

2016 financial statements

of
Bolt Mobility B.V.

Registered office: Rotterdam
Address: Koningin Wilhelminaplein 33
1062 HJ Amsterdam

File number at Trade Registry of the Chamber of Commerce: 62037285



31 MEI 2018

Gewaarmerkt voor identificatiedoeleinden.

Paraaf 

Table of contents

Balance sheet as at December 31, 2016	3
Profit and loss account for 2016	4
Accounting policies used for the financial statements	5
Notes to the balance sheet	9



31 MEI 2018

Gewaarmerkt voor identificatiedoeleinden.

Paraaf 

Balance sheet as at December 31, 2016

(after treatment of loss)

Assets

	2016		2014/2015	
	€	€	€	€
Fixed assets				
Intangible fixed assets		477,234		112,718
Tangible fixed assets		29,747		2,895
Current assets				
Current receivables (1)	54,723		22,974	
Cash at bank and in hand	201,741		145,203	
		256,464		168,177
Total assets		<u>763,445</u>		<u>283,790</u>
Shareholders' equity and liabilities				
Shareholders' equity (2)				
Issued share capital	1,000		925	
Share premium account	30,000		30,000	
Legal and statutory reserves	449,565		109,090	
Other reserves	(1,037,365)		(244,521)	
		(556,800)		(104,506)
Long-term liabilities (3)		16,599		294,500
Current liabilities		1,303,646		93,796
Total shareholders' equity and liabilities		<u>763,445</u>		<u>283,790</u>

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Paraaf 

Profit and loss account for 2016

	2016		2014/2015	
	€	€	€	€
Wages and salaries	120,034		17,235	
Social security charges	7,752		1,968	
Pension costs	17,552		-	
Other staff costs	4,225		10,933	
Depreciation and amortization of intangible and tangible fixed assets	37,897		-	
Other changes in value of fixed assets	-		2,932	
Other operating expenses	173,705		97,699	
Total operating expenses		<u>361,165</u>		<u>130,767</u>
Operating income		(361,165)		(130,767)
Financial income and expense		(91,204)		(4,664)
Profit/(loss) before taxation		<u>(452,369)</u>		<u>(135,431)</u>
Income taxes		-		-
Profit/(loss) after taxation		<u><u>(452,369)</u></u>		<u><u>(135,431)</u></u>



31 MEI 2018

Gewaarmerkt voor identificatiedoeleinden.

Paraaf 

Accounting policies used in preparing the financial statements

General

The financial statements have been prepared in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements were prepared on May 31, 2018.

Company activities

The activities include designing, producing and selling electric vehicles.

Going concern

As the company was in the start-up phase, it realized a net loss over fiscal year 2016 and the companies equity is negative as per 31 December 2016 . In 2016, Bolt Mobility B.V. issued convertible loans with a total amount of € 1,135,000. If taking this shortterm loan into account as equity then the working capital remains positive. In the first half year of 2017 convertible loans were issued with a total amount of € 1,900,000. In May 2017 the convertible loans were converted to equity.

Management expects that revenues will be realized during 2018/2019. For these reasons the board of directors have concluded that going concern of the company is possible and have therefore based the accounting policies used for the financial statements on going concern of the company.

Offsetting

Assets and liabilities are only offset in the financial statements if and to the extent that:

- An enforceable legal right exists to offset the assets and liabilities and settle them simultaneously
And
- The positive intention is to settle the assets and liabilities on a net basis or simultaneously

Intangible fixed assets

General

An intangible fixed asset is recognized in the balance sheet if:

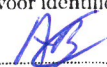
- It is probable that the future economic benefits that are attributable to the asset will accrue to the company And
- The cost of the asset can be reliably measured

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Paraaf



Costs relating to intangible fixed assets not meeting the criteria for capitalization (for example, cost of research, internally developed brands, logos, trademark rights and client databases) are taken directly to the profit and loss account.

Intangible fixed assets obtained on the acquisition of a group company are carried at the fair value ruling at the acquisition date.

Intangible fixed assets are carried at the lower of cost or production net of accumulated amortization and accumulated impairment losses where applicable.

Intangible fixed assets are amortized on a straight-line basis over their expected useful economic lives, subject to a maximum of twenty years. The economic useful life and the amortization method are reviewed at each financial year-end. If the estimated useful economic life exceeds twenty years, an impairments test is carried out at each financial year-end following the date of recognition. Intangible fixed assets are amortized on a straight-line basis over an estimated useful economic life of five years.

Tangible fixed assets

Tangible fixed assets in use by the company

Tangible fixed assets in use by the company are carried at the cost of acquisition or production (less any investment grants) net of accumulated depreciation and, if applicable, accumulated impairment losses. Tangible fixed assets carried at cost do not include capitalized interest charges.

If the expected depreciation method, useful economic life and/or residual value are subject to changes over time, they are treated as a change in accounting estimate.

Costs of major maintenance are recognized under cost when incurred and if the recognition criteria are met. The carrying amount of the components to be replaced will be regarded as a disposal and taken directly to the profit and loss account. All other repair and maintenance costs are taken directly to the profit and loss account.

If a tangible fixed asset involves costs of obligations for dismantling and removing the asset and restoring the site on which an asset is located that are incurred as a consequence of having built the asset, the costs of restoring are recognized as part of the carrying amount of the asset, with a provision being formed for an equal amount at the same time.

Current receivables

Current receivables are initially recognized at fair value and subsequently stated at amortized cost based on the effective interest method net of a provision for doubtful debts where necessary.

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Gewaarmerkt voor identificatiedoeleinden.

Paraaf 

Cash at bank and in hand

Cash at bank and in hand includes cash in hand, bank balances, notes and checks. It also includes deposits if these are effectively at the group's free disposal, even if interest income may be lost. Cash at bank and in hand not expected to be at the group's free disposal for over twelve months is classified as financial fixed assets.

Pensions

Other pension plans

The other pension plans are administered by an industrial pension fund. Contributions payable to the pension plan administrator are recognized as an expense in the profit and loss account. Contributions payable or prepaid contributions as at year-end are recognized under accruals and deferred income, and prepayments and accrued income, respectively.

Long-term liabilities

On initial recognition, long-term liabilities are carried at fair value less directly attributable transaction costs. After initial recognition, long-term liabilities are carried at amortized cost.

Current liabilities

On initial recognition, current liabilities are carried at fair value less directly attributable transaction costs. After initial recognition, current liabilities are carried at amortized cost using the effective interest method. This is usually the face value for current liabilities.

Leasing

The group as lessee

Under finance leases (with the risks and rewards of ownership of the lease transferred substantially to the lessee), at the inception of the lease, the lease property and related liability are carried at the lower of the fair value of the lease property at the inception of the lease and the present value of the minimum lease payments. Lease payments are apportioned between the interest expense and repayment of the remaining balance of the liability calculated on an annuity basis.

The capitalized lease property is depreciated over the shorter of the term of the lease and the useful economic life of the property, if there is no reasonable certainty as to whether ownership of the property is transferred to the lessee at the end of the term of the lease.

Under operating leases, the lease payments are charged to the profit and loss account on a straight-line basis over the term of the lease.

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31 MEI 2018

Gewaarmerkt voor identificatiedoeleinden.

Paraaf 

Expenses

General

Expenses are determined with due observance of the aforementioned accounting policies and allocated to the financial year to which they relate. Foreseeable and other obligations as well as potential losses arising before the financial year-end are recognized if they are known before the financial statements are prepared and provided all other conditions for forming provisions are met.

Interest

Interest is allocated to successive financial reporting periods in proportion to the outstanding principal. Premiums and discounts, are treated as annual interest charges so that the effective interest rate, together with the interest payable on the loan, is recognized in the profit and loss account, with the amortized cost of the liabilities being recognized in the balance sheet. Period interest charges and similar charges are recognized in the year in which they fall due.

Workforce

The average number of staff (in FTE's) employed by the company in 2016 was 6 (2014/2015: 2).

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31 MEI 2018

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Paraaf



Notes to the balance sheet

Current receivables (1)

The receivables have a duration no longer than one year.

Shareholders' equity (2)

Share premium account

Share premium account

2016	2014/2015
€	€
30,000	30,000

Legal and statutory reserves

Reserve for research and development costs

449,565	109,090
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For the net book value of the development costs the company forms a legal reserve.

Other reserves

In accordance with the proposal for the treatment of loss, the total loss is deducted from the other reserves.

Long-term liabilities (3)

Convertible loans

Other liabilities

-	294,500
16,599	-
16,599	294,500

In November 2015, Bolt Mobility B.V. had issued convertible loans with a total amount of € 290,000.

The convertible loan has a 2 year time to maturity and bears a 8% interest till conversion date.

In 2016 an amount of € 845,000 was received by Bolt Mobility as part of the convertible loan of 2015.

Due to an investment of at least € 500.000 in 2017, the convertible loan with a total amount of € 1.190.223 is converted to equity on May 25, 2017. This according to the conditions which are stated in the agreement.

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31 MEI 2018

Gewaarmerkt voor identificatiedoeleinden.

Paraaf 

Arrangements and commitments not shown in the balance sheet

Operating leases - the company as lessee

The company leases a vehicle under operating lease agreements. The nominal value of the total aggregate minimum lease payments is € 3,778. The nominal value of the minimum lease payments within the next year is € 3,778. The remaining contract term of the lease contract at year end is 11 months.

The company leases a divers amount of office equipment. The nominal value of the minimum lease payments within the next year is € 11.280,-.

Other commitments not shown in the balance sheet

The company has a contractual payment obligation of € 127,400 at December 31, 2016. The obligation has to be fulfilled within 36 months after the company starts producing scooters.

Office rent

The company entered into a new rental agreement with TDVG in relation to the new Delft office from October 1, 2015 onwards. The contract duration is 2 years and will end on August 31, 2017. The nominal value of the total aggregate minimum rent payments is € 6,968. The nominal value of the minimum rent payments within the next 5 years is € 6,968. The nominal value of the minimum rent payments within the next year is € 4,181.

The company entered to a new rental agreement on October 1, 2017. The contract duration is 5 years and will end on September 30, 2022. The nominal value of the total aggregate minimum rent payments is € 95.000,-. The nominal value of the minimum rent payments within the next year is € 23.750,-.

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31 MEI 2018

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Paraaf 

Signatories to the financial statements

Rotterdam, May 31, 2018

Management board:

M.L. Flipse Holding B.V.

Rosier Holding B.V.



31 MEI 2018

Gewaarmerkt voor identificatiedoeleinden.

Paraaf 

Breakdowns of items in the balance sheet

Intangible fixed assets

	2016	2014/2015
	€	€
Development costs	416,656	109,090
Website	32,909	-
Intellectual property	27,669	3,628
	<u>477,234</u>	<u>112,718</u>

	Develop- ment costs	Website	Intellectual property	Total
	€	€	€	€
Carrying amount at January 1, 2016	109,090	-	3,628	112,718
Additions	337,687	35,723	24,041	397,451
Amortization	(30,121)	(2,814)	-	(32,935)
Carrying amount at December 31, 2016	<u>416,656</u>	<u>32,909</u>	<u>27,669</u>	<u>477,234</u>
Cost	446,777	35,723	27,669	510,169
Amortizations	(30,121)	(2,814)	-	(32,935)
Carrying amount at December 31, 2016	<u>416,656</u>	<u>32,909</u>	<u>27,669</u>	<u>477,234</u>

Development costs

The development costs contain the internal and external costs for development of the Appscooter. For the net book value of the development costs the company forms a legal reserve.

Website

The website costs contain the costs for the design of the website. These costs are recognized as intangible fixed assets due to the fact that sales can be made through the website.

The percentage of depreciation is 10%.

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31 MEI 2018

Gewaarmerkt voor identificatiedoeleinden.

Paraaf 

	2016	2014/2015
	€	€
Machinery	20,751	-
Equipment	8,996	2,895
	29,747	2,895
	<u>Machinery</u>	<u>Equipment</u>
	€	€
Carrying amount at January 1, 2016	-	2,895
Additions	24,018	7,796
Depreciation	(3,267)	(1,695)
Carrying amount at December 31, 2016	20,751	8,996
	<u>20,751</u>	<u>8,996</u>
Cost	24,018	10,691
Accumulated depreciation and impairments	(3,267)	(1,695)
Carrying amount at December 31, 2016	20,751	8,996
	<u>20,751</u>	<u>8,996</u>

Machinery	20
Equipment	20

Amounts receivable from other participating interests and participants

Taxes and social security contributions

Other amounts receivable, prepayments and accrued income

2016	2014/2015
€	€
-	925
45,649	20,320
9,074	1,729
<u>54,723</u>	<u>22,974</u>

31 MEI 2018

	2016 €	2014/2015 €
Amounts receivable from other participating interests and participants		
Amounts receivable from participants	-	925
Taxes and social security contributions		
VAT	45,649	20,320
Other amounts receivable, prepayments and accrued income		
Other amounts receivable	1,320	1,320
Prepayments and accrued income	7,754	409
	9,074	1,729
Other amounts receivable		
Deposits	1,320	1,320
Prepayments and accrued income		
Car expenses	476	409
Credit note to be received	5,857	-
Lease office equipment	1,421	-
	7,754	409
Cash at bank and in hand		
ING Bank N.V.	202,990	147,651
Moneybookers	843	853
Cash in transit	(2,092)	(3,301)
	201,741	145,203

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31 MEI 2018

Gewaarmerkt voor identificatiedoeleinden.

Paraaf 

Shareholders' equity

	2016	2014/2015
	€	€
Issued share capital		
100,000,000 ordinary shares with a nominal value of € 0.00001	1,000	925

In 2016 there has been a change in the articles of association. As a result, the nominal value of the existing 92.500 shares have decreased from € 0,01 per share to a value of € 0,00001. In addition the equity capital has increased with 7,500,000 shares for the amount of € 75,-.

	Ordinary shares
	€
Balance at January 1, 2016	925
Share issue	75
Balance at December 31, 2016	1,000

Share premium account

	2016	2014/2015
	€	€
Share premium account	30,000	30,000

Legal and statutory reserves

	2016	2014/2015
	€	€
Reserve for research and development costs	449,565	109,090

For the net book value of the development costs the company forms a legal reserve.

Reserve for research and development costs

	2016	2014/2015
	€	€
Balance at January 1	109,090	-
Addition	340,475	109,090
Balance at December 31	449,565	109,090



31 MEI 2018

Gewaarmerkt voor identificatiedoeleinden.

Paraaf 

	2016	2014/2015
	€	€
Other reserves		
Balance at January 1	(244,521)	-
Profit appropriation	(452,369)	(135,431)
Addition to legal and reserves	(340,475)	(109,090)
Balance at December 31	<u>(1,037,365)</u>	<u>(244,521)</u>

Long-term liabilities

Convertible loans	-	294,500
Other liabilities	16,599	-
	<u>16,599</u>	<u>294,500</u>

Convertible loans

Convertible loan	-	294,500
	<u>-</u>	<u>294,500</u>
Balance at January 1	294,500	-
Take out a loan	845,000	290,000
Entered interest	88,867	4,500
Commissionfee	(33,600)	-
Balance at December 31	<u>1,194,767</u>	<u>294,500</u>
Conversion commitment 2017	(1,194,767)	-
Long-term liabilities at December 31 exceeding one year	<u>-</u>	<u>294,500</u>

Bolt Mobility B.V. has issued several convertible loans with a total amount of € 1.135.000. The convertible loans have a 2 year time to maturity and bear a 8% interest till conversion date.

The convertible loan is issued in the following tranches:

- a) November 2015 € 290.000
- b) January 2016 € 695.000
- c) February 2016 € 150.000

Due to an investment of € 500.000 in 2017, this convertible loan with an total amount of € 1.194.767 is converted to equity on May 25. 2017. This according to the conditions which are stated in the agreement.

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31 MEI 2018

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Paraaf



Other liabilities

De Lage Landen 5284.6040.1216.31
De Lage Landen 5284.6140.0075.61

2016	2014/2015
€	€
14,741	-
1,858	-
16,599	-

De Lage Landen 5284.6040.1216.31

Balance at January 1
Admission
Redemption

Repayment commitment next year

Long-term liabilities at December 31 exceeding one year

-	-
20,964	-
(2,477)	-
18,487	-
(3,746)	-
14,741	-

This financial leasecontract of € 20,964 has been obtained for the purchase of machinery and equipment. This loan has a duration of 60 months, with a monthly annuity payment of € 412,- (including interest).

De Lage Landen 5284.6140.0075.61

Balance at January 1
Admission
Redemption

Repayment commitment next year

Long-term liabilities at December 31 exceeding one year

-	-
4,199	-
(1,030)	-
3,169	-
(1,311)	-
1,858	-

This financial leasecontract of € 4,199 has been obtained for the purchase of machinery and equipment. This loan has a duration of 60 months, with a monthly annuity payment of € 131,- (including interest).



31 MEI 2018

Gewaarmerkt voor identificatiedoeleinden.

Paraaf 

Current liabilities

Repayments on long-term loans
 Prepayments received on orders
 Trade creditors/suppliers
 Taxes and social security contributions
 Other liabilities, accruals and deferred income

2016	2014/2015
€	€
1,199,824	-
16,566	15,860
59,157	23,958
13,034	3,075
15,065	50,903
<u>1,303,646</u>	<u>93,796</u>

Repayments on long-term loans

Convertible loans
 Other liabilities

1,194,767	-
5,057	-
<u>1,199,824</u>	<u>-</u>

Prepayments received on orders

Prepayments received on orders

<u>16,566</u>	<u>15,860</u>
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Trade creditors/suppliers

Trade creditors

<u>59,157</u>	<u>23,958</u>
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Taxes and social security contributions

Payroll tax
 Pensions

6,814	3,075
6,220	-
<u>13,034</u>	<u>3,075</u>

Other liabilities, accruals and deferred income

Accruals and deferred income

<u>15,065</u>	<u>50,903</u>
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Accruals and deferred income

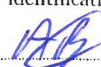
Holiday pay
 Accounting fees
 Car expenses
 Development costs

3,134	1,760
9,058	5,345
2,873	-
<u>15,065</u>	<u>43,798</u>
<u>15,065</u>	<u>50,903</u>

31 MEI 2018

Gewaarmerkt voor identificatiedoeleinden.

Paraaf



Breakdowns of items in the profit and loss account

Staff costs

	2016	2014/2015
	€	€
Wages and salaries		
Gross income	233,844	22,000
Movement in holiday pay liability	1,374	1,760
	235,218	23,760
Subsidy received	(68,373)	(6,525)
Capitalization development costs	(46,811)	-
	120,034	17,235

Social security charges

Social securities	32,033	1,968
Capitalization development costs	32,033	1,968
	(24,281)	-
	7,752	1,968

Pension costs

Pension costs	17,552	-
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Other staff costs

Other staff costs	4,225	10,933
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Depreciation and amortization of intangible and tangible fixed assets

Amortization of intangible fixed assets

Development costs	30,121	-
Website	2,814	-
	32,935	-

31 MEI 2018

Gewaarmerkt voor identificatiedoeleinden.

Paraaf 

Depreciation of tangible fixed assets

Machinery
Equipment

2016	2014/2015
€	€
3,267	-
1,695	-
4,962	-

Other changes in value of fixed assets

Development costs

-	2,932
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Other operating expenses

Other staff costs
Accommodation costs
Office expenses
Car expenses
Selling expenses
General expenses

9,513	984
19,402	1,503
60,841	2,777
9,428	737
12,257	67,699
62,264	23,999
173,705	97,699

Other staff costs

Travel allowances
Canteen costs
Other staff costs

6,710	709
1,664	-
1,139	275
9,513	984

Accommodation costs

Rent

19,402	1,503
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Office expenses

Office supplies
IT costs
Insurance

10,221	713
49,541	2,064
1,079	-
60,841	2,777



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Car expenses

	2016	2014/2015
	€	€
Lease charges	5,033	682
Other car expenses	4,002	55
Private use	393	-
	<u>9,428</u>	<u>737</u>

Selling expenses

Publicity and advertising costs	<u>12,257</u>	<u>67,699</u>
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General expenses

Accounting costs	10,018	5,345
Consultancy fees	45,361	12,263
Legal fees	4,443	-
Travel expenses	2,232	-
Other general expenses	210	6,391
	<u>62,264</u>	<u>23,999</u>

Financial income and expense**Interest expense and similar charges**

Interest expense	1,236	164
Interest on long term liabilities	1,101	-
Interest on convertible loans	88,867	4,500
	<u>91,204</u>	<u>4,664</u>

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31 MEI 2018

Gewaarmerkt voor identificatiedoeleinden.

Paraaf



INDEPENDENT AUDITOR'S REPORT

To: The shareholders of Bolt Mobility B.V.

A. Report on the audit of the financial statements 2016 included in the annual reports

Our opinion

We have audited the financial statements 2016 of Bolt Mobility B.V. based in Rotterdam.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Bolt Mobility B.V. as at 31 December 2016, and of its result for 2016 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- 1 the balance sheet as at 31 December 2016;
- 2 the profit and loss account for 2016; and
- 3 the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Bolt Mobility B.V. in accordance with the "*Verordening inzake de Onafhankelijkheid van accountants*" (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the "*Verordening gedrags- en beroepsregels accountants*" (VGBA, Dutch Code of Ethics).

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

B. Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of other information as required by Part 9 of Book 2 of the Dutch Civil Code.

C. Description of responsibilities regarding the financial statements

Responsibilities of management for the financial statements

The management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements 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.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

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. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining 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;
- obtaining 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;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding 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 a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 findings in internal control that we identify during our audit.

The Hague, 31 May 2018

Ruitenburger adviseurs & accountants
Original signed by: drs. A.C. van den Burg RA