

**Euro Shatal ApS**  
Murervej 5  
6710 Esbjerg V  
Business Registration No  
26927048

## **Annual report 2017**

The Annual General Meeting adopted the annual report on 17.05.2018

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

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Name: Josef Levy

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## Entity details

### Entity

Euro Shatal ApS

Murervej 5

6710 Esbjerg V

Central Business Registration No (CVR): 26927048

Registered in: Esbjerg

Financial year: 01.01.2017 - 31.12.2017

### Executive Board

Josef Levy

### Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Dokken 8

Postbox 200

6701 Esbjerg

## Statement by Management on the annual report

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The Executive Board have today considered and approved the annual report of Euro Shatal ApS for the financial year 01.01.2017 - 31.12.2017.

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

In my opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017.

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

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

Esbjerg, 15.05.2018

### **Executive Board**

Josef Levy

## Independent auditor's reports

### To the shareholders of Euro Shatal ApS

#### Report on extended review of the financial statements

We have performed an extended review of the financial statements of Euro Shatal ApS for the financial year 01.01.2017 - 31.12.2017. The financial statements, which comprise the income statement, balance sheet, statement of changes in equity, notes and accounting policies, are prepared in accordance with the Danish Financial Statements Act.

#### 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 as Management determines is necessary to enable the preparation of 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 the financial statements. We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors.

This requires that we comply with the Danish Public Accountants Act and FSR – Danish Auditors' Code of Conduct and plan and perform procedures to obtain limited assurance about our opinion on the financial statements and that we perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our opinion.

An extended review consists of making inquiries, primarily of management and, if appropriate, of other entity personnel, performing analytical procedures and specifically required supplementary procedures as well as evaluating the evidence obtained.

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

#### Conclusion

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017 in accordance with the Danish Financial Statements Act.

#### Statement on the management commentary

Management is responsible for the management commentary.

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

## Independent auditor's reports

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

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

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

Esbjerg, 15.05.2018

### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
Central Business Registration No (CVR) 33963556

Peder Rene Pedersen  
State Authorised Public Accountant  
Identification No (MNE) mne23334

## Management commentary

### Primary activities

The activities consist of trade with machinery to the construction industry.

### Development in activities and finances

2017 was an unsatisfactory year for Euro Shatal ApS.

### Outlook

The Company is covered by the Danish Private Companies Act, concerning capital loss. The capital is expected to be re-established by earnings in the years to come. The Company's vendor and mail creditor, Shatal Engineering Ltd., has confirmed that they will continue to support the company financially so that the company can continue operations in the coming year.

### Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

## Income statement for 2017

	<u>Notes</u>	<u>2017 EUR</u>	<u>2016 EUR</u>
<b>Gross profit</b>		<b>127.409</b>	<b>113.011</b>
Staff costs	1	(126.337)	(127.920)
Depreciation, amortisation and impairment losses		<u>(674)</u>	<u>(674)</u>
<b>Operating profit/loss</b>		<b>398</b>	<b>(15.583)</b>
Other financial income		841	767
Other financial expenses	2	<u>(8.782)</u>	<u>(13.857)</u>
<b>Profit/loss for the year</b>		<b><u>(7.543)</u></b>	<b><u>(28.673)</u></b>
<b>Proposed distribution of profit/loss</b>			
Retained earnings		<u>(7.543)</u>	<u>(28.673)</u>
		<b><u>(7.543)</u></b>	<b><u>(28.673)</u></b>



## Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 EUR</u>	<u>2016 EUR</u>
Other fixtures and fittings, tools and equipment		1.461	2.135
Leasehold improvements		0	0
<b>Property, plant and equipment</b>	3	<u><b>1.461</b></u>	<u><b>2.135</b></u>
Investments in associates		8.350	8.350
Other receivables		7.582	7.582
<b>Fixed asset investments</b>	4	<u><b>15.932</b></u>	<u><b>15.932</b></u>
<b>Fixed assets</b>		<u><b>17.393</b></u>	<u><b>18.067</b></u>
Raw materials and consumables		632.307	658.552
<b>Inventories</b>		<u><b>632.307</b></u>	<u><b>658.552</b></u>
Trade receivables		139.377	143.272
Receivables from associates		62.903	73.812
Other receivables		541	1.000
<b>Receivables</b>		<u><b>202.821</b></u>	<u><b>218.084</b></u>
<b>Cash</b>		<u><b>74.140</b></u>	<u><b>36.264</b></u>
<b>Current assets</b>		<u><b>909.268</b></u>	<u><b>912.900</b></u>
<b>Assets</b>		<u><b>926.661</b></u>	<u><b>930.967</b></u>

## Balance sheet at 31.12.2017

<u>Notes</u>	<u>2017</u> <u>EUR</u>	<u>2016</u> <u>EUR</u>
Contributed capital	16.738	16.738
Retained earnings	<u>(84.966)</u>	<u>(77.423)</u>
<b>Equity</b>	<b><u>(68.228)</u></b>	<b><u>(60.685)</u></b>
Trade payables	18.649	51.944
Payables to group enterprises	939.959	902.565
Other payables	<u>36.281</u>	<u>37.143</u>
<b>Current liabilities other than provisions</b>	<b><u>994.889</u></b>	<b><u>991.652</u></b>
<b>Liabilities other than provisions</b>	<b><u>994.889</u></b>	<b><u>991.652</u></b>
<b>Equity and liabilities</b>	<b><u>926.661</u></b>	<b><u>930.967</u></b>

## Statement of changes in equity for 2017

	<b>Contributed capital EUR</b>	<b>Retained earnings EUR</b>	<b>Total EUR</b>
Equity beginning of year	16.738	(77.423)	(60.685)
Profit/loss for the year	0	(7.543)	(7.543)
<b>Equity end of year</b>	<b>16.738</b>	<b>(84.966)</b>	<b>(68.228)</b>

## Notes

	<b>2017</b>	<b>2016</b>
	<b>EUR</b>	<b>EUR</b>
<b>1. Staff costs</b>		
Wages and salaries	111.685	113.671
Pension costs	13.829	13.411
Other social security costs	823	838
	<b>126.337</b>	<b>127.920</b>
Average number of employees	<b>2</b>	<b>2</b>
	<b>2017</b>	<b>2016</b>
	<b>EUR</b>	<b>EUR</b>
<b>2. Other financial expenses</b>		
Financial expenses from group enterprises	5.679	12.999
Other financial expenses	3.103	858
	<b>8.782</b>	<b>13.857</b>
	<b>Other fixtures and fittings, tools and equipment EUR</b>	<b>Leasehold improve- ments EUR</b>
<b>3. Property, plant and equipment</b>		
Cost beginning of year	26.992	20.982
Disposals	(21.122)	0
<b>Cost end of year</b>	<b>5.870</b>	<b>20.982</b>
Depreciation and impairment losses beginning of year	(24.857)	(20.982)
Depreciation for the year	(674)	0
Reversal regarding disposals	21.122	0
<b>Depreciation and impairment losses end of year</b>	<b>(4.409)</b>	<b>(20.982)</b>
<b>Carrying amount end of year</b>	<b>1.461</b>	<b>0</b>

## Notes

	<b>Investment s in associates EUR</b>	<b>Other receivables EUR</b>
<b>4. Fixed asset investments</b>		
Cost beginning of year	8.350	7.582
<b>Cost end of year</b>	<b>8.350</b>	<b>7.582</b>
<b>Carrying amount end of year</b>	<b>8.350</b>	<b>7.582</b>

	<b>Registered in</b>	<b>Corpo- rate form</b>	<b>Equity inte- rest %</b>
Investments in associates comprise:			
EuroShatal Deutschland GmbH	Gerstofen	GmbH	33,3

## Accounting policies

### Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

### Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

### Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

### Income statement

#### Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

#### Revenue

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

## Accounting policies

### Cost of sales

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

### Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

### Staff costs

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

### Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to plant and equipment comprise depreciation, amortisation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of plant and equipment.

### Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies as well as tax relief under the Danish Tax Prepayment Scheme etc.

### Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and transactions in foreign currencies as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

### Balance sheet

#### Property, plant and equipment

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

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

Other fixtures and fittings, tools and equipment	5 years
Leasehold improvements	5 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

## Accounting policies

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

### **Investments in associates**

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

### **Receivables**

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

### **Inventories**

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

### **Cash**

Cash comprises bank deposits.

### **Other financial liabilities**

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