

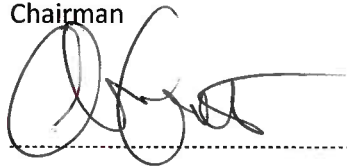
## **Vinland Denmark ApS**

John Tranums Vej 20, DK 6705 Esbjerg  
CVR-no. 21 02 39 49

### **Annual report 2018/2019** for the period 1 May 2018 – 30 April 2019

Approved at the annual general meeting of shareholders on 9 October 2019

Chairman

A handwritten signature in black ink, appearing to be 'Dennis Corbett', written over a horizontal dashed line.

Dennis Corbett

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## Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Vinland Denmark ApS for the financial year 1 May 2018-30 April 2019.

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

In our opinion, the financial statements give a true and fair view of the Company's financial position at 30 April 2019 and the results of the Company's operations for the financial year 1 May 2018 – 30 April 2019.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend the adoption of the annual report at the annual general meeting.

Aberdeen

United Kingdom

9 October 2019

Executive Board

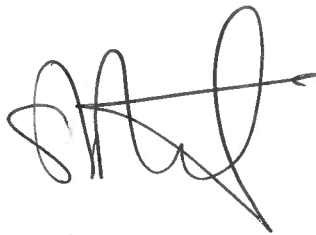


Murray D. Nicol

Board of Directors



Dennis Corbett  
Chairman



Shaun Stewart



Murray D. Nicol

## **Independent auditor report to the financial statements**

### **To the shareholders of Vinland Denmark ApS**

#### **Disclaimer of opinion**

We have been appointed to audit the financial statements of Vinland Denmark ApS for the financial year 1 May 2018 – 30 April 2019, which comprise income statements, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

We do not express any audit opinion on the financial statements. Because of the significance of the matters described in the "Basis for disclaimer of opinion" section, we have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an opinion.

#### **Basis for disclaimer of opinion**

The Company has in the fiscal year 2017/18 written down receivables from Group entities with GBP 25 million and the total receivables written down at 30 April 2018 amounts to GBP 499 million, as it appears from note 5. The gross receivables from Group entities before write-downs would represent at 30 April 2018 in total 99.9% of the Company's total assets. Management has not been able to assess whether these group entities were able to fulfil their obligations. As the opening balance of receivables from Group entities affect the determination of the profit/loss for 2017/18, we were not able to determine whether adjustments might have been necessary in respect of the Company's profit/loss and opening equity. We have not been able to obtain sufficient and appropriate audit evidence regarding the write-downs made and consequently we have not been able to determine whether any adjustments are necessary concerning the Company's Receivables from group entities. We have not received documentation for Management's decision to maintain the write down in the financial statements for 2018/19, and are not able to determine whether any adjustments are necessary.

In addition, as it appears from note 7 the Company has an ongoing dispute with SKAT regarding a potential claim of GBP 9.5 million. The Company has based on legal advice not made a provision for the amount in the financial statements for 2018/19. We have not been able based on the received documentation to determine whether any provisions are necessary. Due to write down of the receivables from group entities including interest earned during the year and the tax dispute not taxes related to the interest income from receivables has been recognised.

We have not received documentation for Management's assessment of going concern and are not able to determine whether the application of the going concern assumption is appropriate.

#### ***Material Uncertainty Related to Going concern***

We draw attention to Note 2 in the financial statements, which indicates that material uncertainties related to going concern exist At 30 April 2019, due to that current liabilities exceed current assets with GBP -99 thousand.

#### **Management's responsibility for the financial statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. However, because of the matter(s) described in the "Basis for the disclaimer of opinion" section, we have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an opinion on the financial statements for 2018/19.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Statement on the Management's review**

Management is responsible for the Management's review.

As stated in the "Basis for the disclaimer of opinion" section, we have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an opinion on the financial statements for 2018/19. Accordingly, we make no statements on the Management's review.

### **Report on other legal and regulatory requirements**

#### ***Emphasis of matter regarding violation of the capital loss provisions of the Danish Companies Act***

The Company has lost more than half its share capital. Management has not observed the deadlines laid down in the Danish Companies Act for convening a general meeting to give the shareholders an account of the Company's financial position and, if required, propose measures to be taken in that regard. Management may incur liability in this respect.

Copenhagen, 9 October 2019

**KPMG**

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98



Niels Vendelbo

State Authorised

Public Accountant

mne34532

## Management's review

### Company details

Name	Vinland Denmark ApS
Address	John Tranums Vej 20, DK 6705 Esbjerg
CVR Number	21023949
Financial year	1 May 2018 – 30 April 2019
Board of Directors	Shaun Stewart, Chairman Murray D. Nicol Dennis Corbett
Executive Board	Murray D. Nicol
Auditors	KPMG P/S Dampfærgevej 28 2100 Copenhagen DK - Denmark
Bankers	Bank of America N.A.

## Operating review

### The Company's business review

The Company sold their property in 2014, and have thereafter no further activity.

### Financial review

The income statement for 2018/2019 shows a loss of GBP 23,614 against a loss of GBP 24,433 last year, and the balance sheet at 30 April 2019 shows a negative equity of GBP 98,580.

### Going concern

At 30 April 2019, equity amounts to GBP -99 thousand. The Company is subject to the capital loss provisions in the Danish Private Companies Act. Current liabilities exceed current assets and material uncertainties related to going concern exist.

### Special risk

Following a restructuring of the group during 2017/2018 management has reviewed the position of the intercompany receivables and continue to write down the intercompany receivable accounts to GBP nil. The Gross amount of receivables amounts to GBP 499 million.

### Post balance sheet events

No significant events have occurred subsequent to the financial year.

Financial statements for the period 1 May 2018 - 30 April 2019

Income statement

Notes	GBP	2018/2019	2017/2018
	<b>Gross loss</b>	(28,737)	(14,073)
5	Provision for intercompany bad debt	(25,023,068)	(25,023,068)
3	Financial income	25,029,072	25,023,203
4	Financial expenses	(881)	(10,495)
	<b>Loss before tax</b>	(23,614)	(24,433)
	Tax for the year	-	-
	<b>Loss for the year</b>	(23,614)	(24,433)
	<b>Proposed distribution of loss</b>	(23,614)	(24,433)
	<b>Accumulated loss</b>	(23,614)	(24,433)

Financial statements for the period 1 May 2018 - 30 April 2019

Balance sheet

Notes	GBP	2018/2019	2017/2018
	<b>ASSETS</b>		
	<b>Current Assets</b>		
5	Receivables from group entities	0	0
	Income taxes receivables	33,706	33,706
		33,706	33,706
	Cash	128,691	129,274
	<b>Total current assets</b>	162,397	162,980
	<b>TOTAL ASSETS</b>	162,397	162,980
	<b>EQUITY (DEFICIT) AND LIABILITIES</b>		
	<b>Equity (Deficit)</b>		
6	Share Capital	106,330	106,330
	Accumulated loss	(204,910)	(181,296)
	<b>Total Equity (Deficit)</b>	(98,580)	(74,966)
	<b>Liabilities other than provisions</b>		
	<b>Current liabilities other than provisions</b>		
	Debt to group entities	250,977	234,932
	Other payables	10,000	3,014
		260,977	237,946
	<b>Total liabilities other than provisions</b>	260,977	237,946
	<b>TOTAL EQUITY (DEFICIT) AND LIABILITIES</b>	162,397	162,980
1	Accounting policies		
2	Material uncertainties regarding going concern		
7	Contractual obligations and contingencies etc.		



**Financial statements for the period 1 May 2018- 30 April 2019**

**Statement of changes in equity**

<b>GBP</b>	<b>Share capital</b>	<b>Accumulated loss</b>	<b>Total</b>
<b>Equity 1 May 2018</b>	106,330	(181,296)	(74,966)
Loss for the year	-	(23,614)	(23,614)
<b>Equity 30 April 2019</b>	106,330	(204,910)	(98,580)

## Financial statements for the period 1 May 2018 - 30 April 2019

### Notes to the financial statements

#### 1. Accounting Policies

The annual report at Vinland Denmark ApS (the "Company") for the year ending 30 April 2019 has been presented in accordance with the provisions of the Danish Financial Statements Act as regards reporting class B enterprises.

The accounting policies applied by the Company are consistent with those of last year.

#### Income statement

#### Reporting currency

The functional currency of the Company is Great British Pounds ("GBP") and the financial statements are presented in GBP.

#### Foreign currency translation

Transactions denominated in foreign currencies are translated into GBP at the exchange rate at the date of the transaction. At 30 April 2019 the exchange rate was 8,6762 DKK/GBP (30 April 2018: 8,489542 DKK/GBP)

Receivables, payables and other monetary items denominated in foreign currencies are translated into GBP at the exchange rate at the balance sheet date. Realised and unrealised exchange gains and losses are recognised in the income statement as financial income/expenses.

#### Gross loss

With reference to section 32 of the Danish Financial Statements Act, the items 'Revenue', 'Costs of sale', 'Other external expenses' and 'Other operating Income' are consolidated into one item designated 'Gross loss'.

#### Other external expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to administration.

#### Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses, realised and unrealised capital and exchange gains and losses on foreign currency transactions.

#### Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The Company is taxable in United Kingdom.

**Financial statements for the period 1 May 2018 - 30 April 2019**

**Notes to the financial statements**

**1. Accounting Policies (continued)**

**Balance Sheet**

**Receivables**

Receivables are measured at amortised cost, which usually corresponds to the nominal value. Provisions are made for bad debts on the basis of objective evidence that a receivable or a group of receivables are impaired. Provisions are made to the lower of the net realisable value and the carrying amount.

**Cash at hand and in bank**

Cash at hand and in bank comprise cash and short-term marketable securities which are subject to an insignificant risk of changes in value.

**Corporation tax**

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities.

**Liabilities**

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

**2. Material uncertainties regarding going concern**

At 30 April 2019, equity amounts to GBP -99 thousand. The Company is subject to the capital loss provisions in the Danish Companies Act. Current liabilities exceed current assets and material uncertainties related to going concern exist.

**Financial statements for the period 1 May 2018 - 30 April 2019**

**Notes to the financial statements**

<b>GBP</b>	<b>2018/2019</b>	<b>2017/2018</b>
<b>3. Financial income</b>		
Interest income, group entities	25,023,068	25,023,068
Exchange adjustments	5,506	-
Other financial income	498	135
	<u>25,029,072</u>	<u>25,023,203</u>
<b>4. Financial expenses</b>		
Exchange adjustments & other bank expenses	881	10,495
	<u>881</u>	<u>10,495</u>

**5. Receivables from group entities**

Following a restructuring of the group during 2017/2018 management has reviewed the position of the intercompany receivables and continue to write down the intercompany receivable accounts to GBP nil. The Gross amount of receivables amounts to GBP 499 million.

**6. Share capital**

Analysis of the Company's share capital GBP 106,330:

1,000 class A shares of DKK 1,000 converted to GBP 106,330.

The share capital has been unchanged GBP 106,330 during the last 5 years.

**7. Contractual obligations and contingencies**

The Danish Tax Authorities (SKAT) in Denmark has raised a reassessment concerning income year 2009. The total claim amounts to GBP 9.5 million. The Company does not agree and as such no provision has been recognised in the financial statements. Uncertainties are related to the claim and future economic benefits might leave the Company due to the claim and the final ruling by the courts.