

13410612-4531-113-01

Statistical code

01-09-733830

Company Court registration

Apollo Vredestein Kereskedelmi és Szolgáltató Kft.

name of company

1123 Budapest, Alkotás u. 39/C

address, phone number

03/31/2018

Annual Report

Version "A"

Date: Budapest, 04/18/2018.



manager of the company
(representative)

APOLLO VREDESTAIN KFT
1123 Budapest, Alkotás u. 39/C
IBERBANK: 14100000-75623949-01000001
Állásfoly: 13410612-2-43 HU13410612

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Statistical code

01-09-733830

03/31/2018

Company Court registration

Apollo Vredestein Keresekedelmi és Szolgáltató Kft.

BALANCE SHEET Version "A"

Assets

THUF

Sequence	Description	2017	Correction of previous years	2018
a	b	c	d	e
1	A. Fixed assets (rows 02.+10.+18.)	12 053		24 581
2	I. INTANGIBLE ASSETS (rows 03.-09.)			
3	Capitalized value of formation / reorganization expenses			
4	Capitalized value of research and development			
5	Concessions, licences and similar rights			
6	Intellectual property rights			
7	Goodwill			
8	Advances and prepayments on intangible assets			
9	Adjusted value of intangible assets			
10	II. TANGIBLE ASSETS (rows 11.-17.)	12 038		24 565
11	Land, buildings and rights to immovables	2 438		2 122
12	Plant and machinery, vehicles			
13	Other equipment, fixtures and fittings, vehicles	9 600		22 443
14	Breeding stock			
15	Assets in course of construction			
16	Payments on account			
17	Adjusted value of tangible assets			
18	III. FINANCIAL INVESTMENTS (rows 19.-28.)	15		16
19	Long-term shares in group undertakings	15		16
20	Long-term credit to group undertakings			
21	Long-term participating interests			
22	Long-term loan to undertakings linked by virtue of participating interest			
23	Other long-term participating interests			
24	Long-term loan to undertakings in which the company has a participating interest < 20%			
25	Other long-term loans			
26	Securities signifying a long-term creditor relationship			
27	Adjusted value of financial investments			
28	Valuation difference of invested financial assets			

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BALANCE SHEET Version "A"

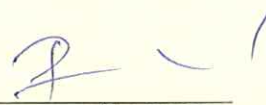
Assets

THUF

Sequ- ence	Description	2017	Correction of previous years	2018
a	b	c	d	e
29	B. Current assets (rows 30.+37.+45.+52.)	999 013		1 216 905
30	I. INVENTORIES (rows 31.-36.)	130 087		211 627
31	Raw materials and consumables			
32	Work in progress, intermediate and semi-finished products			
33	Animals for breeding and fattening and other livestock			
34	Finished products			
35	Goods	130 087		211 627
36	Advances and prepayments			
37	II. RECEIVABLES (rows 38.-44.)	724 502		915 533
38	Trade debtors	721 171		911 311
39	Receivables from group undertakings			2 377
	Receivables from undertakings linked by virtue of participating interest			
40	Receivables from undertakings in which the company has a participating interest < 20%			
41	Bills of exchange receivables			
42	Other receivables	3 331		1 845
43	Valuation difference of receivables			
44	Valuation difference of derivative instruments			
45	III. SECURITIES (rows 46.-51.)			
46	Shares in group undertakings			
47	Participating interests			
48	Other investments			
49	Own shares and own partnership shares			
50	Securities signifying a creditor relationship for trading purposes			
51	Valuation difference of securities			
52	IV. LIQUID ASSETS (rows 53.-54.)	144 424		89 745
53	Cash, checks	232		633
54	Bank deposits	144 192		89 112
55	C. Accrued and deferred assets (56.-58.)	3 460		2 941
56	Accrued income			
57	Accrued expenses	3 460		2 941
58	Deferred expenses			
59	TOTAL ASSETS (rows 01.+29.+55.)	1 014 526		1 244 427

Date: Budapest, 04/18/2018.

APOLLO VREDES Kereskedelmi és Szolgáltató Kft.
1123 Budapest, Árkoltsé u. 39/C
CIBERBANK: 14100000-75823919-01500000
Adószám: 13410612-2-43 HU113117
stamp



manager of the company
(representative)

13410612-4531-113-01

Statistical code

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03/31/2018

Company Court registration

Apollo Vredestein Keresekedelmi és Szolgáltató Kft.

BALANCE SHEET Version "A"

Capital and Liabilities

THUF

Sequ- ence	Description	2017	Correction of previous years	2018
a	b	c	d	e
60	D. Shareholder's equity (rows 61.,63.-67.,70.)	43 031		38 333
61	I. SUBSCRIBED CAPITAL	3 000		3 000
62	<i>including: ownership shares repurchased at nominal value</i>			
63	II. SUBSCRIBED CAPITAL UNPAID (-)			
64	III. CAPITAL RESERVE			
65	IV. ACCUMULATED PROFIT RESERVE	-184 870		-155 751
66	V. TIED-UP RESERVE	195 783		195 783
67	VI. REVALUATION RESERVE (rows 68.-69)			
68	Valuation reserve for adjustments (A.I.9.+A.II.17.+A.III.27.)			
69	Fair value reserve (A.III.28.+B.II.43.+B.II.44.+B.III.51.+F.III.102.+F.III.103.)			
70	VII. PROFIT OR LOSS FOR THE YEAR	29 118		-4 699
71	E. Provisions (rows 72.-74.)			
72	Provisions for expected liabilities			
73	Provisions for future expenses			
74	Other provisions			
75	F. Liabilities (rows 76.+81.+91.)	939 418		1 165 447
76	I. SUBORDINATED LIABILITIES (rows 77.-80.)			
77	Subordinated liabilities to group undertakings			
78	Subordinated liabilities to undertakings linked by virtue of participating interests			
79	Subordinated liabilities to undertakings in which the company has a participating interest < 20%			
80	Subordinated liabilities to other economic entities			
81	II. LONG-TERM LIABILITIES (rows 82.-90.)			
82	Long-term loans			
83	Convertible bonds			
84	Debts on issue of bonds			
85	Investment and development credits			
86	Other long-term credits			
87	Long-term liabilities to group undertakings			
88	Long-term liabilities to undertakings linked by virtue of participating interests			
89	Long-term liabilities to undertakings in which the company has a participating interest < 20%			
90	Other long-term liabilities			

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BALANCE SHEET Version "A"


Capital and Liabilities

THUF

Sequence	Description	2017	Correction of previous years	2018
a	b	c	d	e
91	III. CURRENT LIABILITIES (rows 92+94.-103)	939 418		1 165 447
92	Short-term bank loans			
93	<i>including: convertible bonds</i>			
94	Other short-term loans			
95	Advances received from customers			
96	Trade creditors	21 265		18 058
97	Bills of exchange payable			
98	Short-term liabilities to group undertakings	853 734		1 098 585
99	Short-term liabilities to undertakings linked by virtue of participating interests			
100	Short-term liabilities to undertakings in which the company has a participating interest < 20%			
101	Other short-term liabilities	64 419		48 804
102	Valuation difference of liabilities			
103	Valuation difference of derivative instruments			
104	G. Accrued and deferred liabilities (rows 105.-107.)	32 077		40 647
105	Deferred income			
106	Deferred expenses	32 077		40 647
107	Accrued income			
108	TOTAL LIABILITIES (rows 60.+71.+75.+104.)	1 014 526		1 244 427

Date: Budapest, 04/18/2018.

APOLLO VREDESTAIN KFT
1123 Budapest, stampu. 39/C
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(representative)

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Company Court registration

03/31/2018

Apollo Vredestein Kereskedelmi és Szolgáltató Kft.

PROFIT AND LOSS ACCOUNT

Total cost method, Version "A"

THUF

Sequ- ence	Description	2017	Correction of previous years	2018
a	b	c	d	e
01.	Net domestic turnover	1 696 470		2 050 196
02.	Net external turnover	502 743		654 805
I.	Total turnover (revenues) (01.+02.)	2 199 213		2 705 001
03.	Change in self-manufactured stocks			
04.	Own work capitalized			
II.	Own performance capitalized (±03.+04.)			
III.	Other income	6 676		5 523
	<i>including: decrease of provisions for doubtful debts</i>			
05.	Raw materials and consumables	16 451		12 819
06.	Contracted services	272 269		349 838
07.	Other service activities	4 407		4 415
08.	Cost of sales	1 576 297		2 028 877
09.	Value of services sold (intermediated)	2 019		83
IV.	Material costs (05.+06.+07.+08.+09)	1 871 443		2 396 032
10.	Wages and salaries	82 043		84 463
11.	Other employee benefits	29 536		7 999
12.	Contributions on wages and salaries	31 142		22 483
V.	Staff costs (10.+11.+12.)	142 721		114 945
VI.	Depreciation	3 943		3 763
VII.	Other operating charges	125 244		164 396
	<i>including: provisions for doubtful debts</i>	958		10 682
A.	OPERATING PROFIT OR LOSS (I.±II.+III.-IV.-V.-VI.-VII.)	62 538		31 388

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03/31/2018

Apollo Vredestein Kereskedelmi és Szolgáltató Kft.

PROFIT AND LOSS ACCOUNT

Total cost method, Version "A"

THUF

Sequ- ence	Description	2017	Correction of previous years	2018
a	b	c	d	e
13.	Dividends and profit-sharing (received or due) <i>including: from affiliated undertakings</i>			
14.	Income and capital gains from interests <i>including: from affiliated undertakings</i>			
15.	Interests and capital gains from financial investments (securities, loans) <i>including: from affiliated undertakings</i>			
16.	Other interest and similar income (received or due) <i>including: from affiliated undertakings</i>			
17.	Other income from financial transactions <i>including: valuation difference</i>	5 615		7 160
VIII.	Income from financial transactions (13.+14.+15.+16.+17.)	5 615		7 160
18.	Expenses and exchange loss on interests <i>including: to affiliated undertakings</i>			
19.	Expenses and exchange loss on financial investments (securities, loans) <i>including: to affiliated undertakings</i>			
20.	Interest payable and similar expenses <i>including: to affiliated undertakings</i>			
21.	Impairment on interests, securities, long-term loans and bank deposits			
22.	Other expenses on financial transactions <i>including: valuation difference</i>	34 612		38 355
IX.	Expenses on financial transactions (18.+19.+20.+21.)	34 612		38 355
B.	PROFIT OR LOSS FROM FINANCIAL TRANSACTIONS (VIII.-IX.)	-28 997		-31 195
C.	PROFIT OR LOSS (±A.±B.)	33 541		193
X.	Tax payable	4 423		4 892
D.	PROFIT OR LOSS AFTER TAXATION (±C.-X)	29 118		-4 699

Date: Budapest, 04/18/2018.


APOLLO VREDESTEIN KFT

stamp

1123 Budapest, Alkotás u. 39/C

SBERBANK: 14100000-75823949-01000001

Adószám: 13410612-2-43 HU13410612


manager of the company
(representative)



GG Audit Könyvvizsgáló és Pénzügyi Tanácsadó Kft.

This is an English translation of the Independent Auditor's report on the annual financial statements of Apollo Vredestein Kft. for the period between 1 April 2017 and 31 March 2018 issued in Hungarian.

If there are any differences, the Hungarian language original prevails.

This report should be read in conjunction with the complete set of annual financial statements it refers to.

INDEPENDENT AUDITOR'S REPORT

To the shareholder of Apollo Vredestein Kft.

Opinion

We have audited the accompanying financial statements of Apollo Vredestein Kft. ("the Company") which comprise the balance sheet as of 31 March 2018, in which the balance sheet total is THUF 1,244,427, the loss after tax for the year is THUF -4,699, the related income statement for the year then ended, and supplementary notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as of 31 March 2018, and of the results of its operations for the year then ended in accordance with the provisions of Act C of 2000 on Accounting ("Accounting Act"), in force in Hungary.

Basis for Opinion

We conducted our audit in accordance with Hungarian National Standards on Auditing ("HNSA") and with applicable laws and regulations in force in Hungary. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements" section of our report.

We are independent of the Company in accordance with the applicable laws of Hungary, with the Hungarian Chamber of Auditors' Rules on ethics and professional conduct of auditors and on disciplinary process and, as well as with respect to issues not covered by these Rules, with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (the IESBA Code) and we also comply with further ethical requirements set out in these.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information: The Business Report

The other information comprises the business report of the Apollo Vredestein Kft. for the year 2018. Management is responsible for the preparation of the business report in accordance with the provisions of the Act on Accounting and other relevant regulations, if any. Our opinion on the annual financial

statements expressed in the “Opinion” section of our independent auditor’s report does not cover the business report. In connection with our audit of the annual financial statements, our responsibility is to read the business report and, in doing so, consider whether the business report is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If based on our work performed, we conclude that the other information is materially misstated we are required to report this fact and the nature of such misstatement.

Based on the Act on Accounting, we are also responsible for assessing whether the business report has been prepared in accordance with the provisions of the Act on Accounting and other applicable legal requirements, and to express an opinion on this and on whether the business report is consistent with the annual financial statements.

In our opinion, the 2018 business report of the Apollo Vredestein Kft. is consistent, in all material respects, with the 2018 annual financial statements of the Apollo Vredestein Kft. and the business report has been prepared in accordance with the applicable provisions of the Act on Accounting. As there are no other legal requirements that are applicable to the business report of the Company, therefore, we do not express an opinion in this respect.

We are not aware of any other material inconsistency or material misstatement in the 2018 business report of the Company, therefore, we have nothing to report in this respect.

Responsibilities of Management for the Annual Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with Act C of 2000 on Accounting applicable in Hungary, 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 unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about 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 HNSAs 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 these financial statements.

As part of an audit in accordance with HNSAs, we exercise professional judgment 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 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 content of the financial statements, including the 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.

Budapest, 18 April 2018

The original Hungarian Auditor's Report has been signed.

Kárász Attila
Professional accountant
Registration number: 007072

Grubánovits Gabriella
Authorized representative
GG Audit Könyvvizsgáló és Pénzügyi Tanácsadó Kft.
Licence number of the auditor company: 001935
Register seat: 1029 Budapest, Csatlós u.65/b