



DANUBE LOGISTICS

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TRANS CARGO TERMINAL MORE THAN DOUBLES THE CAPACITY OF ITS GRAIN EXPORT TERMINAL AT GIFF

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DANUBE LOGISTICS PARTICIPATES IN THE DANUBE DELTA PROJECT ON HAZARD AND CRISIS MANAGEMENT

DANUBE LOGISTICS SRL, GENERAL INVESTOR AND OPERATOR OF GIFF PARTICIPATED IN MOLDOVA'S BUSINESS WEEK 2016

MOLDAVIAN TV VISITING GIURGIULESTI INTERNATIONAL FREE PORT ON 25TH ANNIVERSARY OF MOLDAVIAN CUSTOMS

THOMAS MOSER ELECTED AS THE NEW PRESIDENT OF THE EUROPEAN BUSINESS ASSOCIATION



Port Operation



Shipping



Inland Transportation



Business Park



OPERATIONAL RESULTS 2016

The transshipment of cargo via Giurgiulesti International Free Port increased by 4% reaching 876,274 tons in 2016. The transshipment of bulk cargo via Giurgiulesti International Free Port increased by 3%, reaching 757.977 tons and the transshipment of cargo in sea containers increased by 10% reaching 118,299 tons in 2016. About 57% of the bulk cargo transshipments volumes consisted of the export of Moldovan grain, oil seeds and vegetable oil and about 34% of the import of mineral oil products. Grain, oil seeds and vegetable oil were primarily delivered by maritime

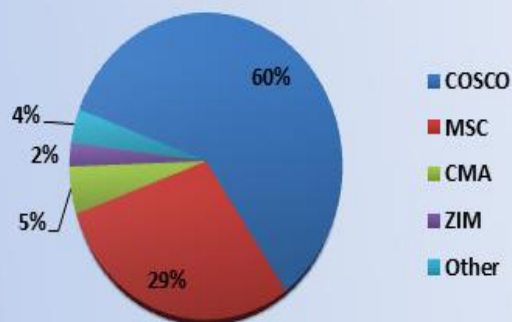
vessels from Giurgiulesti to European Union countries located in the Mediterranean area. Mineral oil products were mostly delivered to Giurgiulesti by maritime vessels from the Black Sea and the Mediterranean as well as by river barges and via the European railway network from Romania. Apart from the export of agricultural goods and the import oil products, Giurgiulesti International Free Port is also frequently used for the import of construction material, soda ash, coal, pet-coke and agricultural machinery.



CONTAINER TRANSSHIPMENTS

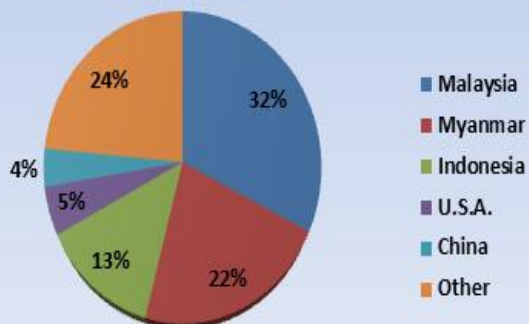
The total number of sea containers transhipped via Giurgiulesti International Free Port (GIFP) and delivered to/collected from the Port of Constanta by Danube Logistics SRL increased by 3% to 8,200 containers in 2016. While the number of import containers decreased due to the challenging economic environment, the number of sea containers used for the export of Moldovan grain, wine, spirits, vegetable oil and other goods increased by 25%. The main destinations of these export containers shipped from Giurgiulesti were Malaysia (32%), Myanmar (22%), Indonesia (13%), USA (5%) and China (4%). The shipments of containers were realized in collaboration with MSC, CMA, CSCL, COSCO, ZIM, ARKAS, APL and other leading container shipping lines calling on a weekly basis on the port of Constanta.

Container Shipping Lines

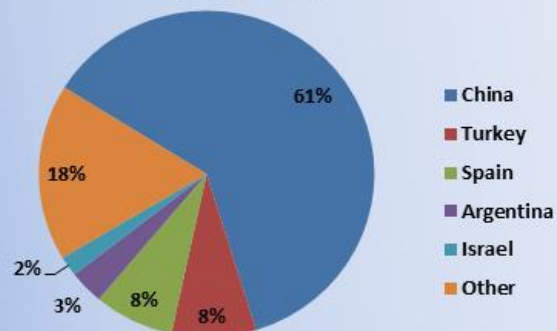


Thomas Moser, the Chairman of Danube Logistics SRL stated: "We are very pleased about the considerable increase in the export of Moldovan goods in sea containers. Last year we managed to facilitate Moldovan exports to 43 countries."

Export Destinations



Origin of Imports



TRANS CARGO TERMINAL MORE THAN DOUBLES THE CAPACITY OF ITS GRAIN EXPORT TERMINAL AT GIURGIULESTI INTERNATIONAL FREE PORT



On November 10, 2016 Trans Cargo Terminal SRL, a subsidiary of Trans-Oil Group (TOG), celebrated the completion of its grain export terminal expansion project at Giurgiulesti International Free Port. As a result, Trans Cargo Terminal is now able to load more than 1,000 tons of grain per hour onto maritime vessels of up to 8,000 tons, as well as river barges - the fastest loading rate of any grain terminal in the region.

Vaja Jhashi, President of TOG stated: "Due to the substantial increase of our capacity we will be able to attract new clients and at the same time enable our group of companies and our existing clients to increase the transshipment volumes. The expansion project consisted of the construction of an additional berth on the Danube, the erection of a silo with a storage capacity of 12,000 tons, a brand new deep water jetty as well as the installation of high-capacity loading equipment. In total about USD 6m were invested for the realization of this project, which has created 30 additional permanent jobs. The expanded

facility has a total grain storage capacity of 70,000 tons and increased the transshipment capacity from 300,000 tons to 800,000 tons per annum, which is equivalent to about 75% of the Republic of Moldova's annual grain exports."

Thomas Moser, the director of Danube Logistics SRL – operator of Giurgiulesti International Free Port: "We congratulate Trans Cargo Terminal for the successful expansion of their grain terminal. The increased capacity ensures that from now on the majority of Moldova's grain exports can be shipped directly from Moldova to international markets".



In addition to the export of grains in bulk, which are mostly delivered to the markets in the Mediterranean region, significant quantities of Moldovan grain are exported via Giurgiulesti International Free Port in sea containers to Asia. During the first 10 months of 2016, eleven Moldovan companies have shipped more than 60,000 tons of wheat in sea containers from Giurgiulesti to such countries as Malaysia, Myanmar and Indonesia.

DANUBE LOGISTICS INTENSIFIES COOPERATION WITH THE STATE RAILWAY OF MOLDOVA



importers Danube Logistics decided to establish a depot for empty sea containers at Chisinau railway stations.

The railway transportation of containers from/to GIFP is an effective alternative to road transportation, especially during the summer when stringent restrictions for the movement of trucks apply.

The State Railway of Moldova (CFM) and Danube Logistics SRL, the general investor and operator of Giurgiulesti International Free Port, reached an agreement on the regular transportation of sea containers between Giurgiulesti International Free Port (GIFP) and Chisinau railway station. On 1st of August the first 40 containers were delivered from GIFP to Chisinau by railway in order to facilitate the export of grain in sea containers to South-East Asia.

Initially the Giurgiulesti – Chisinau container transportation service is envisaged to be weekly. The block train reaches the destination in approximately 12 hours. In order to simplify logistics and for convenience of exporters/



DANUBE LOGISTICS SRL CARRIED OUT FOR THE FIRST TIME THE TRANSSHIPMENT OF COAL AT THE PREMISES OF GIURGIULESTI INTERNATIONAL FREE PORT

In December 2016 Danube Logistics carried out for the first time coal transshipment at the premises of Giurgiulesti International Free Port. The total amount of 3,000 tons was transhipped within several days from river barges onto trucks and railway wagons. Danube Logistics, the general investor and operator of Giurgiulesti International Free Port (GIFP) always



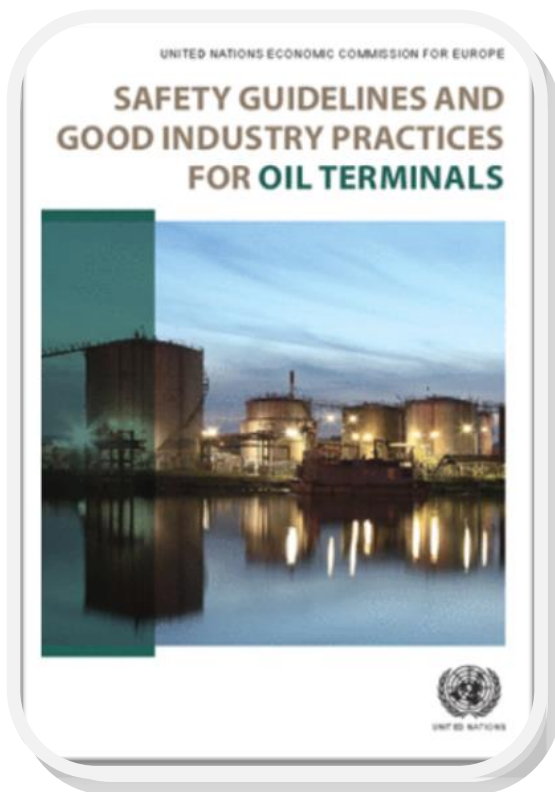
strive to wider its operational portfolio by attracting new clients and increasing its transshipment volumes. With the direct access to international waters on the maritime section of the river Danube, its access to the broad- and narrow-gauge railway systems as well as its location directly on the border with Romania and Ukraine, GIFP continues to develop as an important logistics hub for Moldova and the region.

OIL PRODUCTS ORIGINATING FROM SLOVAKIA TRANSSHIPPED FOR THE FIRST TIME VIA GIURGIULESTI INTERNATIONAL FREE PORT (GIFP)

In December 2016 Danube Logistics, general investor and operator of GIFP, carried out the transshipment of approximately 1.200 tons of gasoline from a river barge to the Oil Terminal located within GIFP bounds. The same amount of gasoline is expected to be delivered to GIFP in cisterns via railway in the end of January. The gasoline made it on along the Danube River to Giurgiulesti International Free Port from the SLOVNAFT Refinery located near Bratislava. SLOVNAFT, a.s., based in Bratislava is refinery with annual processing capacity of 5.5 – 6 million tons. The company core business is production, warehousing, wholesale and retail sales and distribution. SLOVNAFT, a.s., dispose with the largest retail network in SK offering top quality motor fuels and lubricants as well as related customer services including shop, gastro service, car wash and some others.



DANUBE LOGISTICS PARTICIPATES IN THE DANUBE DELTA PROJECT ON HAZARD AND CRISIS MANAGEMENT



From 2011 till 2015 Danube Logistics has been strongly involved in a project on 'hazard and crisis management' in the Danube Delta. This project, with the focus on the safety of oil terminals, was carried out within the framework of the Convention on the Transboundary Effects of Industrial Accidents of the United Nations Economic Commission for Europe (UNECE). In 2015 a successful full-scale field exercise was held at the premises of the Giurgiulesti International Free Port. The project and the exercise lead to important conclusions and recommendations where Danube Logistics, but also authorities from Moldova, Romania and Ukraine benefit from. Many recommendations are included in the work and action plan on HSE of the company to further enhance the safety at the terminal.

The HSE officer of Danube Logistics was invited to present the results of the project during a meeting of the Conference of the Parties of the UNECE Industrial Accidents Convention in November 2016 in Ljubljana, Slovenia. About 40 countries as Parties to the Convention participated in this important meeting. The presentation was well received and Danube Logistics was congratulated for the active involvement in the project, expertise on the matter and the willingness to make the terminal available for the important exercise.

Source: <https://goo.gl/bplzqx>

DANUBE LOGISTICS SRL, GENERAL INVESTOR AND OPERATOR OF GIURGIULESTI INTERNATIONAL FREE PORT (GIFP) PARTICIPATED IN MOLDOVA'S BUSINESS WEEK 2016

Danube Logistics SRL, general investor and operator of Giurgiulesti International Free Port (GIFP), participated in Moldovan Business Week 2016. Danube Logistics' Operations Director, Mathias von Tucher presented international transportation and logistics solutions for exporters from the Republic of Moldova. Within his delivery Danube Logistics' speaker described the advantages of the multimodal logistics of the port in order to access foreign markets, as well as the opportunities for residents of the business park located at GIFP premises. The speaker provided impressive figures showing the dynamic development of GIFP which has successfully established itself as one of the most important logistics hubs in Moldova and the region.



MOLDAVIAN TV VISITING GIURGIULESTI INTERNATIONAL FREE PORT ON 25TH ANNIVERSARY OF MOLDAVIAN CUSTOMS

In 2016 Moldova has celebrated 25th anniversary of customs – on this occasion Prime TV decided to make a TV story about Giurgiulesti International Free Port (GIFP), one of the most important logistics hub for Moldova and region. Along with port staff the filming crew received a rail transport and witnessed the discharge of oil products from a vessel. Thereafter journalists conducted an interview with Thomas Moser, the general director of Danube Logistics SRL, company which operates the port. The story was carried within "Prima Ora" show on Prime TV.

Source and full story on: <http://goo.gl/ZI2KKp>

THOMAS MOSER ELECTED AS THE NEW PRESIDENT OF THE EUROPEAN BUSINESS ASSOCIATION

On October 13th, EBA members took part in the annual General Assembly. The scope of the meeting was to inform the members about the association's implemented actions in 2015-2016 and planned actions for 2017.

The key-moment of the assembly was the election of the new EBA President. Mr. Thomas Moser, general director of Danube Logistics, was unanimously elected for this function.

In the context of the General Assembly, the members had the opportunity to get a more detailed insight into the overall activity of EBA, as well as of its three distinct activity areas. Mrs. Mariana Rufa, the EBA executive director, offered a comprehensive presentation of the Association Activities for 2015 & 2016, and informed the members on the concrete actions that have been implemented in the 3 core activity areas of the organization. She has also presented the Action Plan for 2017, calling for members to be more active in this regard, and contribute with their own proposals to the plan, so that the activity of the association is focused on each member's needs. Other matters on the agenda included the approval of the Audit Reports for 2012-2014 and 2015, and the approval of the 2017 budget.

EBA members reiterated the relevance of EBA for strengthening the Moldovan business environment and offered their support by further endorsing EBA Moldova - an important voice in the dialogue between the private sector, and the public and international institutions.

Source: <http://eba.md/eng/news/thomas-moser---noul-preedinte-al-eba-moldova-ales-unanim-in-cadru-adunarii-generale-a-membrilor>



AVAILABLE LAND FOR LEASE | RESIDENT GIFP

Danube Logistics offers 6ha of land for long term lease in Giurgiulesti International Free Port (GIFP), suitable for investment in warehouses and distribution centers, manufacturing facilities, processing plants and other. Residents of Giurgiulesti International Free Port benefit of the following fiscal and customs advantages:

Saving income tax

75% reduction on applicable corporate income tax of Moldova in the first ten years (currently 3% instead of 12%), further the tax will be reduced by 50% for the remaining period until 2030

Eliminating customs duties and indirect taxes

All operations in the GIFP are free of duties, excise taxes and VAT including transactions between residents and the supply of goods and services from outside of the GIFP to the residents e.g. for the construction and operation of the facilities

Contact us for more details!

Land Lease

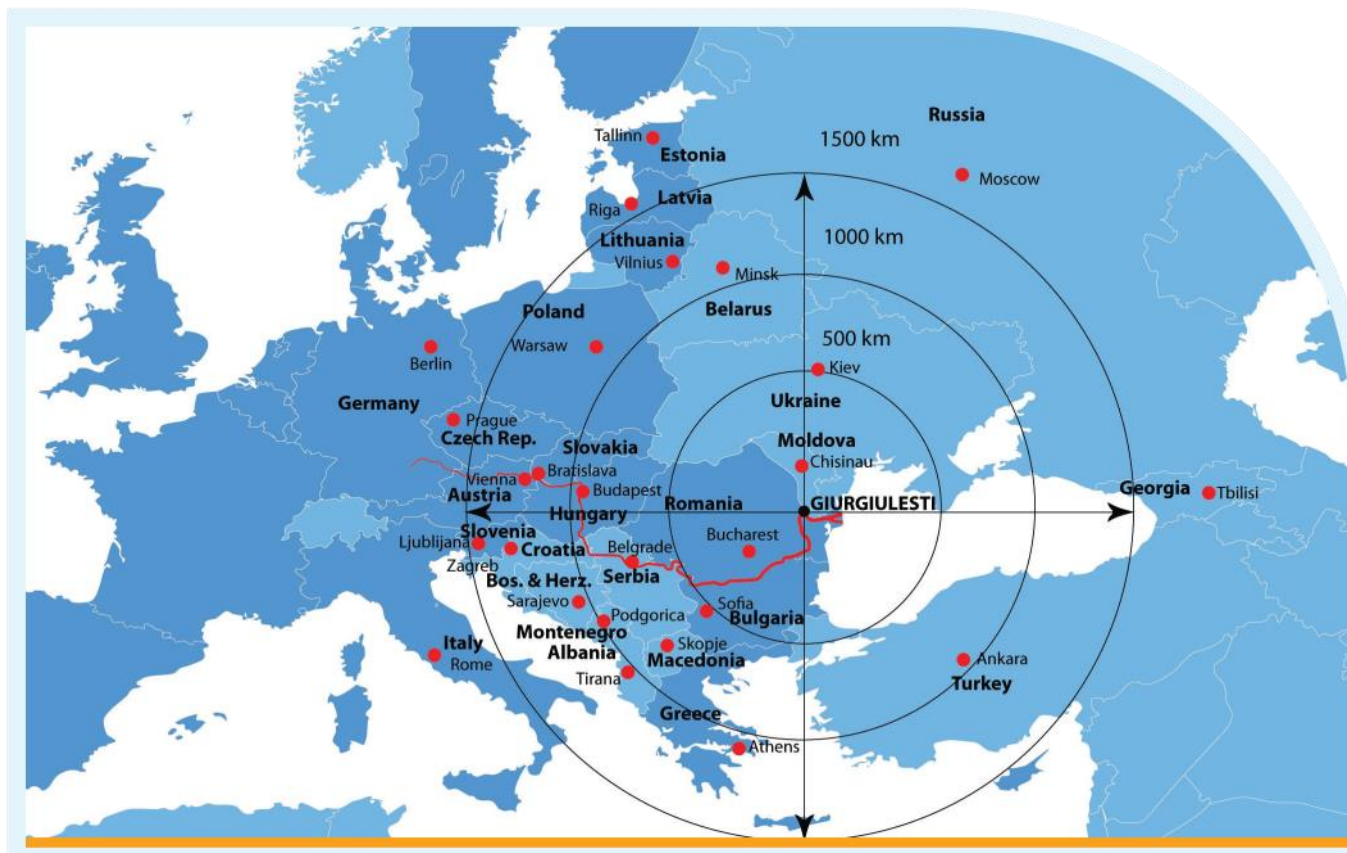
The map shows the Danube river flowing through the region. To the north is Moldova, to the west is Romania, and to the east is Ukraine. The Pruth river is also shown. A specific area of 6ha is marked with blue diagonal stripes and labeled '6ha'.

**GIURGIULESTI
INTERNATIONAL
FREE PORT**

- BUSINESS PARK
- FREE ECONOMIC ZONE
- MULTIMODAL LOGISTICS SERVICE:
 - MARITIME AND RIVER TRANSPORTATION SERVICES
 - BROAD AND NARROW-GAUGE RAILWAY

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