

**Bevo Nordic A/S**

**C.F. Tietgens Boulevard 26**

**5220 Odense SØ**

CVR no. 33 37 78 35

**Annual Report 2015**

The Annual Report was adopted at the Annual General Meeting of the Company on 9/5 2016

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Patricks Buhrs  
Chairman of the general meeting

# RSM

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**Management's Statement on the Annual Report**

The Supervisory and Executive Boards have today considered and approved the Annual Report of Bevo Nordic A/S for the financial year 1 January - 31 December 2015.

The Annual Report has been presented in accordance with the 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 December 2015 and of the Company's operations and cash flows for the year 1 January - 31 December 2015.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted by the Annual General Meeting of shareholders.

Odense, 9 May 2016

**Executive Board**

Michael Blessing Christensen

**Supervisory Board**

Patrick Buhrs  
Chairman

Bernard Verburg

Michael Blessing Christensen

## Independent Auditor's Report

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

#### **Report on the Financial Statements**

We have audited the Financial Statements of Bevo Nordic A/S for the financial year 1 January - 31 December 2015, which comprise summary of significant accounting policies, income statement, balance sheet, cash flow statement and notes, for the Company. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

#### **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 and for such 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.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish Audit regulation. 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 of financial statements that give a true and fair view 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 the Management, as well as 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 opinion.

The audit has not resulted in any qualification.

#### **Opinion**

In our opinion, the financial statements gives a true and fair view of the Company's financial position at 31 December 2015 and of the results of the Company's and cash flows operations for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

#### **Emphasis of Matter**

Without qualifying our opinion, we draw attention to the fact that the company's share capital is lost. We refer to note no. 1, where the management accounts for expectations to reestablish the capital through profitable operations. Accordingly the Management presents the annual report based on the going concern assumption, as the parent company has stated its intention to support the operations by continued supply of goods and cash flow support.

#### **Report on Other Legal and Regulatory Requirements**

##### **Other Matter**

Contrary to the Danish Companies Act (selskabsloven) § 210, paragraph 1, the company has granted a loan to a shareholder. The loan has been repaid. The management may incur liability.

**Independent Auditor's Report****Statement on the Management's Review**

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any further procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the Financial Statements.

Odense, 9 May 2016

**RSM Denmark P/S**

State Authorized Public Accountants  
CVR no.32 89 54 68

Henrik Welinder  
State Authorised Public Accountant

**Company Information****The Company**

Bevo Nordic A/S  
C.F. Tietgens Boulevard 26  
5220 Odense SØ  
E-mail: info@bevonordic.com  
Website: www.bevonordic.com  
CVR no.: 33 37 78 35  
Financial year: 1 January - 31 December  
Municipality of reg. office: Odense

**Supervisory Board**

Patrick Buhrs, Chairman  
Bernard Verburg,  
Michael Blessing Christensen

**Executive Board**

Michael Blessing Christensen

**Auditors**

RSM Denmark P/S  
State Authorized Public Accountants  
Munkehatten 1B  
5220 Odense SØ

**Lawyers**

Focus Advokater  
Englandsgade 25  
5100 Odense C

**Bank**

Danske Bank  
Algade 35  
5500 Middelfart  
The Company is included in the Group Annual Report of Megagroup Investors B.V.

**Consolidated Financial Statements**

The Group Annual Report of Megagroup Investors B.V. may be obtained at the following address:

Megagroup Investors B.V.  
Doornhoek 4205  
5465 TG Veghel  
Holland

## **Management's Review**

### **Core activity**

The core activity is purchase, sale and marketing of water transport components in Denmark, Norway, Sweden and Finland and other related business.

### **Development in the year**

The Company's income statement for the year ended 31 December 2015 showed a profit of DKK 624,329, and the Company's balance sheet at 31 December 2015 showed negative equity of DKK 1,128,594.

The Company has improved gross profits from DKK 3,897,533 in 2014 to DKK 5,349,523 in 2015, which is considered to be satisfying.

### **Capital resources**

The share capital is lost. The parent company has stated its intention to support the operations through continued supply of goods and cash flow support, including postponing the settlement of intercompany accounts.

In January 2016 the parent company has given a capital injection of DKK 4,500,000 to the company.

The Management expects to reestablish the share capital within a few years through profitable operations and the capital injection and the Management presents the annual report based on the going concern assumption.

### **Subsequent events**

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

## Accounting Policies

The Annual Report of Bevo Nordic A/S for 2015 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to companies of reporting class B supplemented by selected rules applying to reporting class C.

The accounting policies are unchanged from last year.

The Annual Report for 2015 is presented in DKK.

### Recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. Similarly all expenses including depreciation, amortisation and impairment losses are recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the accumulated amortisation of any difference between cost and the nominal amount.

Recognition and measurement take into account predictable losses and risks occurring before presentation of the Annual Report, and which confirm or invalidate circumstances existing at the balance sheet date.

### Income Statement

#### Gross profit

The Company has applied § 32 of the Danish Financial Statements Act, thus not showing the revenue.

Gross profit is an aggregate of revenue, changes in inventories of finished goods, work in progress and goods for resale, as well as other operating income, reduced by cost of raw materials and consumables used and other external expenses.

Revenue from the sale of goods for resale and finished goods is recognised in the income statement, provided that delivery and transfer of risk to the buyer have taken place before the end of the year. Revenue is recognised exclusive of VAT and net of discounts relating to sales.

#### Staff costs

Staff costs comprise wages and salaries as well as payroll expenses other than production wages.

#### Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise depreciation, amortisation and impairment losses of intangible assets and property, plant and equipment.

#### Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts relating to the financial year.



**Accounting Policies**

Tax for the year comprises current tax for the year and changes in deferred tax. The tax expense relating to profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

**Balance Sheet**

**Intangible assets**

Patents and licences are measured at the lower of cost less accumulated amortisation and recoverable amount. Patents are amortised over the remaining patent period, and licences are amortised over the licence period; however not exceeding 20 years.

**Property, plant and equipment**

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the cost of acquisition and costs directly related to acquisition until the date when the asset is ready for use. In the case of assets of own construction, cost comprises direct and indirect expenses for labour, materials, components and sub-suppliers.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight-line basis over the expected useful lives of the assets, which are:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-7 years	0 %

Gains or losses on sale of property, plant and equipment are recognized in the income statement under other operating income or other operation expenses.

**Leases**

All leases are classified as operating leases. Payments made under operating leases and other leases are recognised in the income statement on a straight-line basis over the lease term. The Company's total commitments concerning operating leases and leases are disclosed under contingent liabilities etc.

**Inventories**

Inventories are measured at cost based on the FIFO method. Where cost is lower than net realisable value, inventories are written down to the lower value.

**Receivables**

Receivables are measured at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

**Prepayments**

Prepayments recognised under assets comprise costs incurred in relation to subsequent financial years.

**Corporation tax and deferred tax**

Current tax payable and receivable are recognised in the balance sheet as tax calculated 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, based on the planned use of the asset or settlement of the liability, respectively.

## Accounting Policies

Deferred tax is measured in accordance with the tax rules and at the tax rates at the balance sheet date when the deferred tax is expected to be transformed to a current tax. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on the planned use of the asset or settlement of the liability, respectively.

Any changes in deferred tax due to changes in tax rates are recognised in the income statement. For the current year a tax rate of 22,0% is used.

### Debts

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the 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.

Other debts are measured at amortised cost.

### Translation policies

Transactions denominated in foreign currencies are translated at the exchange rate at the date of transaction. Foreign exchange differences arising between the transaction date rate and the rate at the date of payment are recognised in the income statement as financial income and expenses.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are measured at the exchange rate at the balance sheet date. Any differences between the exchange rate at the balance sheet date and the transaction date rate are recognised in income statements as financial income and expenses..

### Cash Flow Statement

The cash flow statement shows the Company's cash flow for the year from operating, investment and financing activities, total change of cash for the year and cash at the beginning and end of the year.

#### Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for non-cash operating items, change in working capital and income taxes paid. Working capital comprises current assets less short-term debt except items included in cash.

#### Cash flows from investing activities

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

#### Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the company's share capital and costs involved, raising of loans, repayment on interest bearing debt and payment of dividend to shareholders.

### Cash

Cash comprise cash and short-term securities which may easily be converted into cash, and which only carry an insignificant risk of changes in value.

## Income Statement 1 January - 31 December

	Note	2015 DKK	2014 DKK
<b>Gross profit</b>		<b>5.397.867</b>	<b>3.897.533</b>
Staff costs	2	<u>-3.657.132</u>	<u>-3.466.114</u>
<b>Amortisation profit/loss before depreciation, amortisation and impairment</b>		<b>1.740.735</b>	<b>431.419</b>
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		<u>-814.182</u>	<u>-817.432</u>
<b>Profit/loss before net financials</b>		<b>926.553</b>	<b>-386.013</b>
Financial income		12.388	14.209
Financial expenses	3	<u>-314.612</u>	<u>-243.201</u>
<b>Profit/loss before tax</b>		<b>624.329</b>	<b>-615.005</b>
Tax on profit/loss for the year	4	<u>0</u>	<u>0</u>
<b>Net profit/loss for the year</b>		<b><u>624.329</u></b>	<b><u>-615.005</u></b>
<b>Proposed distribution of profit</b>			
Retained earnings		<u>624.329</u>	<u>-615.005</u>
		<b><u>624.329</u></b>	<b><u>-615.005</u></b>

## Balance Sheet at 31 December

	Note	2015 DKK	2014 DKK
<b>ASSETS</b>			
<b>FIXED ASSETS</b>			
<b>Intangible assets</b>	5		
Acquired patents		<u>0</u>	<u>771.231</u>
		<u>0</u>	<u>771.231</u>
<b>Property, plant and equipment</b>	6		
Other fixtures and fittings, tools and equipment		<u>55.051</u>	<u>98.314</u>
		<u>55.051</u>	<u>98.314</u>
<b>Fixed asset investments</b>			
Other securities and investments		<u>219.263</u>	<u>219.263</u>
		<u>219.263</u>	<u>219.263</u>
<b>Total fixed assets</b>		<u><b>274.314</b></u>	<u><b>1.088.808</b></u>
<b>CURRENT ASSETS</b>			
<b>Inventories</b>			
Work in progress		4.862	0
Finished goods and goods for resale		<u>3.551.641</u>	<u>2.755.226</u>
		<u>3.556.503</u>	<u>2.755.226</u>
<b>Tilgodehavender</b>			
Trade receivables		691.405	843.852
Receivables from group enterprises		502.545	106.778
Receivable from shareholders and Management	7	52.251	0
Prepayments		<u>354.159</u>	<u>52.487</u>
		<u>1.600.360</u>	<u>1.003.117</u>
<b>Cash</b>		<u>1.227.789</u>	<u>1.279.585</u>
<b>Total current assets</b>		<u><b>6.384.652</b></u>	<u><b>5.037.928</b></u>
<b>TOTAL ASSETS</b>		<u><u><b>6.658.966</b></u></u>	<u><u><b>6.126.736</b></u></u>

## Balance Sheet at 31 December

	Note	2015 DKK	2014 DKK
<b>LIABILITIES AND EQUITY</b>			
<b>EQUITY</b>			
	8		
Share capital		500.000	500.000
Retained earnings		<u>-1.628.594</u>	<u>-2.252.923</u>
<b>Total equity</b>		<b><u>-1.128.594</u></b>	<b><u>-1.752.923</u></b>
<b>LIABILITIES OTHER THAN PROVISIONS</b>			
<b>Short-term liabilities</b>			
Trade payables		1.101.548	725.111
Payables to group enterprises		5.781.721	6.067.857
Other payables		<u>904.291</u>	<u>1.086.691</u>
		<u>7.787.560</u>	<u>7.879.659</u>
<b>Total liabilities other than provisions</b>		<b><u>7.787.560</u></b>	<b><u>7.879.659</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>6.658.966</u></b>	<b><u>6.126.736</u></b>
Uncertainty about the continued operation (going concern)	1		
Rental agreements and leases	9		
Contingencies assets, etc., liabilities and other financial obligations	10		
Pledges and guarantees	11		
Related parties and ownership	12		

## Cash Flow Statement 1 January - 31 December

	Note	2015 DKK	2014 DKK
Net profit/loss for the year		624.329	-615.005
Adjustments	13	1.116.408	1.060.634
Change in working capital	14	<u>-1.204.484</u>	<u>249.224</u>
<b>Cash flows from operating activities before financial income and expenses</b>		536.253	694.853
Financial income		12.388	0
Financial expenses		<u>-314.612</u>	<u>-243.201</u>
<b>Cash flows from operating activities</b>		<u>234.029</u>	<u>451.652</u>
Purchase of intangible assets		<u>311</u>	<u>0</u>
<b>Cash flows from investing activities</b>		<u>311</u>	<u>0</u>
Repayment of payables to subsidiaries		<u>-286.136</u>	<u>-164.121</u>
<b>Cash flows from financing activities</b>		<u>-286.136</u>	<u>-164.121</u>
<b>Change in cash and cash equivalents</b>		<u>-51.796</u>	<u>287.531</u>
<b>Cash and cash equivalents 1 January</b>		<u>1.279.585</u>	<u>992.054</u>
<b>Cash and cash equivalents 31 December</b>		<u><b>1.227.789</b></u>	<u><b>1.279.585</b></u>
Cash and cash equivalents are specified as follows:			
Cash		<u>1.227.789</u>	<u>1.279.585</u>
<b>Cash and cash equivalents 31 December</b>		<u><b>1.227.789</b></u>	<u><b>1.279.585</b></u>

## Notes to the Financial Statements

### 1 Uncertainty about the continued operation (going concern)

The share capital is lost. The Management expects to reestablish the share capital within a few years through profitable operations. The parent company has stated its intention to support the operations through continued supply of goods and cash flow support, including postponing the settlement of intercompany accounts. In January 2016 the parent company has given a capital injection of DKK 4.500.000. Therefore, the management considers the capital resources for sufficient. Accordingly, the Management presents the annual report based on the going concern assumption.

	2015	2014
	DKK	DKK
<b>2 Staff costs</b>		
Wages and salaries	3.240.951	3.078.220
Pensions	336.332	306.175
Other social security costs	79.849	81.719
	<u>3.657.132</u>	<u>3.466.114</u>
Average number of employees	<u>9</u>	<u>8</u>
<b>3 Financial expenses</b>		
Financial expenses group enterprises	223.224	232.196
Exchange loss	91.388	11.005
	<u>314.612</u>	<u>243.201</u>
<b>4 Tax on profit/loss for the year</b>		
	<u>0</u>	<u>0</u>

## Notes to the Financial Statements

### 5 Intangible assets

	Acquired patents
Cost 1. januar 2015	<u>3.854.597</u>
Cost 31. december 2015	<u>3.854.597</u>
Impairment losses and amortisation 1. januar 2015	3.083.367
Amortisation for the year	<u>771.230</u>
Impairment losses and amortisation 31. december 2015	<u>3.854.597</u>
<b>Carrying amount at 31 December 2015</b>	<b><u><u>0</u></u></b>

### 6 Property, plant and equipment

	Other fixtures and fittings, tools and equipment
Cost 1. januar 2015	<u>332.115</u>
Cost 31. december 2015	<u>332.115</u>
Impairment losses and depreciation 1. januar 2015	233.801
Depreciation for the year	<u>43.263</u>
Impairment losses and depreciation 31. december 2015	<u>277.064</u>
<b>Carrying amount at 31 December 2015</b>	<b><u><u>55.051</u></u></b>



## Notes to the Financial Statements

	2015	2014
	DKK	DKK
<b>7 Receivable from shareholders and Management</b>		
Receivable from shareholders and Management	<u>52.251</u>	<u>0</u>

**Receivables from members of the Management****Shareholders**

Outstanding debt	52.251	0
Loans raised and repaid in year	3.192	0
Interest rate (%)	10,05%	0,00%

The loan has been repaid early May 2016.

**8 Equity**

	Share capital	Retained earnings	Total
Equity 1. januar 2015	500.000	-2.252.923	-1.752.923
Net profit/loss for the year	<u>0</u>	<u>624.329</u>	<u>624.329</u>
<b>Equity 31. december 2015</b>	<b><u>500.000</u></b>	<b><u>-1.628.594</u></b>	<b><u>-1.128.594</u></b>

The share capital consists of 500.000 shares of a nominal value of DKK 1. No shares carry special rights.

There have been no changes in the share capital during the last 5 years.

	2015	2014
	DKK	DKK
<b>9 Rental agreements and leases</b>		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	234.000	245.000
Between 1 and 5 years	<u>198.000</u>	<u>406.000</u>
	<b><u>432.000</u></b>	<b><u>651.000</u></b>

## Notes to the Financial Statements

### 10 Contingencies assets, etc., liabilities and other financial obligations

The company has lease obligations irrevocable for 19 months. Monthly lease payments are DKK 80 k.

### 11 Pledges and guarantees

None

### 12 Related parties and ownership

The following shareholders are recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

MegaGroup Trade Holding B.V., Doornhoek 4205, 5465 TG Veghel, Holland  
Michael Blessing Christensen, Idas Alle 17, 5250 Odense SV

	2015	2014
	DKK	DKK
<b>13 Cash flow statement - adjustments</b>		
Financial income	-12.388	0
Financial expenses	314.612	243.201
Depreciation, amortisation and impairment losses, including losses and gains on sales	814.182	817.432
Other adjustments	<u>2</u>	<u>1</u>
	<b><u>1.116.408</u></b>	<b><u>1.060.634</u></b>
<b>14 Cash flow statement - change in working capital</b>		
Change in inventories	-801.279	537.402
Change in receivables	-597.243	-254.406
Change in trade payables, etc.	<u>194.038</u>	<u>-33.772</u>
	<b><u>-1.204.484</u></b>	<b><u>249.224</u></b>