

Bevo Nordic A/S

Pakhusgården 54 st, 5000 Odense C
CVR no. 33 37 78 35

Annual report for 2018

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 01.04.19

Patrick Buhrs
Dirigent

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The company

Bevo Nordic A/S
Pakhusgården 54 st
5000 Odense C
Tel.: 66 19 25 45
E-mail: info@bevo.dk
Registered office: Odense Kommune
CVR no.: 33 37 78 35
Financial year: 01.01 - 31.12

Board Of Directors

Michael Blessing

Executive Board

Patrick Buhrs
Bernard Verburg
Michael Blessing

Auditors

Beierholm
Statsautoriseret Revisionspartnerselskab

Statement of the Board of Directors and Executive Board on the annual report

We have on this day presented the annual report for the financial year 01.01.18 - 31.12.18 for Bevo Nordic A/S.

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

In our opinion, the financial statements give a true and fair view of the the company's assets, liabilities and financial position as at 31.12.18 and of the results of the the company's activities and cash flows for the financial year 01.01.18 - 31.12.18.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Odense C, February 25, 2019

Board Of Directors

Michael Blessing

Executive Board

Patrick Buhrs
Chairman

Bernard Verburg

Michael Blessing

To the Management of Bevo Nordic A/S**Opinion**

We have audited the financial statements of Bevo Nordic A/S for the financial year 01.01.18 - 31.12.18, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement and notes, inclusive of accounting policies. The financial statements are prepared in accordance with Danish Financial Statements Act

In our opinion the financial statements give a true and fair view of the company's assets, liabilities and financial position at 31.12.18 and of the results of the company's operations and cash flows for the financial year 01.01.18 - 31.12.18 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. 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 requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement regarding the management's review

Management is responsible for management's review.

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

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

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

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

Management's responsibility for the financial statements

The Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore the Management is responsible for the internal control as the 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 about 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with International Standards on Auditing and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Odense, February 25, 2019

Beierholm

Statsautoriseret Revisionspartnerselskab
CVR no. 32 89 54 68

Henrik Welinder

State Authorized Public Accountant
MNE-no. mne23366

Primary activities

The company's core activities are purchase, sale and marketing of water transport components in Denmark, Norway, Sweden and Finland and other related business.

Exceptional conditions

The company has moved from C.F. Tietgens Boulevard to Pakhusgården, cost DKK 542k.

Development in activities and financial affairs

The income statement for the period 01.01.18 - 31.12.18 shows a profit/loss of DKK 1,051,853 against DKK 1,886,335 for the period 01.01.17 - 31.12.17. The balance sheet shows equity of DKK 6,147,698.

Subsequent events

No important events have occurred after the end of the financial year.

Income statement

Note		2018 DKK	2017 DKK
	Gross profit	6.470.032	7.347.723
2	Staff costs	-4.865.629	-4.736.288
	Profit/loss before depreciation, amortisation, write-downs and impairment losses	1.604.403	2.611.435
3	Financial income	158.784	4.310
4	Financial expenses	-396.970	-154.268
	Profit/loss before tax	1.366.217	2.461.477
5	Tax on profit or loss for the year	-314.364	-575.142
	Profit/loss for the year	1.051.853	1.886.335
	Proposed appropriation account		
	Extraordinary dividend for the financial year	3.000.000	1.016.000
	Proposed dividend for the financial year	2.000.000	0
	Retained earnings	-3.948.147	870.335
	Total	1.051.853	1.886.335

ASSETS		31.12.18	31.12.17
Note		DKK	DKK
	Acquired rights	0	0
6	Total intangible assets	0	0
	Other fixtures and fittings, tools and equipment	0	0
7	Total property, plant and equipment	0	0
	Other receivables	108.450	326.513
	Total investments	108.450	326.513
	Total non-current assets	108.450	326.513
	Manufactured goods and goods for resale	0	1.161.247
	Total inventories	0	1.161.247
	Trade receivables	1.472.599	3.161.496
	Receivables from group enterprises	4.535.846	5.339.019
	Deferred tax asset	512.002	645.834
	Other receivables	0	6
	Prepayments	397.324	236.533
	Total receivables	6.917.771	9.382.888
	Cash	1.156.320	1.403.255
	Total current assets	8.074.091	11.947.390
	Total assets	8.182.541	12.273.903

EQUITY AND LIABILITIES		31.12.18	31.12.17
		DKK	DKK
Note			
	Share capital	500.000	500.000
	Retained earnings	3.647.698	7.595.845
	Proposed dividend for the financial year	2.000.000	0
	Total equity	6.147.698	8.095.845
	Payables to other credit institutions	23.149	12.810
	Trade payables	422.088	570.759
	Payables to group enterprises	15.465	1.835.655
	Income taxes	116.532	413.490
	Other payables	1.457.609	1.345.344
	Total short-term payables	2.034.843	4.178.058
	Total payables	2.034.843	4.178.058
	Total equity and liabilities	8.182.541	12.273.903

- 8 Contingent liabilities
- 9 Charges and security
- 10 Related parties

Statement of changes in equity

Figures in DKK	Share capital	Retained earnings	Proposed dividend for the financial year	Total equity
Statement of changes in equity for 01.01.17 - 31.12.17				
Balance as at 01.01.17	500.000	6.725.510	0	7.225.510
Extraordinary dividend paid	0	-1.016.000	0	-1.016.000
Net profit/loss for the year	0	1.886.335	0	1.886.335
Balance as at 31.12.17	500.000	7.595.845	0	8.095.845
Statement of changes in equity for 01.01.18 - 31.12.18				
Balance as at 01.01.18	500.000	7.595.845	0	8.095.845
Extraordinary dividend paid	0	-3.000.000	0	-3.000.000
Net profit/loss for the year	0	-948.147	2.000.000	1.051.853
Balance as at 31.12.18	500.000	3.647.698	2.000.000	6.147.698

Cash flow statement

Note	2018 DKK	2017 DKK
Net profit/loss for the year	1.051.853	1.886.335
11 Adjustments	536.800	725.100
Change in working capital:		
Inventories	1.161.247	2.248.862
Receivables	2.331.279	-2.076.276
Trade payables	-1.628.188	-703.992
Cash flows from operating activities before net financials	3.452.991	2.080.029
Interest income and similar income received	158.784	4.310
Interest expenses and similar expenses paid	-396.970	-154.268
Income tax paid	-477.490	0
Cash flows from operating activities	2.737.315	1.930.071
Sale of property, plant and equipment	15.750	0
Acquisition of enterprise	0	-3.658
Cash flows from investing activities	15.750	-3.658
Dividend paid	-3.000.000	-1.016.000
Cash flows from financing activities	-3.000.000	-1.016.000
Total cash flows for the year	-246.935	910.413
Cash, beginning of year	1.403.255	492.842
Cash, end of year	1.156.320	1.403.255
Cash, end of year, comprises:		
Cash	1.156.320	1.403.255
Total	1.156.320	1.403.255

1. Exceptional conditions

The company has moved from C.F. Tietgens Boulevard to Pakhusgården, cost DKK 542k.

	2018 DKK	2017 DKK
2. Staff costs		
Wages and salaries	4.319.565	4.222.313
Pensions	460.804	411.084
Other social security costs	74.403	79.445
Other staff costs	10.857	23.446
Total	4.865.629	4.736.288
Average number of employees during the year	11	9

3. Financial income

Interest, group enterprises	152.048	0
Other interest income	6.736	4.310
Total	158.784	4.310

4. Financial expenses

Interest, group enterprises	0	8.827
Other interest expenses	29.627	26.893
Foreign exchange losses	367.343	118.548
Total	396.970	154.268

	2018 DKK	2017 DKK
5. Tax on profit or loss for the year		
Current tax for the year	180.532	413.490
Adjustment of deferred tax for the year	133.832	161.652
Total	314.364	575.142

6. Intangible assets

Figures in DKK	Acquired rights
Cost as at 01.01.18	3.854.597
Cost as at 31.12.18	3.854.597
Amortisation and impairment losses as at 01.01.18	-3.854.597
Amortisation and impairment losses as at 31.12.18	-3.854.597
Carrying amount as at 31.12.18	0

7. Property, plant and equipment

Figures in DKK	Other fixtures and fittings, tools and equipment
Cost as at 01.01.18	332.115
Disposals during the year	-302.315
Cost as at 31.12.18	29.800
Depreciation and impairment losses as at 01.01.18	-332.115
Depreciation of and impairment losses on disposed assets for the year	302.315
Depreciation and impairment losses as at 31.12.18	-29.800
Carrying amount as at 31.12.18	0

8. Contingent liabilities

Lease commitments

The company has concluded lease agreements with terms to maturity of 14-48 months and a total lease payments of DKK 555k.

The company has concluded lease obligations with a term of notice not until 2022. Yearly payment of DKK 215k.

9. Charges and security

The company has not provided any other security over assets.

10. Related parties

The company is included in the consolidated financial statements of the parent Megagroup Investors B.V., Netherlands.

	2018 DKK	2017 DKK
11. Adjustments for the cash flow statement		
Other operating income	-15.750	0
Financial income	-158.784	-4.310
Financial expenses	396.970	154.268
Tax on profit or loss for the year	314.364	575.142
Total	536.800	725.100

12. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for a higher reporting class.

The accounting policies have been applied consistently with previous years.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

CURRENCY

The annual report is presented in Danish kroner (DKK).

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets, inventories and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

12. Accounting policies - continued -**LEASES**

Lease payments relating to operating leases are recognised in the income statement on a straight-line basis over the lease term.

INCOME STATEMENT**Gross profit**

Gross profit comprises revenue, other operating income and raw materials and consumables and other external expenses.

Revenue

Income from the sale of goods is recognised in the income statement if delivery has taken place and the risk has passed to the buyer before the end of the financial year and where the selling price can be determined reliably and is expected to be paid. Revenue is measured at fair value and is determined exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

Other operating income

Other operating income comprises income of a secondary nature in relation to the enterprise's activities, including rental income, negative goodwill and gains on the sale of intangible assets and property, plant and equipment.

Costs of raw materials and consumables

Costs of raw materials and consumables comprise raw materials and consumables used for the year as well as any changes in inventories, including any inventory wastage.

Write-downs of inventories of raw materials and consumables are also recognised under raw materials and consumables to the extent that these do not exceed normal write-downs.

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

Staff costs

Staff costs comprise wages and salaries as well as other staff-related costs.

12. Accounting policies - continued -**Depreciation, amortisation and impairment losses**

The depreciation and amortisation of aim at systematic depreciation and amortisation over the expected useful lives of the assets. Assets are depreciated and amortised according to the straight-line method based on the following expected useful lives and residual values:

	Useful lives, years	Residual value, per cent
Acquired rights	5	0
Other plant, fixtures and fittings, tools and equipment	3-5	0

Other net financials

Interest income and interest expenses, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in other net financials.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

BALANCE SHEET**Intangible assets***Acquired rights*

Acquired rights are measured in the balance sheet at cost less accumulated amortisation and impairment losses.

Acquired rights are amortised using the straight-line method based on useful lives, which are stated in the 'Depreciation, amortisation and impairment losses' section.

Gains and losses on the disposal of intangible assets are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal.

Property, plant and equipment

Property, plant and equipment comprise other fixtures and fittings, tools and equipment.

Property, plant and equipment are measured in the balance sheet at cost less accumulated

12. Accounting policies - continued -

depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the 'Depreciation, amortisation and impairment losses' section.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation and amortisation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

Inventories

Inventories are measured at cost calculated according to the FIFO principle. Inventories are written down to the lower of cost and net realisable value.

The cost of raw materials and consumables as well as goods for resale is determined as

12. Accounting policies - continued -

purchase prices plus expenses resulting directly from the purchase.

The net realisable value of inventories is determined as the selling price less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and the expected development in the selling price.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Prepayments

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

Cash

Cash includes deposits in bank accounts as well as operating cash.

Current and deferred tax

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

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax

12. Accounting policies - continued -

is expected to crystallise as current tax.

Payables

Short-term payables are measured at amortised cost, normally corresponding to the nominal value of such payables.

CASH FLOW STATEMENT

The cash flow statement is prepared using the indirect method, showing cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities comprise the net profit or loss for the year, adjusted for non-cash operating items, income tax paid and changes in working capital.

Cash flows from investing activities comprise payments in connection with the acquisition and divestment of companies and financial assets as well as the purchase, development, improvement and sale of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the company's share capital and associated costs and financing from and dividends paid to shareholders as well as the arrangement and repayment of long-term payables.

Cash and cash equivalents at the beginning and end of the year comprise cash and short-term payables to credit institutions.