Mobilis Danmark A/S

Roskildevej 342D, 1, 2630 Taastrup

Company reg. no. 35 02 52 78

Annual report

1 December 2015 - 30 November 2016

The annual report have been submitted and approved by the general meeting on the 8 March 2017.

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Jan De Jong
Chairman of the meeting

Contents

Notes:
- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

The board of directors and the executive board have today presented the annual report of Mobilis Danmark A/S for the financial year 1 December 2015 to 30 November 2016.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position as on 30 November 2016 and of the company's results of its activities in the financial year 1 December 2015 to 30 November 2016.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Taastrup, 8 March 2017

Executive board

Reinardus Gerardus Muntel   Rick Van Lent

Board of directors

Jan De Jong   Reinardus Gerardus Muntel   Robert Jan Feijen

The independent auditor's reports

To the shareholders of Mobilis Danmark A/S

Report on extended review of the annual accounts

We have performed extended review of the annual accounts of Mobilis Danmark A/S for the financial year 1 December 2015 to 30 November 2016. The annual accounts comprise accounting policies used, profit and loss account, balance sheet and notes, and they are prepared in accordance with the Danish Financial Statements Act.

The management's responsibility for the annual accounts

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

Auditor's responsibility

Our responsibility is to express an opinion on the annual accounts. We performed the extended review in accordance with the standard from the Danish Business Authority applicable on auditor's reports to small enterprises and in accordance with the standard from the Danish Institute of State Authorised Public Accountants applicable on extended review of annual accounts prepared in accordance with the Danish Financial Statements Act.

This requires that we comply with the Danish Act on Approved Auditors and Audit Firms and with the ethical requirements of the Danish Institute of State Authorised Public Accountants and that we plan and perform our audit procedures with the purpose of achieving moderate assurance as to our opinion on the annual accounts. Furthermore, it requires that we perform particularly required additional procedures with a view to achieving further assurance as to our opinion.

An extended review comprises procedures primarily comprising inquiries to the management and to other persons within the enterprise when appropriate, analytical procedures, and the particularly required additional procedures along with an evaluation of the achieved audit evidence.

The scope of the procedures performed during an extended review is less than in case of an audit, and consequently, we do not express any audit opinion on the annual accounts.

Our extended review has not resulted in any comments.

The independent auditor's reports

Opinion

Based on the work performed, it is our opinion that the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 30 November 2016 and of the results of the company's operations for the financial year 1 December 2015 to 30 November 2016 in accordance with the Danish Financial Statements Act.

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 extended review of the annual accounts. On this basis, it is our opinion that the information provided en the management's review is consistent with the annual accounts.

Copenhagen, 8 March 2017

Redmark
Statsautoriseret Revisionspartnerselskab
Company reg. no. 29 44 27 89

Søren Kristiansen Bünger
State Authorised Public Accountant

Company data

The company	Mobilis Danmark A/S Roskildevej 342D, 1 2630 Taastrup	
	Company reg. no.	35 02 52 78
	Established:	1 January 2013
	Domicile:	Copenhagen
	Financial year:	1 December - 30 November 4th financial year
Board of directors	Jan De Jong, Lopikerweg Oost 118, 3411 LX Lopik, Holland Reinardus Gerardus Muntel, Korte Kijkerweg 5, 7313GZ Apeldoorn, Holland Robert Jan Feijen, Valkenbergerhout 31 73845 JK Hardervijk, Holland	
Executive board	Reinardus Gerardus Muntel, Korte Kijkerweg 5, 7313GZ Apeldoorn, Holland Rick Van Lent, Laan van Groenewegen 24, 2614 KG Delft, Holland	
Auditors	Redmark, Statsautoriseret Revisionspartnerselskab Dirch Passers Allé 76 2000 Frederiksberg	

Management's review

The significant activities of the enterprise

The principal activities are the constructions of civil works, specially building of roads, tunnels, viaducts, bridges, quay walls as well as related objects.

Development in activities and financial matters

The net turnover for the year is DKK 116.967.000 against DKK 109.949.000 last year. The results from ordinary activities after tax are DKK -24.930.000 against DKK -11.664.000 last year. The management consider the results not to be satisfactory.

The company’s short term liabilities exceed the company’s current assets. Therefore there is uncertainty about the company’s ability to pay the creditors when they are due. The parent company has signed a letter of subordination stating that the parent company will stand back towards other creditors with there receivable for at least 12 month after the year end. The parent company’s receivable amounts to DKK 33.643.600 as per 30 November 2016. On this basis it is the management’s opinion that there are no uncertainty related to going concern.

The company's cash and cash equivalents have decreased by DKK 1.258.000, i.e. from DKK 12.814.000 to DKK 11.556.000.

Due to the loss for the year the company has lost more than 50% of its share capital. The company is planning to propose on a general meeting a re-establishing of the share capital by a capital increase.

Accounting policies used

The annual report for Mobilis Danmark A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

Translation of foreign currency

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Debtors, creditors, and other monetary items in foreign currency are translated by using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or the recognition in the latest annual accounts of the amount owed or the liability is recognised in the profit and loss account under financial income and expenses.

Fixed assets and other non-monetary assets acquired in foreign currency and which are not considered to be investment assets purchased in foreign currencies are measured at the exchange rate on the transaction date.

The profit and loss account

Net turnover

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Contract work in progress concerning construction contracts is recognised concurrently in the net turnover with the progress of the production. Thus the net turnover corresponds to the sales value of the completed productions of the year (the production method). The net turnover is recognised when the total income and costs of the contract and the scope of completion on the balance sheet date can be determined reliably, and when it is likely that the financial benefits will be received by the company.

When the results of a contract can not be determined reliably, the net turnover is only recognised on a cost basis, however, to the extent that it is probable that the costs will be recovered.

Production costs

The production costs comprise costs, including salaries, wages and depreciation, which are incurred in order to achieve the net turnover of the year. Trade enterprises recognise cost of sales, and manufacturing enterprises recognise production costs corresponding to the turnover of the year. These costs include direct and indirect costs for raw materials and consumables, salaries and wages, rent and leasing, and depreciation on the production plant.

Additionally, writedown in connection with expected losses on contracts are recognised.

Administration costs

Administration costs comprise costs which have been incurred during the year for management and administration, including costs for the administrative staff, the executive board, offices, stationery and office supplies, and depreciation.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Accounting policies used

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The balance sheet

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown. Land is not depreciated.

The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the book value, the amortisation discontinues.

If the amortisation period or the residual value is changed, the effect on amortisation will in the future be recognised as a change in the accounting estimates.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

Other plants, operating assets, fixtures and furniture	3-5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or losses are recognised in the profit and loss account as other operating income or other operating expenses.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Work in progress for the account of others

Contract work in progress is measured at the selling price of the work performed, however with deduction of invoicing on account and expected losses.

Accounting policies used

If the results of a contract can not be estimated reliably, the selling price is only recognised on a cost basis, however, to the extent that it is probable that the costs will be recovered.

Contracts for which the selling price of the work performed exceeds invoicing on account and expected losses are recognised as trade debtors. Contracts for which invoicing on account and expected losses exceed the selling price are recognised as liabilities.

Costs in connection with sales work and the achievement of contracts are recognised in the profit and loss account when incurred.

The cost for work in progress comprises the cost for raw material, consumables, direct wages and indirect production costs. Indirect production costs comprise indirect materials and wages and equipment applied during the production process. Furthermore, indirect production costs comprise the costs for administration and management.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Other provisions

Provisions comprise expected costs for guarantee liabilities, loss on work in progress, restructuring, etc. Provisions are recognised when the company has a legal or actual liability which is due to a previous event and when it is likely that the settlement of the liability will result in expenditure of the financial resources of the company.

If the settlement of the liability is expected to take place in some remote future, provisions are measured at the net realisable value or at fair value.

Accounting policies used

Guarantee liabilities comprise liabilities for repairs within the guarantee period of 1-5 years. The provisions are measured at the net realisable value and recognised on basis of the obtained experience with guarantee work. If provisions have an expected due date later than 1 year from the balance sheet date, they are discounted at the average bond interest.

When it is likely that the total costs will exceed the total income of work in progress for the account of others, provisions are made for the total loss expected on the contract. Provisions are recognised as costs under production costs.

Liabilities

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

Profit and loss account 1 December - 30 November

All amounts in DKK.

Note		2015/16	2014/15
	Net turnover	116.966.981	109.948.905
	Production costs	-138.070.865	-118.805.020
	Gross results	**-21.103.884**	**-8.856.115**
	Administration costs	-3.950.080	-2.859.560
	Operating profit	**-25.053.964**	**-11.715.675**
	Other financial costs	123.772	98.250
	Financing, net	123.772	98.250
	Results before tax	**-24.930.192**	**-11.617.425**
2	Tax on ordinary results	0	-46.209
	Results for the year	**-24.930.192**	**-11.663.634**

Proposed distribution of the results:

Allocated from results brought forward	-24.930.192	-11.663.634
Distribution in total	**-24.930.192**	**-11.663.634**

Balance sheet 30 November

All amounts in DKK.

Assets

Note		2016	2015
	Fixed assets		
	Other plants, operating assets, and fixtures and furniture	186.634	359.851
	Tangible fixed assets in total	186.634	359.851
	Other debtors	402.985	504.985
	Financial fixed assets in total	402.985	504.985
	Fixed assets in total	**589.619**	**864.836**
	Current assets		
	Trade debtors	15.118.970	41.596.413
3	Work in progress for the account of others	2.804.477	10.632.134
	Other debtors	40.961	38.656
	Accrued income and deferred expenses	0	1.000.000
	Debtors in total	17.964.408	53.267.203
	Available funds	11.555.949	12.813.520
	Current assets in total	**29.520.357**	**66.080.723**
	Assets in total	**30.109.976**	**66.945.559**

Balance sheet 30 November

All amounts in DKK.

Equity and liabilities

Note		2016	2015
	Equity		
4	Contributed capital	2.000.000	2.000.000
6	Results brought forward	-20.229.944	4.700.248
	Equity in total	**-18.229.944**	**6.700.248**
	Provisions		
	Other provisions	129.910	4.188.732
	Provisions in total	**129.910**	**4.188.732**
	Liabilities		
3	Work in progress for the account of others	5.433.537	2.584.685
	Trade creditors	3.772.521	19.582.297
	Debt to group enterprises	36.419.277	26.967.825
	Other debts	2.584.675	6.921.772
	Short-term liabilities in total	48.210.010	56.056.579
	Liabilities in total	**48.210.010**	**56.056.579**
	Equity and liabilities in total	**30.109.976**	**66.945.559**

7 Contingencies

8 Related parties

Notes

All amounts in DKK.

1. Uncertainties concerning the enterprise's ability to continue as a going concern

The company's short term liabilities exceed the company's current assets. Therefore there is uncertainty about the company's ability to pay the creditors when they are due. The parent company has signed a letter of subordination stating that the parent company will stand back towards other creditors with there receivable for at least 12 month after the year end. The parent company's receivable amounts to DKK 33.643.600 as per 30 November 2016. On this basis it is the management's opinion that there are no uncertainty related to going concern.

	2015/16	2014/15
2. Tax on ordinary results		
Adjustment for the year of deferred tax	0	46.209
	0	**46.209**
3. Work in progress for the account of others		
Sales value of the production	107.600.293	116.954.612
Payments on account received	-110.229.353	-108.907.163
Work in progress for the account of others, net	**-2.629.060**	**8.047.449**
The following is recognised:		
Work in progress for the account of others (Current assets)	2.804.477	10.632.134
Work in progress for the account of others (Short-term liabilities)	-5.433.537	-2.584.685
	-2.629.060	**8.047.449**

Notes

All amounts in DKK.

		30/11 2016	30/11 2015
4.	**Contributed capital**		
	Contributed capital 1 December 2015	2.000.000	500.000
	Cash capital increase	0	1.500.000
		2.000.000	**2.000.000**

The share capital consists of 2.000 shares, each with a nominal value of DKK 1,000. No shares hold particular rights.

At an extraordinary meetting on March 18, 2015 is was decided to increase the contributed capital by 500 shares with a nominal value of DKK 1.000 at a price of 200.

At an extraordinary meetting on November 23, 2015 is was decided to increase the contributed capital by 1.000 shares with a nominal value of DKK 1.000 at a price of 1.700.

		30/11 2016	30/11 2015
5.	**Share premium account**		
	Share premium account 1 December 2015	0	0
	Share premium account for the year	0	16.500.000
	Transferred to Results brought forward	0	-16.500.000
		0	**0**

		30/11 2016	30/11 2015
6.	**Results brought forward**		
	Results brought forward 1 December 2015	4.700.248	-136.118
	Profit or loss for the year brought forward	-24.930.192	-11.663.634
	Transferred from Share premium account	0	16.500.000
		-20.229.944	**4.700.248**

Notes

All amounts in DKK.

7. Contingencies

Contingent assets

The company has raised claims at DKK 11.450.840 to a client as a consequense of stricter rules regarding scaffolding work from the Danish authorities. Furthermore Mobilis A/S has raised a claim at DK K 2.892.140 to a client due to disagreement concerning the extent of the work.

Contingent liabilities

A client has raised a claim at DKK 1.284.992 towards the company. This has not been recognised in annual report, as the company disagree with this claim.

The company has received an invoice at DKK 918.760. The company has requested, but not yet received, a creditnote on this invoice, why the invoice has not been recognised in the annual report.

The company has entered into a rental contract for office locations with an average annual payment of DKK 341.840. The contract cannot be determinated before September 1, 2019. The outstanding payment is therefore DKK 940.060.

The company has entered into a rental contract for printers with an average annual payment of DKK 33.036. The contract cannot be determinated before May 31, 2019. The outstanding payment is therefore DKK 78.374.

8. Related parties

Ownership

According to the company's list of shareholders, the following shareholders own a minimum of 5 % of the voting rights or a minimum of 5 % of the share capital:

TBI Infra B.V.,
Landdrostlaan 49,
7327 GM Apeldoorn,
Holland