</p>
<p>This form may be signed by Director, Secretary, <u>Permanent representative</u></p>	

OS AA01

Statement of details of parent law and other information for an overseas company

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name

ARSENIO SOPENA HERNANDEZ

Company name

APL LOGISTICS EUROPE BV

Address

EAGLE COURT, 9 VINE ST

Post town

UXBRIDGE

County/Region

Postcode

U B 8 1 Q E

Country

UK

DX

Telephone

01895 205 568

**Checklist**

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following

- ☐ The company name and, if appropriate, the registered number, match the information held on the public Register
- ☐ You have completed all sections of the form, if appropriate
- ☐ You have signed the form

**Important information**

Please note that all this information will appear on the public record

**Where to send**

You may return this form to any Companies House address:

England and Wales

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

Scotland

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

Northern Ireland

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1

**Further information**

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

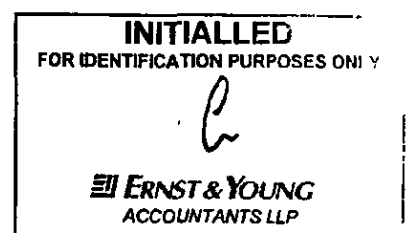
FC 28240

APL Logistics Europe B.V.

**Annual report December 28, 2012
&
Audit report**



COMPANIES HOUSE



APL Logistics Europe B.V.
Annual report for the year ended December 28, 2012

Management report

The primary trade remains logistics management within Europe in association with our fellow group companies in Asia. Major customers cover a wide range of industries mainly in the retail sector. APL Logistics Europe BV ("the Company") has branches in the UK, the Netherlands and Belgium and holds investments in other group companies. The branches are operating businesses with a range of staff covering sales and marketing, operations, finance, engineering, IT, and administration.

The financial position and developments during the year

The balance sheet at December 28, 2012 showed an increase in total assets of US\$ 24.7m, as a result of the increase of receivables from subsidiaries and affiliated companies.

Equity increased by US\$ 2.4m as a result of the year's operating profits.

The dividends received from subsidiaries and affiliates in 2012 have amounted to US\$ 2.3m (2011 US\$2m).

The turnover decreased by US\$ 1.9m mainly as a result of the falling rates in the forwarding business. The result for the period has been a net profit of US\$ 2.4m (2011 net profit of US\$4.9m) with a turnover of US\$ 65.4m (2011 US\$ 67.3m).

Employees

As of 1 January 2013, the Dutch Management and Supervision Act came into effect. With this Act, statutory provisions were introduced to encourage a balanced representation of men and women in management boards and supervisory boards of companies governed by this Act. Balanced representation of men and women is deemed to exist if at least 30% of the seats are filled by men and at least 30% are filled by women.

The Company currently has no seats taken by women. The Company recognises the benefits of diversity, including gender balance. However, the Company feels that gender is only one component of diversity. Management Board members will continue to be selected on the basis of wide ranging experience, backgrounds, skills, knowledge and insights.

There were 122 employees at the end of the year, 9 more than in the previous year.

The Company is not involved in any research and development activities.

Financial risk management

The Company's principal financial instruments primarily comprise cash and intercompany payables and receivables. The fair values of the financial instruments approximate the carrying amounts. Procedures are in place to minimize the financial risk, interest risk, foreign currency risk and credit risk.

The Company is mainly active in logistics activities within Europe and is exposed to the following risks:

(i) Currency risk

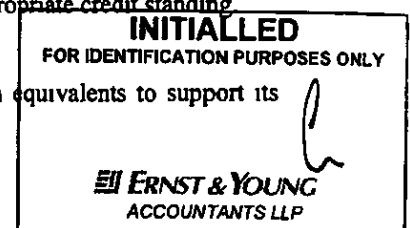
The Company's revenue is denominated primarily in US Dollars, the measurement and reporting currency of the Company. There are some exposures through local operating costs in other currencies, the most significant of which are Euro and British Pound. The NOL Group uses foreign exchange forward contracts to hedge its future foreign exchange exposures for its subsidiary companies including APL Logistics Europe B.V.

(ii) Credit risk

The Company has no significant concentrations of credit risk. The Company has implemented policies to ensure that credit sales of products and services are made to customers with an appropriate credit standing.

(iii) Liquidity risk

In liquidity risk management, the Company has adequate level of cash and cash equivalents to support its businesses and mitigate the effects of cash flow fluctuations.



APL Logistics Europe B.V.
Annual report for the year ended December 28, 2012

Subsequent events

No significant matter or circumstance has arisen since December 28, 2012 that may significantly affect the operations of the Company, the results of its operations or the state of affairs of the Company in the future

Forecast for 2013

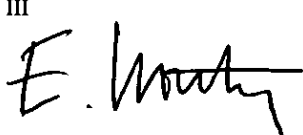
Freight rates are expected to continue under pressure in 2013, due to the excess of capacity in the shipping market, carriers are trying to implement increases with low level of success, the uncertainty in the economic climate may affect negatively the turnover the Company's main customers can bring in Volumes in the forwarding piece of business are lower than in 2012 Tight cost controls will continue to be in force in 2013 with a view to improving the EBIT



James McAdam III

Director

18 July, 2013



Eddy Wouters

Director

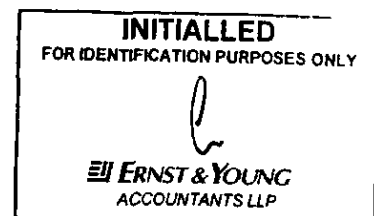
18 July, 2013



Stephen Leong

Director

18 July, 2013



APL Logistics Europe B.V.
Annual report for the year ended December 28, 2012

BALANCE SHEET		AT DECEMBER 28, 2012		
	Note	2012	2011	
		US\$	US\$	
ASSETS				
Fixed Assets				
Tangible fixed assets	3	39,749	33,583	
Financial fixed assets	4	12,540,961	12,959,844	
Tax assets (long term)	8	440,065	933,651	
		Total fixed assets	13,020,776	13,926,828
Current Assets				
Accounts receivable	5	18,619,259	18,480,280	
		Trade		
		Parent company	853,373	0
		Subsidiaries and affiliated companies	28,637,287	5,712,038
VAT receivable		261,791	336,765	
Prepaid expenses		1,084	981	
Other receivable		264,718	0	
		Total current assets	48,767,276	24,538,954
Cash		1,791,314	387,659	
		Total current assets	50,558,590	24,926,613
		63,579,366	38,853,441	
SHAREHOLDERS' EQUITY AND LIABILITIES				
Equity				
Issued and paid-in capital		165,461,815	165,097,734	
Additional paid-in capital		16,451,732	16,451,732	
Other reserves		2,375,869	2,742,950	
Retained earnings		(166,811,753)	(169,258,890)	
		Total equity	17,480,663	15,033,526
Short-term liabilities				
Accounts payable		3,634,446	2,807,578	
		Trade		
		Parent company	0	1,265,406
		Subsidiaries and affiliated companies	34,728,556	13,768,009
		Total short-term liabilities	38,363,002	17,840,993
Accrued liabilities		7,735,701	5,978,922	
		Total short-term liabilities	46,098,703	23,819,915
		63,579,366	38,853,441	

James McAdam III

Director

18 July, 2013

Eddy Wouters

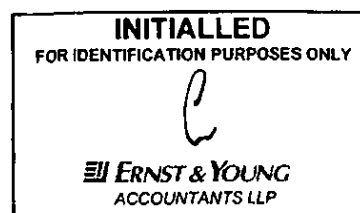
Director

18 July, 2013

Stephen Leong

Director

18 July, 2013



APL Logistics Europe B.V.

Annual report for the year ended December 28, 2012

INCOME STATEMENT		FOR THE YEAR ENDED DECEMBER 28, 2012	
		2012	2011
	Note	US\$	US\$
Net sales	11	65,446,590	67,344,288
Cost of sales		(54,885,230)	(50,419,457)
Gross profit on sales		10,561,360	16,924,831
G&A expenses			
Wages and salaries		(7,019,109)	(7,124,775)
Social securities		(881,319)	(866,195)
Pension cost		(435,474)	(442,993)
Depreciation of fixed assets	12	(18,967)	(7,211)
Other Expenses	14	(5,058,581)	(4,476,539)
		(13,413,450)	(12,917,713)
Operating profit / (loss)		(2,852,090)	4,007,118
Profit on disposal of subsidiary		0	25,024
Profit / (loss) on operating activities before investment income, interest and taxation		(2,852,090)	4,032,142
Financial income and expense			
Interest income		198,138	19,572
Dividends received		2,250,000	2,000,000
Interest expense		(22,499)	(15,129)
Currency exchange (loss) gain		3,104,506	(631,884)
	13	5,530,145	1,372,559
Profit on ordinary activities before taxation		2,678,055	5,404,701
Taxation on result of ordinary activities	8	(230,918)	(465,089)
Net profit for the period		2,447,137	4,939,612

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 **ERNST & YOUNG**
ACCOUNTANTS LLP

APL Logistics Europe B.V.
Annual report for the year ended December 28, 2012

1. General

APL Logistics Europe B V ("the Company"), having its legal seat in Rhoon, Netherlands, is engaged in logistics and supply chain management.

The Company ultimately is a wholly owned subsidiary of Neptune Orient Lines Ltd, located in Singapore. Other subsidiaries owned by Neptune Orient Lines Ltd, excluding those owned by the Company, are referred to as affiliated companies

The financial statements of the Company are included in the consolidated financial statements of Neptune Orient Lines Ltd, which are filed at the Chamber of Commerce in Singapore. In accordance with the article 408 Book 2 of the Dutch civil code, these financial statements will also be filed at the Chamber of Commerce in the Netherlands

In the ordinary course of business the Company enters into a substantial number of related party transactions with other group companies which are economically and organizationally linked to the Company

In accordance with article 408 Book 2 of the Dutch Civil Code, no consolidated financial statements are included of the Company and the group companies which are economically and organizationally linked to the Company

In accordance with RJ 360.104 no cash flow statement of the Company is included in the annual report

The last financial year ended on December 30, 2011. To agree with the group financial reporting period this current year closed on December 28, 2012

Based upon the international structure of the group the functional currency and reporting currency is US Dollars

2. Accounting Principles

General

The accounting principles of the Company have been applied consistently throughout all periods of the year. The accounting principles are summarized below in two parts

A Principles of valuation of assets and liabilities

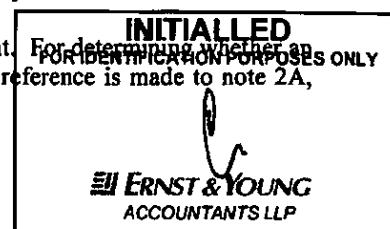
The principles of valuation and determination of result remain unchanged compared to the prior year

- 1.1 Assets and liabilities are stated at face value unless indicated otherwise
- 1.2 Assets and liabilities denominated in foreign currencies are translated into US Dollars at the rates of exchange prevailing at period end. Transactions in foreign currencies are translated at the rates of exchange prevailing at the date of the transaction. The exchange results are recorded under financial income and expense in the statement of income
- 1.3 *Tangible fixed assets* Tangible fixed assets are stated at the acquisition cost, less straight-line depreciation. The depreciation is calculated on the basis of acquisition cost less residual value and the estimated useful life of the related asset. The estimated useful lives are

Machinery and equipment

5 – 15 years

Any impairment as at the balance sheet date is taken into account. For determination of impairment charge in respect of a tangible fixed asset applies, reference is made to note 2A, 1.5



APL Logistics Europe B.V.

Annual report for the year ended December 28, 2012

- 1.4 *Financial fixed assets* Investments in subsidiaries, affiliated companies and other investments that have a long term nature are stated at acquisition cost less provision for impairment where necessary. Receivables included in financial fixed assets are valued at face value less provisions where necessary. For determining whether an impairment charge applies, reference is made to note 2A, 1.5.
- 1.5 *Impairment of fixed assets* On the balance sheet date, the Company tests whether there are any indications of an asset which could be subject to impairment. If there are such indications, the recoverable amount of the asset concerned is estimated. If this is not possible, the recoverable amount of the cash-generating unit to which the asset belongs, is identified. An asset is subject to impairment if its book value is higher than its recoverable value, the recoverable value is the higher of the realisable value and the value to the business. The realizable value is determined by means of current market conditions. Impairment is recognized as an expense in the profit and loss account.
- 1.6 *Cash at banks and in hand* Cash at banks and in hand consists of cash in hand, cash at banks and deposits with a maturity of less than twelve months.
- 1.7 *Deferred tax assets and liabilities* Deferred tax assets and liabilities are recognized in respect of timing differences between valuation of assets and liabilities according to fiscal provisions on the one hand and the valuation principles as used in these annual accounts on the other. Deferred tax assets and liabilities are calculated based on the ruling tax rates as at year-end or future applicable rates, insofar as already decreed by law. Deferred tax assets, including those from carried forward losses, are valued if it is probable that fiscal profit will be available to offset losses, and settlement possibilities can be utilized.
- 1.8 *Leasing* Lease contracts for which a large part of the risks and rewards incidental to ownership of the assets does not lie with the Company, are recognized as operational leases. Obligations under operational lease are recognized on a straight-line basis in the profit and loss account over the term of the contract, taking into account reimbursements received from the lessor.
- 1.9 *Equity foreign currency translation reserve* The Company's functional and reporting currency is US Dollars, while the share capital is issued in Euros. Therefore, share capital needs to be revalued yearly at the year-end exchange rate. The translation result is included under "Other reserves" in accordance with Dutch law (Article 2:373 Terms 4 and 5 of Dutch Civil Code).

B. Principles for determination of result

- 1.1 *General* The result represents the difference between the value of the consideration rendered and the costs and other charges for the year. The results on transactions are recognized in the year they are realized.
- 1.2 *Revenue recognition and cost of sales* Net sales are determined on the basis of the value (excluding taxes) of goods invoiced, less discounts, rebates and similar charges granted to customers. Sales are recognized as services are rendered. Cost of sales represents the direct and indirect expenses attributable to net sales and is recorded in the same period as sales are recognized.
- 1.3 *Expenses* Expenses are recognized on the historical cost convention and are allocated to the reporting year to which they related.
- 1.4 *Personnel remuneration*
Regular payments Salaries, wages and social security costs are charged to the profit and loss account when due, and in accordance with employment contracts and obligations.
Pensions The Company has a defined contribution pension scheme whereby premiums are paid to insurance companies or pension funds on the basis of salary levels during the year. The Company has no legal or actual obligations in case of a deficit within the insurance company or

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Annual report for the year ended December 28, 2012

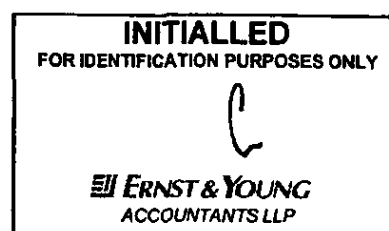
pension fund. The Company also has a defined benefit scheme which is treated as a defined contribution because it is insignificant

1 5 *Financial income and expenses*

Interest income and expense Interest income and expense are time apportioned, taking into account the effective interest rate for the relating assets and liabilities

Dividends Dividends are recognised in the profit and loss account if the Company is entitled to them and the dividends are probable to be received

1 6 *Taxation* Tax on result is calculated by applying the current rate to the result for the financial year in the profit and loss account, taking into account tax loss carry-forwards (where not included in deferred tax assets) and tax exempt profit elements, and after inclusion of non-deductible costs Since 2009 the Company has agreed a basis for assessing taxation in the Netherlands with the Dutch tax authorities based on a cost plus methodology



APL Logistics Europe B.V.
Annual report for the year ended December 28, 2012

3. Tangible Fixed Assets

The movement in tangible fixed assets is as follows

	Machinery and equipment	Total
	US\$	US\$
Book value December 30, 2011	33,503	33,503
Additions	25,213	25,213
Disposals cost	-	-
Disposals accumulated depreciation	-	-
Depreciation	(18,967)	(18,967)
Book value December 28, 2012	39,749	39,749
Historical cost	106,991	106,991
Accumulated depreciation	(67,242)	(67,242)
Book value December 28, 2012	39,749	39,749

4. Financial Fixed Assets

The movement in financial fixed assets is as follows:

	Loans	Shares	Total
	US\$	US\$	US\$
Book value at December 30, 2011	511,900	12,447,744	12,959,644
Additions	-	-	-
Disposals	-	-	-
Impairment	(418,683)	-	(418,683)
Revaluation	-	-	-
Book value at December 28, 2012	93,217	12,447,744	12,540,961

The details of the financial fixed assets are as follows

Name of subsidiary/investment	Cost of investment	Impairment	Net
	US\$	US\$	US\$
Vascor Ltd	5,400,000	-	5,400,000
APL Logistics Americas Ltd	143,383,240	(143,383,240)	-
APL Logistics Canada Ltd	683,732	-	683,732
APL Logistics Deutschland GmbH & Co KG	6,337,553	-	6,337,553
APL Logistics Harsan de Venezuela CA	1,035	-	1,035
APL Logistics de Argentina SA	145,299	(119,876)	25,423
APL Logistics do Brasil Ltda	1	-	1
	155,950,860	(143,503,116)	12,447,744
Loan to APL Logistics Harsan de Venezuela CA	511,900	(418,683)	93,217
	156,462,760	(143,921,799)	12,540,961

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APL Logistics Europe B.V.
Annual report for the year ended December 28, 2012

The impairment in 2012 is related to the loan issued to APL Logistics Herson de Venezuela CA
The Company has provided part of the loan because of the investment's liabilities and weak equity position, the redemption of part of the loan is not expected in the foreseeable future

The carrying amount of financial fixed assets is net of impairment of US\$143.9m

Details of investments in subsidiaries and affiliated companies are shown in Note 18

5. Accounts Receivable

	2012	2011
	US\$	US\$
Trade receivables	18,755,316	18,783,991
Allowance for doubtful debts	(136,057)	(303,711)
TOTAL	18,619,259	18,480,280

6. Shareholders' Equity

	Issued and paid-in capital	Additional paid-in capital	Other reserves	Retained earnings	Total shareholders equity
	US\$	US\$		US\$	US\$
Balance at December 31, 2010	15,853	16,451,732		(174,198,502)	(157,730,917)
Foreign currency translation	(2,742,950)		2,742,950		0
Share capital increase	167,824,831				167,824,831
Result for the year				4,939,612	4,939,612
Balance at December 30, 2011	165,097,734	16,451,732	2,742,950	(169,258,890)	15,033,526
Foreign currency translation	367,082		(367,082)		0
Result for the year				2,447,137	2,447,137
Balance at December 28, 2012	165,464,815	16,451,732	2,375,869	(166,811,753)	17,480,663

The authorised share capital consists of 125,000,000 common shares with a par value of 1 EURO each. Thereof, 124,980,645 shares have been issued and paid in

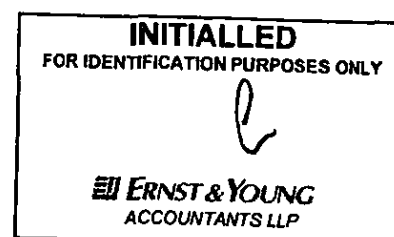
The equity increased by US\$ 2.4m as a result of the net profit of the financial period

7. Short-term Liabilities

Liabilities with a remaining period of up to 1 year

	2012	2011
	US\$	US\$
Trade payables	3,634,446	2,807,578
Parent company	0	1,265,406
Subsidiaries and affiliated companies	34,728,556	13,768,009
Accrued liabilities	7,735,701	5,978,922
TOTAL	46,098,703	23,819,915

The accrued liabilities consist of



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	2012 US\$	2011 US\$
Payroll Deductions	(35,682)	(20,653)
Accrued Wages & Benefits	(763,810)	(812,275)
Other Accrued Taxes	(203,309)	(476,011)
Cost Oper Accrual	(1,120,078)	(833,278)
G&A Accrual	(174,144)	(319,758)
Other Current Liabilities	(5,438,778)	(3,266,730)
Foreign Tax Liabilities	0	(250,216)
	(7,735,701)	(5,978,922)

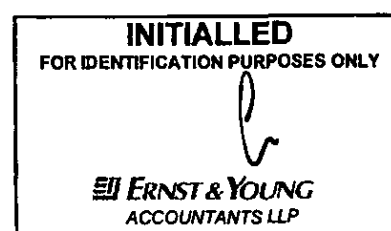
8. Income Tax

Tax	2012 US\$	2011 US\$
Current year current tax	(430,998)	604,769
Withholding tax	112,500	100,000
Current year deferred tax	549,416	(239,630)
Total tax debit/(credit)	230,918	465,089
Factors affecting the tax debit/(credit)	2012 US\$	2011 US\$
Profit before tax	2,678,055	5,404,701
Tax at 25%	669,514	1,351,175
Non-deductible expenses	104,671	0
Non taxable income	(562,500)	(500,000)
Utilisation of carried-forward tax losses	426,657	(950,502)
Prior years adjustment	(519,924)	464,416
Withholding tax	112,500	100,000
Total tax debit/(credit)	230,918	465,089

The company has unutilised tax losses of US\$ 2.1m (2011 US\$3.9m). These losses can be carried forward indefinitely against future taxable income in the territory in which the tax losses arise. A deferred tax asset has been recognised in respect of the losses in the UK amounting to US\$ 0.4m, since the utilisation of the carried-forward losses in that country is currently anticipated.

9. Credit Facilities

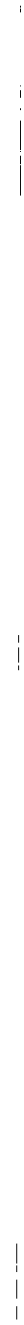
The Company and its subsidiaries arrange credit facilities through the parent companies. The immediate parent Company APL Logistics Ltd provides any facilities required with additional ones available from the ultimate parent Company, Neptune Orient Lines Ltd.





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APL Logistics Europe B.V.
Annual report for the year ended December 28, 2012

10. Commitments

a) Rental obligations and operational lease commitments

	Other	
	2012	2011
	US\$	US\$
Operating leases which expire		
Within one year	117,064	101,572
In two to five years	98,033	146,267
In over 5 years	-	-
TOTAL	215,097	247,839

b) Guarantees and Long Term Financial Commitments

Bank guarantees provided by the Company to third parties amount to US\$5.3m (2011 US\$5.9m), all related to customs activities. The bank guarantees include a bank guarantee amounting to US\$1.7m issued in favour of the German Customs Authorities to guarantee the customs business of the Company's subsidiary in Germany. The Company had a branch in Germany, which was merged into the pre-existing subsidiary the Company had in the same country on 31 Dec 2008, and the resulting entity inherited the guarantee.

11. Segment Information

a) Business segments

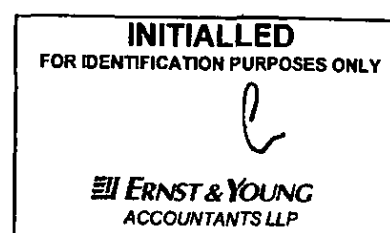
	2012	2011
	US\$	US\$
Logistics	65,446,590	67,344,288

b) Geographical segments

	2012	2011
	US\$	US\$
The Netherlands	21,089,082	22,369,210
Other European countries	44,357,508	44,975,078
	65,446,590	67,344,288

12. Depreciation of Fixed Assets

	2012	2011
	US\$	US\$
Depreciation of tangible fixed assets	18,967	7,211





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13. Financial Income and Expense

	2012	2011
	US\$	US\$
Interest income	198,138	19,572
Dividends Received	2,250,000	2,000,000
Interest expense	(22,499)	(15,129)
Currency exchange gain/(loss)	3,104,506	(631,884)
	5,530,145	1,372,559

Interest income consists of interest on current bank accounts and interest on intercompany receivables towards APL Logistics Deutschland GmbH & Co KG (US\$ 0.2m)

Interest expense consists of interest expense on current bank accounts and financing fees

Currency exchange gain/(loss) results from the revaluation of the balance sheet items from local to group currency

Dividends received in 2012 are from Vascor Ltd. In 2011 dividends were received from Vascor Ltd

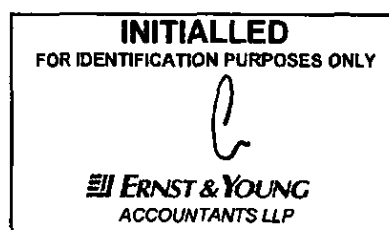
14. Other Expenses

	2012	2011
	US\$	US\$
Other expenses		
Intercompany management fees	2,969,180	2,588,981
Travel & Entertainment	419,230	365,210
Impairment loss on financial fixed asset	418,683	0
Bad debt	408,167	278,103
Automobile	253,324	265,340
Professional Fees	246,285	401,339
Telecommunications	89,616	98,034
Office Supplies & Expense	79,297	108,065
Other Staff Expense	78,797	77,793
Others	50,320	181,050
Rent	41,557	40,672
Advertising	4,325	71,573
Grand Total	5,058,581	4,476,540

Included in professional fees are US\$ 32,000 (2011 US\$25,000) of costs related to audit fees in the Netherlands

15. Personnel

The average number of personnel during the period was approximately 116, at the end of the year the number of personnel employed in the following functional areas was as follows



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	2012	2011
Sales	24	23
Operations	90	85
Administration	8	5
	122	113

16. Financial Risk Factors

The Company's principal financial instruments primarily comprise cash and intercompany payables and receivables. The fair values of the financial instruments approximate the carrying amounts. Procedures are in place to minimize the financial risk, interest risk, foreign currency risk and credit risk.

The Company is mainly active in logistics activities within Europe and is exposed to the following risks:

(i) Currency risk

The Company's revenue is denominated primarily in US Dollars, the measurement and reporting currency of the Company. There are some exposures through local operating costs in other currencies, the most significant of which are Euro and British Pound. The NOL Group uses foreign exchange forward contracts to hedge its future foreign exchange exposures for its subsidiary companies including APL Logistics Europe B.V.

(ii) Credit risk

The Company has no significant concentrations of credit risk. The Company has implemented policies to ensure that credit sales of products and services are made to customers with an appropriate credit standing.

(iii) Liquidity risk

In liquidity risk management, the Company has adequate level of cash and cash equivalents to support its businesses and mitigate the effects of cash flow fluctuations.

17. Statutory Directors

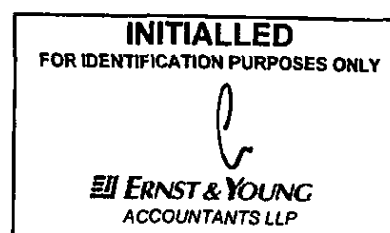
The remuneration, including pension charges and other benefits, of current and former members of the Statutory Directors charged to the company in the year under review amounted to \$ 277,153 (2011: \$ 251,270).

18. Investments in subsidiaries and affiliated companies

The investments in subsidiaries and affiliated companies are specified as follows:

Name of subsidiary/investment	Located in	Percentage ownership
APL Logistics Americas Ltd	United States of America	100%
APL Logistics Deutschland Verwaltungs GmbH	Germany	100%
APL Logistics Deutschland GmbH & Co KG	Germany	100%
Vascor Ltd	United States of America	50%
APL Logistics Canada Ltd	Canada	100%
APL Logistics Herson de Venezuela CA	Venezuela	51%
APL Logistics de Argentina SA	Argentina	100%
APL Logistics do Brasil Ltda	Brazil	1%
APL Transportation and Logistics Limited Sirketi	Turkey	0.01%

19. Branch Offices



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The Company has branches established in the UK, the Netherlands and Belgium. The trademark used by these branches is APL Logistics.

20. InterCompany Trading

	2012 US\$	2011 US\$
<i>Revenue</i>		
Agency fee	6,166,617	8,672,607
Interest income	195,896	7,254
	6,362,513	8,679,861
<i>General and administrative costs allocation</i>		
G&A Allocation - APLL Singapore	333,245	386,418
G&A Allocation - APL Europe HQ	-	1,079,526
G&A Allocation - APL Co UK Ltd	2,002,593	740,266
G&A Allocation - APL Netherlands	463,501	449,200
G&A Allocation - APL Germany	39,830	92,637
G&A Allocation - APLL Turkey	214,404	-
Agency fee	6,571,902	2,244,097
	9,625,476	4,992,144

21. Subsequent Events

No significant matter or circumstance has arisen since December 28, 2012 that may significantly affect the operations of the Company, the results of its operations or the state of affairs of the Company in the future.

22. Approval of Management Report

The financial statements of APL Logistics Europe B.V. for the financial year ended December 28, 2012 were approved for issue by the Board of Directors on 18 July, 2013.

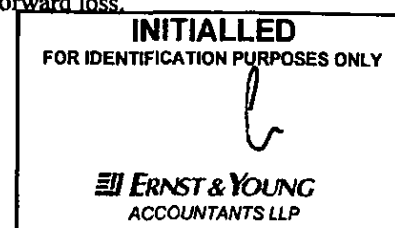
23. Other Information

Profit appropriation according to the Articles of Association

The Articles of Association of the Company provide that the appropriation of the net result for the year is decided upon at the Annual General Meeting of Shareholders.

Proposed appropriation of result

The shareholders propose to deduct the net profit of the year from the carried-forward loss.





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Independent auditor's report

To: the shareholder of APL Logistics Europe B.V.

Report on the financial statements

We have audited the accompanying financial statements 2012 of APL Logistics Europe B.V., Rotterdam which comprise the balance sheet as at 28 December 2012, the profit and loss account for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

Management's responsibility

Management is responsible for the preparation and fair presentation of these financial statements and for the preparation of the management report, both in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion with respect to the financial statements

In our opinion, the financial statements give a true and fair view of the financial position of APL Logistics Europe B.V. as at 28 December 2012 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

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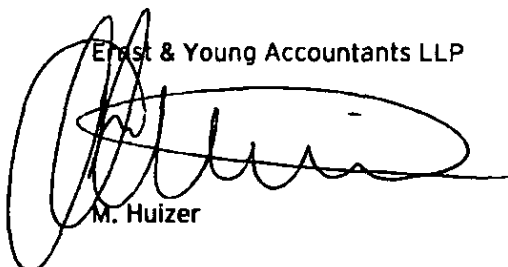


Report on other legal and regulatory requirements

Pursuant to the legal requirement under section 2:393 sub 5 at e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the management report, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required under section 2:392 sub 1 at b-h has been annexed. Further we report that the management report, to the extent we can assess, is consistent with the financial statements as required by section 2:391 sub 4 of the Dutch Civil Code.

Rotterdam, 18 July 2013

Ernst & Young Accountants LLP



M. Huizer