

Bukkehave Distribution ApS

Troensevej 29
5700 Svendborg
Denmark

CVR-nr. 33 49 77 25

Annual Report 2017

Årsrapporten er fremlagt og godkendt på selskabets
ordinære generalforsamling den 24 / 5 2018

Dirigent:



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Statements

Statement by the Executive and Supervisory Board

The Executive and Supervisory Boards have today discussed and approved the annual report of Bukkehave Distribution ApS for the financial year 1 January – 31 December 2017.

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

It is our opinion that the financial statements of the Company gives a true and fair view of the Company's financial position at 31 December 2017 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2017.

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

We recommend that the annual report be approved at the annual general meeting.

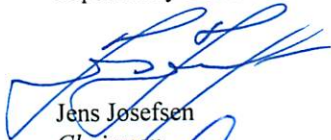
Svendborg, 9 May 2018

Executive Board:



Merete Mortensen
Director

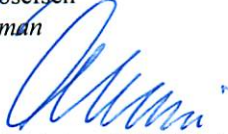
Supervisory Board:



Jens Josefsen
Chairman



Jette Clausen



Arvild Kristian Pihl Mikkelsen

Hans Jørgen Malmose Nyegaard

Statements

Independent auditors' report

To the shareholders of Bukkehave Distribution ApS

Opinion

We have audited the financial statements of Bukkehave Distribution ApS for the financial year 1 January – 31 December 2017, which comprise accounting policies, income statement, balance sheet, cash flow statement, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2017 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2017 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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 additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

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.

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.

Statements

Auditors' responsibility 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and 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 the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism 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 note 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.

Statements

Statement on the Management's review

Management is responsible for the Management's review.

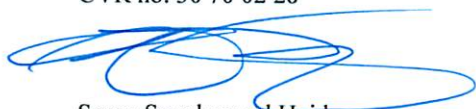
Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review 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's review.

Odense, 9 May 2018
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Søren Smedegaard Hvid
State Authorised
Public Accountant
MNE no.: mne31450

Management's Review

Company Presentation

Bukkehave Distribution ApS
Troensevej 29
5700 Svendborg
Denmark

Phone: 6321 2121

Homepage: www.bukkehave.com

CVR-nr.: 33497725
Established: 4. februar 2011
Domicile: Svendborg

Supervisory Board

Jens Josefsen, Chairman
Jette Clausen
Arvild Kristian Pihl Mikkelsen
Hans Jørgen Malmose Nyegaard

Executive Board

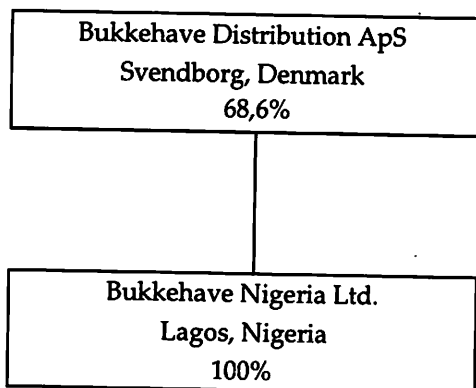
Merete Mortensen, Director

Auditor

Ernst & Young Godkendt Revisionspartnerselskab
Englandsgade 25
5000 Odense C
Søren Smedegaard Hvid

Management's Review

Group chart



Management's Review

Review

Main activity

The business foundation for Bukkehave Distribution is to hold shares and manage ownership in other enterprises and related activities.

According to the Group overview, the company owns the subsidiary Bukkehave Nigeria Ltd.

Development in activities and financial conditions

Result of the year

The result after tax for 2017 was DKK -0.7 million vs. DKK -3.4 million in 2016. The Board does not find the result satisfactory.

During 2017 the board agreed to complete a controlled out-phasing of the activities in the subsidiary Bukkehave Nigeria. The staff in Nigeria has been dismissed during the year and the contract with Renault Trucks has been terminated by the end of 2017. A full liquidation of the subsidiary Bukkehave Nigeria is expected to be completed during 2018.

Investments

No investments have taken place in 2017.

Cash resources and capital position

The total balance sum is DKK 1.0 million as of December 31 2017.

As of 31 December 2017 the company has shareholder's equity of DKK -4.0 million vs. DKK -3.0 million as of 31 December 2016. Please see note 1 for further comments.

Events after the termination of the financial year

No events have occurred since the end of the financial year, which in our opinion will change the evaluation of the Annual Report and the company's financial position.

Expectations to the future

We expect that local entity Bukkehave Nigeria will be out-phased during 2018. Furthermore we refer to Note 1 regarding budget assumptions.

Financial statements 1 January – 31 December

Accounting practices applied

The annual report of Bukkehave Distribution ApS for 2017 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

In accordance with section 110 (1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

The financial statements have been prepared in accordance with the same accounting policies as last year.

Recognition and measurement

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

Liabilities are recognized in the balance sheet when an outflow of economic benefits is probable and when the liability can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

In recognizing and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

Income is recognized in the income statement as earned. Equally, costs incurred to generate the year's earnings are recognized, including depreciation, amortization, impairment and provisions as well as reversals as a result of changes in accounting estimates of amounts, which were previously recognized in the income statement.

Income Statement

Administration costs

Administration costs comprise the costs incurred during the year for management and administration, including expenses for office equipment, rent of buildings etc.

Profit/Losses from Investments in Subsidiaries

The proportionate share of the results result after tax of the individual subsidiaries is recognized in the income statement of the parent company after full elimination of intra-group profit/losses.

Financial statements 1 January – 31 December

Accounting practices applied

Corporation Taxes

The company is jointly taxed with the group parent company, B1925 A/S, and affiliated companies.

B1925 A/S manages the joint taxation and consequently settles all payments of corporate tax with the tax authorities.

The tax effect of the joint taxation is distributed as joint taxation contribution via the management company, B1925 A/S, in proportion to each company's taxable income. The jointly taxed companies are registered in the Danish prepaid tax arrangement with the tax authorities.

The annual tax consist of the total joint taxation contribution payment and changes in deferred taxes, including changes in deferred tax due to changes in tax rates.

Balance sheet

Investments in Subsidiaries

Investments in subsidiaries are measured under the equity method.

Investments in subsidiaries are measured at the proportionate share of the companies' net asset value, calculated in agreement with the consolidated accounting principles with deduction or addition of unrealized group internal revenues and losses with deduction or addition of remaining value of positive or negative goodwill calculated in agreement with the method of acquisition.

Investments in subsidiaries with negative net asset value are measured at DKK 0 (nil), and any amounts owed by such enterprises are written down if the amount owed is irrevocable. If the parent company has a legal or constructive obligation to cover a deficit that exceeds the amount owed, the remaining amount is recognized under provisions.

Net revaluation of investments in subsidiaries is recognized in the reserve for net revaluation in equity under the equity method to the extent that the carrying amount exceeds cost. Dividends from subsidiaries which are expected to be adopted before the approval of the annual report of Bukkehave Corporation A/S are not recognized in the reserve for net revaluation.

Capital increase due to issue of shares to new shareholders is treated the same way as sale of Investments in Subsidiaries.

Acquisitions of enterprises are accounted for using the acquisition method, according to which the identifiable assets and liabilities acquired are measured at their fair values at the date of acquisition. Provision is made for costs related to adopted and announced plans to restructure the acquired enterprise in connection with the acquisition. The tax effect of the restatement of assets and liabilities is taken into account.

Financial statements 1 January – 31 December

Accounting practices applied

Corporation tax and deferred tax

Current tax payable and receivable are recognized 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.

Deferred tax assets, including the tax base of tax loss carry forwards, are recognized at the expected value of their utilization; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity.

Adjustment is made to deferred tax resulting from elimination of unrealized intra-group profits and losses.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to realize as current tax. The change in deferred tax as a result of changes in tax rates is recognized in the income statement.

Receivables and Debts

Receivables are measured at amortised cost.

An impairment loss is recognized if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognized on an individual basis.

Financial liabilities comprising amounts owed to financial institutions, debt to suppliers and payables to affiliated companies are recognized at the date of borrowing at cost, corresponding to the proceeds received less transaction costs paid. In subsequent periods, financial liabilities are measured at amortised cost.

Other liabilities are measured at net realisable value.

Cash flow statement

The cash flow statement shows the Company's cash flow from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the year.

The cash flow effect of acquisitions and disposals of enterprises is shown separately in cash flows from investing activities. Cash flow from acquisitions of enterprises are recognized in the cash flow statement from the date of acquisition. Cash flows from disposals of enterprises are recognized up until the date of disposal.

Financial statements 1 January – 31 December

Accounting practices applied

Cash flows from operating activities

Cash flows from operating activities are calculated as the Company's share of profit/loss adjusted for non-cash operating items, changes in working capital and corporation tax paid.

Cash flow from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of enterprises and activities and 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 related costs as well as the raising of loans, repayment of interest bearing debt and payment of dividends to shareholders.

Net Cash funds

Net cash funds comprise cash and short term debt to financial institutions.

Foreign Currency Translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognized in the income statement as direct cost.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or was recognized in the latest financial statements is recognized in the income statement as direct cost.

Foreign subsidiaries are considered separate entities. The income statements are translated at the average exchange rates for the month, and the balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising on translation of the opening equity of foreign subsidiaries at the exchange rates at the balance sheet date and on translation of the income statements from average exchange rates to the exchange rates at the balance sheet date are recognized directly in equity.

Foreign exchange adjustments of intra-group balances with independent foreign subsidiaries which are considered part of the investment in the subsidiary are recognized directly in equity. Foreign exchange gains and losses on loans and derivative financial instruments designated as hedges of foreign subsidiaries are also recognized directly in equity.

On recognition of foreign subsidiaries which are integral entities, monetary items are translated at the exchange rates at the balance sheet date. Non-monetary items are translated at the exchange rates at the acquisition date or at the date of any subsequent revaluation or impair-

Financial statements 1 January – 31 December

Accounting practices applied

ment of the asset. Income statement items are translated at the exchange rates at the transaction date, although items derived from non-monetary items are translated at the historical exchange rates applying to the non-monetary items.

Income statement

For the period january 1st. - december 31st.

Notes	<u>2017</u>	<u>2016</u>
Administration costs	416.516	455.053
Result of primary operations	-416.516	-455.053
2 Result after tax in subsidaires	-115.972	-2.875.790
3 Financial income	71.542	190.098
3 Financial costs	<u>202.812</u>	<u>232.505</u>
Ordinary result before tax	-663.758	-3.373.250
Tax on the result of the year	<u>0</u>	<u>0</u>
Result for the financial year	<u>-663.758</u>	<u>-3.373.250</u>
 Which is suggested to be distributed as follows:		
Retained earnings	-663.758	-3.373.250
Reserve for net revaluation under the equity method	<u>0</u>	<u>0</u>
	<u>-663.758</u>	<u>-3.373.250</u>

Balance sheet

As per December 31st.

Notes

	<u>2017</u>	<u>2016</u>
ASSETS		
Fixed assets		
Financial fixed assets		
2 Investments in subsidiaries	<u>973.554</u>	<u>1.332.723</u>
Total fixed assets	<u><u>973.554</u></u>	<u><u>1.332.723</u></u>
Current assets		
Cash funds	<u>488</u>	<u>72</u>
Total current assets	<u><u>488</u></u>	<u><u>72</u></u>
TOTAL ASSETS	<u><u>974.042</u></u>	<u><u>1.332.795</u></u>

Balance sheet

As per December 31st.

Notes

LIABILITIES

	<u>2017</u>	<u>2016</u>
Shareholder's equity		
Share capital	28.912.700	28.912.700
Reservet for net revaluation under the equity method	0	0
Retained earnings	-32.865.659	-31.958.703
Proposed dividend	<u>0</u>	<u>0</u>
Total shareholder's equity	<u>-3.952.959</u>	<u>-3.046.003</u>
Debt		
Debt to affiliated companies	4.927.001	4.378.799
Other debt	<u>0</u>	<u>0</u>
Total short-term debt	<u>4.927.001</u>	<u>4.378.799</u>
Total debt	<u>4.927.001</u>	<u>4.378.799</u>
TOTAL LIABILITIES	<u>974.042</u>	<u>1.332.795</u>

- 4 Employees
- 5 Pledges, securities and contingent liabilities
- 6 Related party disclosures

Cash flow statement

For the period January 1st. - December 31st.

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities		
Result before tax	-663.758	-3.373.250
Adjustment of result in subsidiaries	<u>115.972</u>	<u>2.875.790</u>
Profit due to sale of fixed assets	0	0
Change in trade accounts receivable	0	0
Cash flows from operating activities	<u>416</u>	<u>1.675.804</u>
Investing activities		
Change in fixed assets	0	0
Cash flows from investing activities	<u>0</u>	<u>-8.556.834</u>
Financing activity		
Capital increase during the year	0	6.880.900
Cash flows from Financing activities	<u>0</u>	<u>6.880.900</u>
Change in net cash funds for the year	<u>416</u>	<u>-130</u>
Net cash funds opening	72	202
Change in net cash funds	<u>416</u>	<u>-130</u>
Net cash funds year end	<u>488</u>	<u>72</u>

The item "net cash funds" represents cash funds.

The cash flow statement cannot be directly inferred from other components to the Annual Report.

Statement of shareholder's equity

As per December 31st. 2016

	Share capital	Reserve for net revaluation un the equity met	Proposed dividend	Retained earnings	Total
Equity as per 31.12.2015	22.031.800	0	0	-26.972.353	-4.940.553
Capital increase during 2016	6.880.900	0	0	0	6.880.900
Currency translation adjustments of investments in sub	0	0	0	-1.613.099	-1.613.099
Profit distribution on Result of the financial year	0	0	0	-3.373.250	-3.373.250
Equity as per 31.12.2016	<u>28.912.700</u>	<u>0</u>	<u>0</u>	<u>-31.958.703</u>	<u>-3.046.003</u>
Capital increase during 2017	0	0	0	0	0
Currency translation adjustments of investments in sub	0	0	0	-243.198	-243.198
Profit distribution on Result of the financial year	0	0	0	-663.758	-663.758
Equity as per 31.12.2017	<u>28.912.700</u>	<u>0</u>	<u>0</u>	<u>-32.865.659</u>	<u>-3.952.959</u>
Sharecapital 2017-2013	2017	2016	2015	2014	2013
Balance 1. january	28.912.700	22.031.800	5.000.000	5.000.000	5.000.000
Capital increase	0	6.880.900	17.031.800	0	0
Balance 31. december	<u>28.912.700</u>	<u>28.912.700</u>	<u>22.031.800</u>	<u>5.000.000</u>	<u>5.000.000</u>
28.912.700 shares of DKK 1	<u>28.912.700</u>				

Notes to the accounts of 2017

Notes

1 Significant matters in relation to the Financial statement

Budget Assumptions

The subsidiary Bukkehave Nigeria is expected to be liquidated during 2018.

The prepared budgets and forecasts expresses managements best judgment of the development, taking the general insecure situation into consideration.

The budget has been prepared based on expectations about a liquidation of the local entity during 2018.

The turnover for 2017 is budgeted at DKK 0 and the cost in connection with the operation of the liquidation process is budgeted at DKK 0.9 million.

The subsidiary Bukkehave Nigeria does not have any local bank credit facilities. If the company will need cash for financing of the day to day operation, Bukkehave Corporation will provide this.

Liquidity and capital resources

The companys equity was negative by DKK 4.0 million by the end of 2017. The company is covered by the regulations regarding capital loss in the Danish Companys Act, since the company has lost more than 50% of the share capital.

During 2018 the Equity is expected to become positive, either via a conversion of intercompany debt to new share capital, via a group contribution from the parent company Bukkehave Corporation A/S or via a capital reduction. Thereby the company is expected to become in compliance with the regulations regarding capital loss in the Danish Companys Act.

Notes to the accounts of 2017

Notes

2 Investment in Subsidiaries As per December 31st., 2017

	<u>2017</u>	<u>2016</u>
Cost price as of January 1	31.259.605	22.702.771
Increase during the year	0	8.556.834
Cost price as of December 31	31.259.605	31.259.605
Adjustments January 1	-29.926.882	-25.437.992
Currency translation adjustments	-243.198	-1.613.099
Annual result before tax	-115.972	-2.875.790
Current tax for the year	0	0
Revaluations December 31	-30.286.051	-29.926.882
Book value December 31, 2017	<u>973.554</u>	<u>1.332.723</u>

Investments in subsidiaries are specified as follows:

	Domicile	Share of ownership	Share capital
Bukkehave Nigeria Ltd.	Lagos Nigeria	100%	898.016.947 NGN

Notes to the accounts of 2017

Notes	2017	2016
3 FINANCIAL INCOME AND COSTS		
Financial income		
Interest from affiliated companies	0	0
Other financial income	71.542	190.098
	71.542	190.098
Financial costs		
Interest to affiliated companies	202.809	232.505
Other financial costs	3	0
	202.812	232.505

4 EMPLOYEES

During the financial year, the Executive Board and Supervisory Board associated with the Company, have received no wages, salaries and Director's fee.

5 PLEDGES, SECURITIES AND CONTINGENT LIABILITIES

The parent company is jointly taxed with the Danish subsidiary. The companies included in the joint taxation have joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interests and royalties. At 31 December 2017, the net taxes payable to the Danish Central Tax Administration by the companies included in the joint taxation amounted to DKK 0.0 thousand. Any subsequent corrections of the taxable income subject to joint taxation or withholding taxes on dividends, etc., may entail that the companies' liability will increase. The Group as a whole is not liable to others.

6 RELATED PARTY DISCLOSURES

The related parties of Bukkehave Distribution ApS are:

Party exercising control

Bukkehave Corporation A/S, Svendborg, Denmark being the majority shareholder of the share capital in Bukkehave Distribution ApS, and Christian Haar being the majority shareholder of the capital in B1925 A/S, the parent company of Bukkehave Corporation A/S.

Related parties exercising significant influence

Related parties exercising significant influence comprise the minority shareholder, subsidiary companies as mentioned in note 2, shareholders, the Group's Supervisory and Executive Boards and their family members.

Further, related parties comprise affiliated companies and other companies in which the above persons have substantial interest.

Transactions with related parties

Transactions with related parties have been done on basis the Arm's length principles, so Section 98c(7) of the Danish Financial Statements Act is applied regarding related party.