

Ecu Worldwide (Netherlands) B.V.
Rotterdam

Annual Report

For the year ending on 31 December 2017

Report on the annual accounts 2017

Company: Ecu Worldwide (Netherlands) B.V.

Place: Rotterdam

Date: 18th of May 2018

Ecu Worldwide (Netherlands) B.V.
Rotterdam

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To: Ecu Worldwide (Netherlands) B.V.
Nieuwesluisweg 240
3197KV Rotterdam

Introduction

In accordance with the instructions of the directors of the company, we have compiled the financial statements of Ecu Worldwide (Netherlands) B.V., Rotterdam for the year 2017. The accuracy and completeness of the information, and the financial statements based thereon, are the responsibility of the directors of the company.

Responsibility of the management

In the execution of our work we have based ourselves on the information provided by the management of the company. The responsibility for the correctness and completeness of that data and for the annual accounts based thereon lies with the management of the company.

Scope

We have compiled the financial statements in accordance with generally accepted standards for compilation engagements in the Netherlands. Our procedures were limited primarily to gathering, processing, classifying and summarizing financial information. These procedures do not provide any assurance as to whether the financial statements are free of material misstatement as that provided by an audit or a review by an Accountant.

Confirmation

We have compiled the financial statements in accordance with accounting principles generally accepted in the Netherlands and with the financial reporting requirements as included in Part 9, Book 2 of the Netherlands Civil Code.

Rotterdam, 18th of May, 2018

Tjeerd Administratie en Belastingadvies B.V.


G.T. Sterkenburg, RBC

Ecu Worldwide (Netherlands) B.V.
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Annual Report 2017 - Financial position

Below we provide an analysis of your company's financial position. Note that balance sheet items can fluctuate during the year and the value as of the balance sheet date could deviate considerably from any randomly chosen date in the financial year. (This might have influenced the impact on ratios, had another date been selected).

A summary of the balance sheet as of December 31, 2017 with comparative figures for 2016

	31-12-2017		31-12-2016	
	EUR	%	EUR	%
Assets				
Fixed assets	3.229.288	73,5%	3.405.725	77,4%
Short term loans	65.000	1,5%	0	0,0%
Receivables, prepayments and accrued income	971.342	22,1%	950.319	21,6%
Cash at bank and in hand	128.671	2,9%	43.032	1,0%
	<u>4.394.301</u>	<u>100%</u>	<u>4.399.076</u>	<u>100,0%</u>
Equity and liabilities				
Shareholders' equity	312.970	7%	694.073	16%
Long-term liabilities	2.053.000	47%	2.053.000	47%
Total of long-term liabilities and equity	2.365.970	54%	2.747.073	62%
Current liabilities, accruals and deferred income	2.028.331	46%	1.652.003	38%
	<u>4.394.301</u>	<u>100%</u>	<u>4.399.076</u>	<u>100,0%</u>

Annual Report 2017 - Working capital

On the basis of this summary, a statement of the working capital has been provided. Working capital is defined as all current assets less current liabilities.

	31-12-2017	31-12-2016	Movement
Short term loans	65.000	0	65.000
Receivables, prepayments and accrued income	971.342	950.319	21.023
Cash at bank and in hand	128.671	43.032	85.639
Total current assets	1.165.013	993.351	106.662
Less: Current liabilities, accruals and deferred income	<u>2.028.331</u>	<u>1.652.003</u>	<u>376.328</u>
Working capital	<u>-863.318</u>	<u>-658.652</u>	<u>-204.666</u>

Ecu Worldwide (Netherlands) B.V.
 Rotterdam
 (Financial position)

Annual Report - Solvency

From the solvency – defined as the ratio of the equity divided by the liabilities (and also defined as the ratio of equity divided by the sum of equity and liabilities) – the resilience of the company may be deduced.

The level of solvency depends on the nature of the company. No general principles can be given for this. By means of the ratios presented below insight can be gained into the solvency of the company.

	2017	2016
	EUR	EUR
Ratio equity / sum of equity and liabilities	7,12%	15,78%
Ratio equity / liabilities	7,67%	18,73%

Annual Report - Liquidity

From the liquidity – defined as the ratio of current assets divided by current liabilities – it may be deduced to what extent the company can settle its financial liabilities in the short-term.

By means of the ratios presented below, insight can be gained into the liquidity of the company.

	2017	2016
	EUR	EUR
Annual Report - Quick ratio:		
Ratio receivables, securities and cash / current liabilities	0,57	0,60
Annual Report - Current ratio:		
Ratio current assets / current liabilities	0,57	0,60

Employees

On December 31, 2017 the Company employs 15 staff (2016: 19).

Fiscal position

Fiscal unity

The company has joined a fiscal unity with her sister company Rotterdam Freight Station B.V. as per 1th of January 2017.

Tax losses available for set-off

	EUR
Before 1th of January 2017	
Year 2016	129.303

Since 1th of January 2017	
Fiscal unity losses available for set-off	
Year 2017	382.200

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Balance sheet as of December 31, 2017, with comparative figures for 2016

	Note	<u>2017</u>	<u>2016</u>
		EUR	EUR
Assets			
Fixed assets			
Tangible fixed assets buildings	1	3.198.822	3.364.571
Tangible fixed assets other	2	30.466	41.154
Total fixed assets		<u>3.229.288</u>	<u>3.405.725</u>
Current assets			
Short term loans	3	65.000	0
Receivables, prepayments and accrued income	4	971.342	950.319
Cash at bank and in hand	5	128.671	43.032
Total current assets		<u>1.165.013</u>	<u>993.351</u>
Total		<u><u>4.394.301</u></u>	<u><u>4.399.076</u></u>
Equity and liabilities			
Shareholders' equity			
Registered capital	6	854.000	854.000
Capital reserves		0	0
Revenues reserves and result previous years		-159.927	-34.072
Net profit/loss for the year		-381.103	-125.855
Total equity		<u>312.970</u>	<u>694.073</u>
Long-term liabilities	7	2.053.000	2.053.000
Short term liabilities			
Liabilities loans short term	8	1.342.627	720.000
Accounts payable for deliveries and services	9	258.896	669.434
Other accounts payable	10	426.808	262.569
Total short term liabilities		<u>2.028.331</u>	<u>1.652.003</u>
Total		<u><u>4.394.301</u></u>	<u><u>4.399.076</u></u>

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Profit and loss account 2017, with comparative figures for 2016

		<u>2017</u>	<u>2016</u>
		EUR	EUR
Net-turnover		6.807.815	6.977.377
Cost of sales		<u>-5.961.551</u>	<u>-5.862.514</u>
Gross margin	14	846.264	1.114.863
Wages, salaries and social security	15	1.048.852	1.055.896
Amortisation/depreciation of intangible/tangible fixed assets	16	176.437	176.354
Impairment in value of current assets	17	35.144	8.961
Other operating expenses	18	<u>-32.102</u>	<u>-49.079</u>
Total expenses		<u>1.228.331</u>	<u>1.192.132</u>
Operating result		-382.067	-77.269
Financial income and expense	19	5.591	48.586
Extraordinary result	20	0	0
Result on ordinary activities before taxation		<u>-387.658</u>	<u>-125.855</u>
Taxation on result of ordinary activities	21	<u>-6.555</u>	0
Result on ordinary activities after taxation		-381.103	-125.855
Extraordinary result after taxation		0	0
Result after taxation		<u><u>-381.103</u></u>	<u><u>-125.855</u></u>

Ecu Worldwide (Netherlands) B.V.
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General notes and principles

Activities

The activities of Ecu Worldwide (Netherlands) B.V., having its legal seat at Rotterdam, primarily consist of: National and International forwarding including sea-, air- and trucktransport, storage of cargoes, courier services, custom clearance and all other logistical services and consultancy.

Group structure

The company is part of a group, the mother company of Ecu Worldwide (Netherlands) B.V. is Ecuhold N.V. at Antwerpen, Belgium which is for 100% shareholder.

General accounting principles for the preparation of the financial statements

The financial statements have been prepared in accordance with generally accepted accounting standards in the Netherlands

Valuation of assets and liabilities and determination of the result takes place under the historical cost convention. Unless presented otherwise, the relevant principle for the specific balance sheet item, assets and liabilities are presented at face value.

Income and expenses are accounted for on accrual basis. Profit is only included when realized on balance sheet date. Losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

Conversion of foreign currency

Receivables, liabilities and obligations denominated in foreign currency are converted at the exchange rates prevailing at balance sheet date.

Transactions in foreign currency during the financial year are recognised in the financial statements at the exchange rates prevailing at transaction date. The exchange differences resulting from the conversion as of balance sheet date, taking into account possible hedge transactions, are recorded in the profit and loss account.

Principles of valuation of assets and liabilities

Intangible fixed assets

Intangible fixed assets are presented at cost less accumulated depreciation. Depreciation is based on the estimated useful life and calculated as a fixed percentage of cost, taking into account any residual value. Depreciation is provided from the date an intangible asset comes into use.

Tangible fixed assets

Tangible fixed assets are presented at cost less accumulated depreciation and, if applicable, less impairments in value. Depreciation is based on the estimated useful life and calculated as a fixed percentage of cost, taking into account any residual value. Depreciation is provided from the date an asset comes into use. Land is not depreciated.

Receivables

Receivables are included at face value, less any provision for doubtful accounts. These provisions are determined by individual assessment of the receivables.

Liabilities

These are recorded at face value.

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Principles for the determination of the result

Revenues from services are recognised in proportion to the services rendered. The cost price of these services is allocated to the same period.

Net turnover

The gross operating result consists of the net turnover, other operating income and consumables and the cost of subcontracted work and other external charges. Net turnover represents amounts invoiced for goods and services supplied during the financial year under report, net of discounts and value added taxes.

Cost of sale

The cost of sale contains all direct cost of the net turnover.

Taxation

Corporate income tax is calculated at the applicable rate on the result for the financial year, taking into account permanent differences between profit calculated according to the financial statements and profit calculated for taxation purposes.

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Notes to the balance sheet of December 31, 2017, with comparative figures for 2016

1) Tangible fixed assets company buildings and terrains

The movement is as follows:

	<u>2017</u>	<u>2016</u>
At cost 1th of January	4.123.529	4.117.628
Investments	0	5.901
Desinvestment	-17.639	0
At cost 31th of December	4.105.890	4.123.529
Depreciation till 1th of January	-758.958	-592.906
Depreciation for this year	-165.749	-166.052
Depreciation desinvestment	17.639	0
Bookvalue end of year	3.198.822	3.364.571

2) Tangible fixed assets other

The movement is as follows:

	<u>2017</u>	<u>2016</u>
At cost 1th of January	182.049	149.788
Investments	0	32.261
Desinvestment	-72.857	0
At cost 31th of December	109.192	182.049
Depreciation till 1th of January	-140.895	-130.593
Depreciation for this year	-10.688	-10.302
Depreciation desinvestment	72.857	0
Value end of year	30.466	41.154

3) Short term loans

The movement in short term loans is as follows:

	<u>2017</u>	<u>2016</u>
Rotterdam Freight station B.V.		
Book value 1th January	0	0
Provided and redemption	65.000	0
Book value 31th December	65.000	0

Loan has been given to affiliated companies from the group. The annual interest rate has been set on 2%. There is no security for repayment given. Redemption or extra providing can be done at any moment.

4) Receivables, prepayments and accrued income

Of the total amount of receivables an amount of EUR 0,00 has a remaining term over 1 year. The specification is as follows:

	<u>2017</u>	<u>2016</u>
Accounts receivable for deliveries and services	760.388	866.903
Allowance for doubtful accounts third	-60.000	-24.856
	700.388	842.047
Receivable from affiliated companies	0	50.000
Taxes and social security	0	25.318
Receivable VAT	7.025	0
Accrued Income and deferred charges	190.972	0
Prepayments	50.504	0
Down payments	21.080	19.730
Other receivables	1.373	13.224
Total	971.342	950.319

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(Notes to the balance sheet of December 31, 2017, with comparative figures for 2016)

5) Cash at bank and in hand

The movement is as follows:

	<u>2017</u>	<u>2016</u>
Petty cash	414	1.340
Rabobank EUR	117.571	41.692
Rabobank USD	10.686	0
	<u>128.671</u>	<u>43.032</u>

6) Shareholders equity

Registered capital

The registered share capital of the company is EUR 854.000,- of which EUR 854.000,- have been issued and paid up. There are no preferred or priority shares. The shares are nominaal EUR 10,- each.

Capital reserves

No payments were made by the shareholders to raise the capital reserves.

Revenues reserves and result previous years

This is the accumulated loss and/or profit of the company of previous years.

Net profit/loss for the year

This is the net profit or loss of the company for the year 2017 with comparative numbers for 2016.

7) Long-term liabilities

The movement is as follows:

	<u>2017</u>	<u>2016</u>
Loan AGL N.V.		
Book value 1th January	323.750	323.750
Provided and redemption	0	0
Book value 31th December	<u>323.750</u>	<u>323.750</u>

	<u>2017</u>	<u>2016</u>
Loan mortgage Allcargo N.V.		
Book value 1th January	1.729.250	1.576.750
Provided and redemption	0	152.500
Book value 31th December	<u>1.729.250</u>	<u>1.729.250</u>

Loan has been given by affiliated companies from the group. As security for repayment the building on the Nieuwesluisweg 240 in Rotterdam has been given as collateral.

	<u>2017</u>	<u>2016</u>
8) Liabilities loans short term		
Repayment obligation long term loans	0	0
Loan short term ECU Hold N.V.	820.000	720.000
Current account netting ECU Hold N.V.	521.493	0
Cash pool ECU Hold N.V.	1.134	0
	<u>1.342.627</u>	<u>720.000</u>

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(Notes to the balance sheet of December 31, 2017, with comparative figures for 2016)

9) Accounts payable for deliveries and services

	<u>2017</u>	<u>2016</u>
Accounts payable for deliveries and services	258.896	669.434

10) Other accounts payable

	<u>2017</u>	<u>2016</u>
Accrued expenses operational	217.499	117.345
Reservation holiday allowance	30.039	41.366
Reservation days off staff	35.023	27.871
Payable income taxes and social charges	70.059	65.288
Payable pension contribution	0	55
Payable wages	4.994	0
Payable VAT	0	10.644
Accrued expenses indirect cost	35.035	0
Other payable	34.159	0
Total	426.808	262.569

Contingent assets and liabilities

11) Income tax

The company is part of a fiscal unity as per 1th of January 2017. The fiscal unity has a negative taxable income in 2017. No deferred tax asset is recorded.

12) Other obligations

The amounts due in respect of non-cancellable operating leases are payable as follows:

Operating lease cars

Less than one year	43.419	59.019
Between one and five years	<u>95.011</u>	<u>127.575</u>
Total	138.430	186.594

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Notes to the profit & loss account 2017 with comparative figures for 2016

	2017		2016	
	EUR	EUR	EUR	EUR
14) Gross margin				
Net turnover	-6.807.815		-6.977.377	
Cost of sales	<u>5.961.551</u>		<u>5.862.514</u>	
Total		-846.264		-1.114.863
Margin in percentage		12,4%		16,0%
15) Wages, salaries and social security				
Wages	942.821		633.995	
Holiday/vacation payment	99.608		0	
Social security charges	162.264		135.654	
Contribution towards pension	65.842		47.385	
Outsourcing fees	32.011		36.288	
Travelling expenses employees	22.845		22.281	
Insurance	26.225		15.568	
Severance payments	39.697		0	
Management fee HQ	151.200		151.200	
Recharge salaries cost inter group	-513.164		0	
Other staff expenses	<u>19.503</u>		<u>13.525</u>	
Total		1.048.852		1.055.896
16) Amortisation/depreciation				
Depreciation building and terrains	165.749		166.052	
Depreciation other fixed assets	<u>10.688</u>		<u>10.302</u>	
Total		176.437		176.354
17) Impairment in value of current assets				
Bad debts	<u>35.144</u>		<u>8.961</u>	
Total		35.144		8.961
18) Other operating expenses				
Housing expenses	-222.215		-222.800	
Car expenses	67.578		51.296	
Selling expenses	39.205		37.869	
Office expenses	<u>83.330</u>		<u>84.556</u>	
Total		-32.102		-49.079
Housing expenses				
Ground lease	137.253		128.996	
Services cost and maintenance	13.432		0	
Cleaning	8.893		8.502	
Taxes	18.227		18.374	
Other housing expenses	1.905		23.253	
Rental income warehouse	<u>-401.925</u>		<u>-401.925</u>	
Total		-222.215		-222.800

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 Notes to the profit & loss account 2017 with comparative figures for 2016

18) Other operating expenses (contd.)	2017		2016	
	EUR	EUR	EUR	EUR
Car expenses				
Lease staff cars	47.464		34.537	
Fuel	9.935		7.958	
VAT privat use car	5.762		0	
Insurance	3.912		0	
Other car expenses	505		8.801	
Total		67.578		51.296
Selling expenses				
Advertising and promotion	465		666	
Marketing and relation gifts	900		0	
Representation expenses	20.962		27.338	
Travel and hotel expenses	16.878		9.865	
Other selling expenses	0		0	
Total		39.205		37.869
Office expenses				
Telephone and data lines	17.810		16.688	
Postage expenses	4.465		5.132	
Office supplies	15.383		20.594	
Printed	764		1.594	
Accountant charges	13.665		9.600	
Legal advisors	635		3.438	
IT advisors	1.002		0	
Collecting agency	898		0	
Other advisors	793		0	
Contribution and subscription	536		385	
Insurance	26.547		23.229	
Other office expenses	832		3.896	
Total		83.330		84.556
19) Financial income and expense				
Interest revenues	0		0	
Interest cost mortgage	0		51.375	
Interest cost group	36.028		18.662	
Exchange differences	-33.752		-26.512	
Financial expenses bank	3.062		4.881	
Other	253		180	
Total		5.591		48.586
20) Extraordinary result				
Loss on disposal/sale fixed assets	0		0	
Other extraordinary income/expenses	0		0	
		0		0
21) Taxation				
Corporate taxes	-6.555		0	
		-6.555		0

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Other information

Audit

The company has utilized the exemption from an audit by virtue of article 2:396, paragraph 6 of the Netherlands Civil Code.

Statutory rules concerning appropriation of result

In the company statutory regulations state the following: Distributions may be made only if the equity is more than the paid-up and redeemed part of the issued capital and reserves, increased with legal reserves.

Proposed appropriation of result for the financial year 2017

The board of directors proposes that the loss for the financial year 2017 amounting to € 381.103,- (2016: € 125.855,- loss) should be reduced from the reserve.
The financial statements do not reflect this proposal.

Signing of the financial statements

Rotterdam, 18th of May, 2018

MLS bvba

M. Stoffelen

A. Vrijenhoek