

Novacem Denmark ApS

c/o GTS Nordic ApS
Kalkbrænderiløbskaj 6
2100 Copenhagen

CVR 37 36 61 53

Annual Report for the year 2016
(For the period 11 January - 31 December 2016)

1st financial year

The Annual Report has been presented and approved at the Company's ordinary general meeting

Copenhagen, 31 May 2017

Chairman



Poul Lund Christensen

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Company information

Address	c/o GTS Nordic ApS Kalkbrænderiløbskaj 6 2100 Copenhagen
Executive Board	Abut Ozsezikli
Supervisory Board	Emre Eren, (chairman) Yasin Simsek Abut Ozsezikli
Ownership control	The Company is owned by: Nova Cement B.V. Strawinskylaan 661, Tower C-6 1077 XX Amsterdam The Netherlands
Financial year	1 January - 31 December

Statement by the Executive and Supervisory boards

The Executive and Supervisory Boards have today discussed and approved the Annual Report of Novacem Denmark ApS for the financial year 11 January - 31 December 2016.

The Annual Report has been prepared in accordance with the Danish Financial Statements Act.

We consider the accounting principles appropriate, and in our opinion the Annual Report gives a true and fair view of the Company's assets and liabilities, financial position and the results of operations.

In our opinion, the managements review gives a true and fair statement of the conditions mentioned in the review.

We consider the conditions for not performing audit to be fulfilled.

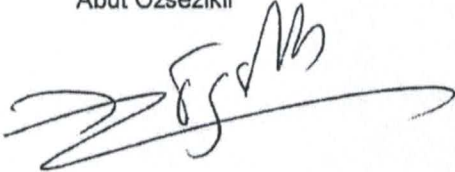
We recommend to the Annual General meeting of shareholders that the Annual Report for the coming year should not be audited. We consider the conditions for not performing audit to be fulfilled.

We recommend that the Annual Report is approved by the Annual General Meeting of shareholders.

Copenhagen, 31 May 2017

Executive Board

Abut Ozsezikli

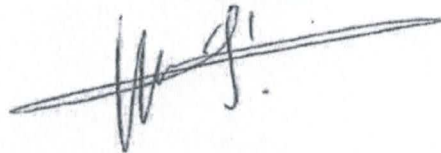


Supervisory Board

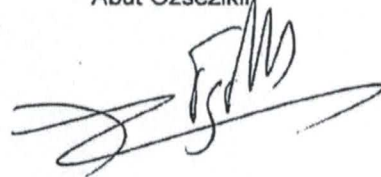
Emre Eren
Chairman



Yasin Simsek



Abut Ozsezikli



Management's review

Principal activities

The principal activity of the company is manufacturing, production, import and export and trade of construction materials of any kind as well as derivatives, and any business related herewith as determined by the board of directors.

Unusual circumstances

No unusual circumstances have affected the company's activities during the year.

Uncertainty relating to recognition and measurement

The company has no uncertainty relating to recognition and measurement.

Development in activities and financial position

The company's financial position and the result of the year will be shown in the following income statement of the financial year 11 January - 31 December 2016 and the balance sheet as per 31 December 2016.

It is the company's 1st financial year.

The result for the period shows a loss of DKK 133.338. The Management considers the result to be as expected.

The company's management is aware that the share capital is lost. The company is newly established and the share capital is expected to be re-established by future profit.

Subsequent events

No significant events have occurred after the balance sheet date, which could have influence on the evaluation of the financial statements.

Future prospects

The company expect a profit for the coming year.

Accounting principles applied

The annual report of the Company has been prepared in accordance with the provisions of the Danish Financial Statements Act for Class B companies.

The most significant elements of the accounting principles applied are described below.

Reporting currency

The annual report is prepared in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised costs are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, write downs and provisions.

Assets are recognized in the balance sheet when it is likely that the future financial benefits will accrue on the company and when the value of the asset can be measured reliably.

Liabilities are recognized in the balance sheet when it is likely that the future financial benefits will be deducted from the company and when the value of the liability can be measured reliably.

The first recognition measures assets and liabilities at cost. Subsequently, assets and liabilities will be measured individually in respect of each accounting item as described below.

Certain financial assets and liabilities are measured at cost, thus recognizing a constant effective interest over the term. Amortized cost is computed as original cost less deductions, if any, as well as additions/deductions of the accumulated amortization of the difference between cost and nominal value.

When recognizing and measuring, gains, losses and risk in connection with the presentation of the annual report are considered and which confirm or invalidate events, which existed at balance sheet date.

Foreign currency translation

During the year transactions in foreign currencies are translated at the rate of exchange as at the transaction date.

Receivables, liabilities and other items in foreign currencies which are unsettled on the balance sheet date are translated at the exchange rate as at the balance sheet date.

Realized and unrealized exchange rate adjustments are included in the profit and loss account under financial items.

Accounting principles applied

Income statement

Gross profit / Gross loss

With reference to section 32 of the Danish Financial Statements Act, the items from 'Revenue' to and including 'Other external expenses' are consolidated into one item stated as Gross profit / Gross loss.

Other external expenses

Other external expenses comprise expenses for marketing, administration, premises, bad debts etc.

Financial items

Interest income and expense and similar items are recognized in the income statement with the amounts relating to the financial year. The financial items comprise interest income and expense, realized and unrealized exchange rate gains and losses resulting from transactions in foreign currencies.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

Balance sheet

Receivables

Receivables are measured at amortised cost. Write-down is made for bad debt losses based on an individual assessment of receivables.

Tax assets, receivables and liabilities

Current tax liabilities and outstanding current tax are recognized in the balance sheet as computed tax on the taxable income for the year adjusted for tax on previous years' taxable income as well as for tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between accounting and tax values of assets and liabilities. In cases, e.g. regarding shares where computation of the tax value can be made according to alternative tax rules, deferred tax is measured either on basis of the planned use of the asset or on settlement of the liability.

Deferred tax assets, including the tax value of tax loss carry forwards, are measured at expected realizable value, either by payment of tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity. Deferred net tax assets, if any, are measured at net realizable value.

Deferred tax is measured on basis of the tax rules and tax rates ruling at balance sheet date, when the deferred tax is expected to become current tax. Changes in deferred tax because of changes in tax rates are recognized in the income statement.

Liabilities

Liabilities are measured at amortized cost equal to nominal value.

Income statement 11 January - 31 December 2016

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	<u>Note</u>	<u>2016</u> DKK
Gross loss		(142.139)
Loss before financial items		(142.139)
Financial income		3.654
Financial expenses		(32.461)
Loss before tax		(170.946)
Tax on net loss for the year	1	37.608
Net loss for the year		(133.338)

Proposed distribution of profit/(loss)

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	<u>Note</u>	<u>2016</u> DKK
Net loss for the year		<u>(133.338)</u>
At disposal		<u>(133.338)</u>
 Proposed distribution of profit/(loss)		
Accumulated losses		(133.338)
		<u>(133.338)</u>

Balance as at 31 December 2016

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ASSETS

	<u>Note</u>	<u>2016</u> DKK
Deposits		179.166
Total financial fixed assets		179.166
Total fixed assets		179.166
Deferred tax asset		37.608
Other receivables		52.433
Total receivables		90.041
Total current assets		90.041
Total assets		269.207

Balance as at 31 December 2016

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EQUITY AND LIABILITIES

	<u>Note</u>	<u>2016</u> DKK
Share capital		50.000
Accumulated losses		(133.338)
Total shareholders equity	2	<u>(83.338)</u>
Trade payables		40.504
Payables to affiliates		312.041
Total short-term liabilities		<u>352.545</u>
Total equity and liabilities		<u>269.207</u>
Contingent liabilities	3	

		<u>2016</u>	
		DKK	
1 Tax on net loss for the year			
Tax for the year		0	
Adjustment deferred tax		<u>(37.608)</u>	
		<u>(37.608)</u>	
2 Shareholders equity			
	Share capital	Accumulated	Total
	DKK	losses	DKK
		DKK	
Balance 11 January 2016	50.000	0	50.000
Result of the year	<u>0</u>	<u>(133.338)</u>	<u>(133.338)</u>
Balance 31 December 2016	<u>50.000</u>	<u>(133.338)</u>	<u>(83.338)</u>

Share capital

The share capital comprises 50.000 shares of DKK 1 or multiples hereof.
There are no changes in the share capital since the foundation of the Company.

3 Contingent liabilities

The Company has on the date of the fiscal year ending entered into rental agreement for warehouse premises. The agreement can be terminated with a 3 months notice.