

Certified translation from the German language

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**SOLITAX GmbH**  
**Steuerberatungsgesellschaft**  
**Hamburg**

Report  
on the Compilation of the Annual Financial Statements  
as of 31 December 2018

**Waldmensen eG**  
**Stangestraße 3**  
**22765 Hamburg**

Report no.: S 15 / 2019

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**Attachments**

- Attachment 1: Balance Sheet as of 31/12/2018
- Attachment 2: Income Statement for the Period  
from 01/01/2018 to 31/12/2018
- Attachment 3: Notes 2018
- Attachment 4: General Engagement Terms for Tax Advisers, Tax Agents  
and Tax Consultancy Firms of November 2016

**List of Abbreviations**

- B/. Balboa, official currency of Panama,  
1 B/. = 1 USD
- EStG German Income Tax Act
- GenG German Law Governing Business Cooperatives
- HGB German Commercial Code
- PV previous year
- KStG German Corporation Tax Act

**A. Engagement and execution**

The Board of Directors of

**Waldmensen eG  
Stangestraße 3  
22765 Hamburg,**

(hereinafter referred to as “Cooperative”), has engaged us with the compilation of the Annual Financial Statements as of 31 December 2018 on the basis of the accounts kept by us and the information provided by the Cooperative. Our engagement did not extend to an assessment of the accuracy of these documents and the information provided by the company.

The “General Engagement Terms for Tax Advisers, Tax Agents and Tax Consultancy Firms of November 2016” enclosed hereto as Attachment 4 apply to the execution of this engagement and our responsibility, also in relation to third parties.

The Cooperative is a small cooperative in terms of Section 336 et seq. HGB in conjunction with Section 267 (1) HGB. The Annual Financial Statements were compiled, according to our engagement, essentially by making use of the size-related exemptions.

We carried out our tasks in our business premises in Hamburg during April/May 2019.

The Board of Directors and the persons engaged by it have willingly provided us with the requested evidence.

The Annual Financial Statements as of 31/12/2018, which we compiled as instructed, are enclosed with the report as Attachments 1 to 3.

## B. General overview

### I. Legal relations

#### 1. Statutes

The Cooperative was registered in the Commercial Register at the Local Court of Hamburg on 14/11/2016 under the number GnR 1083. The statutes were amended in sections 2, 17 and 37 in the extraordinary general meeting dated 02/12/2016. The amendment was registered on 19/07/2017.

The **financial year** is the calendar year.

The company's **registered office** is Hamburg.

The **share** amounts to EUR 1,200.00.

#### **Purpose of the company:**

(1) Purpose of the Cooperative is sustainable reforestation, the subsequent agricultural and forestry-related use in compliance with ecological, economic and ethical principles as well as the marketing of products from sustainable production. The purpose of the company thus includes:

- a) joint purchase and lease of land required for planting woods.
- b) planting and research of woods following the principle of "Generation Forest".
- c) providing information and advice to members and the public in all matters related to the purpose of the Cooperative.
- d) The Cooperative may extend its business operation to the use of further sustainable and environmentally friendly forestry and agricultural forms of use.

It may also purchase, cultivate, procure, sell and look after woods and agricultural areas in all legal and usage forms; it may carry out all works accruing in the field of forestry and agriculture and may employ third parties to do so.

e) The further processing and sale of certified and sustainably cultivated precious wood as well as the purposes of the Cooperative as stated in section 2 (2) d) of the statutes shall especially take place in Germany.

(2) The Cooperative may acquire participating interests in other companies.

(3) The expansion of the business operation to non-members is permitted.

## 2. Organs of the Cooperative

### a) Board of Directors

Mr Andreas Eke, Dr Andreas Renner-Rebensburg and Ing. Iliana Armien formed the Board of Directors in the 2018 financial year. Dr Andreas Renner-Rebensburg left the Board of Directors on 28/10/2018. The change has not yet been registered in the Register of Cooperatives.

### b) Supervisory Board

The Supervisory Board has currently three members. The Notes (cf. Attachment 3) include a list of the Supervisory Board members' names.

## 3. Member movement

At 31/12/2018, the Cooperative had 229 (PY: 79) members, who had assumed a total of 880 (PY: 344) shares. One share amounts to EUR 1,200.00. There is no obligation to make any additional contribution (amount guaranteed).

## II. **Fiscal relations**

The Cooperative is registered with the financial authority Hamburg-Mitte under tax number 48/767/03047. A tax assessment has been made until 2016.

### III. Accounting

#### 1. Bookkeeping

The books have been kept by us by means of the DATEV software “Kanzlei-Rechnungswesen Pro”.

#### 2. Balance Sheet and Income Statement

##### a) Recognition and valuation

The Annual Financial Statements as of 31/12/2018, consisting of Balance Sheet, Income Statement and Notes, have been compiled based on the accounts submitted to us.

The Income Statement was drawn up according to the nature of expense method (Section 275 (2) HGB).

Where required for the assessment of the Annual Financial Statements, we provide below an overview of the valuations and the accounting and valuation options exercised.

The asset and liability items are valued in compliance with the provisions of the HGB for small corporations and with the generally accepted accounting principles.

The financial fixed assets are valued at acquisition costs.

Low-value fixed assets up to an acquisition price of EUR 800.00 were written off in full and treated as a disposal in the financial year.

The current assets are valued at acquisition costs; the lower of cost or market principle applies.

Cash and cash equivalents are recognised at their nominal values.

When forming provisions, foreseeable risks and uncertain liabilities are reasonably taken into account. According to information and proof provided to us, they are recognised in the repayment amount that is required according to reasonable commercial judgement.

Payables are generally carried as liabilities in their repayment amount.

*b) Structure and disclosure*

The HGB provisions for small cooperatives on the structure and disclosure of the items of the Balance Sheet and the Income Statement were observed in the compilation of the Annual Financial Statements.

The Income Statement was drawn up according to the nature of expense method.

*3. Notes*

The statutorily required individual information as well as the optionally assumed information regarding the Balance Sheet are explained in the Notes we prepared.



**C. Certificate of the tax adviser on the compilation**

According to our engagement, we compiled the following Annual Financial Statements, consisting of Balance Sheet, Income Statement and Notes, of

**Waldmensen eG**  
**Stangestraße 3**  
**22765 Hamburg,**

for the financial year from 01/01/2018 to 31/12/2018 in compliance with the provisions of the German Commercial Code. The compilation was based on the accounts kept by us and the receipts and inventory evidence further submitted to us, which we have not audited as per engagement, as well as the information provided to us. The bookkeeping as well as the compilation of the inventory and the Annual Financial Statements according to the provisions of the German Commercial Code are the responsibility of the Cooperative's legal representatives. We executed our engagement taking into account the announcement of the Federal Chamber of Tax Consultants on the principles for the compilation of annual financial statements. This includes the development of the Balance Sheet, the Income Statement and the Notes based on the bookkeeping and stocktaking as well as on the stipulations on the accounting and valuation methods to be applied.

Hamburg, 31 May 2019

<<Round seal of  
SOLITAX GmbH>>

**SOLITAX GmbH**  
**Steuerberatungsgesellschaft**

<<Signature, illegible>>

**Wächter**  
**Tax Adviser**

## D. Explanations of the individual items of the Annual Financial Statements as of 31 December 2018

### I. Preliminary remark

In this part, we discuss the items of the Balance Sheet as of 31 December 2018 and the Income Statement for the 2018 financial year of Waldmensen eG, Hamburg. The corresponding values of the previous year are stated for comparison.

### II. Balance Sheet

#### Assets

#### A. Due payments on shares that are in arrears

EUR 257,380.10  
EUR 38,275.00

Composition:

<b>Account</b>	<u>31/12/2018</u> EUR	<u>31/12/2017</u> EUR
0090 Outstanding payments on shares	<u>257,380.10</u>	<u>38,275.00</u>

**B. Fixed assets**Financial fixed assets

EUR	380,000.00
EUR	200,000.00

Composition:

<b>Account</b>	31/12/2018	31/12/2017
	EUR	EUR
0850 Participating interests in corporations	380,000.00	200,000.00

Account 0850:

The Cooperative is the sole shareholder of Waldmensen S.A. in Panama City, Panama, with a share capital of B/. 10,000.00 (= USD 10,000.00). The capital has been paid in full and consists of 10 shares at USD 1,000.00 each.

USD 475,000.00 shall be paid in total until the end of 2018. EUR 380,000.00 had been paid until the balance sheet date. EUR 27,056.00 were paid as the last instalment in early 2019.

Annual financial statements of this company are not available yet.

**C. Current assets****I. Receivables and other assets**

EUR 16,103.79  
EUR 11,108.99

Disclosure:

<b>Account</b>	31/12/2018 EUR	31/12/2017 EUR
1200 Trade accounts receivable	0.00	679.60
1261 Receivables Waldmenschen S.A.	278.94	278.94
1350 Deposits	2,610.00	0.00
1460 Money transit	18.75	0.00
3740 Social security contributions	29.18	0.00
various Value added tax	13,166.92	10,150.45
	<u>16,103.79</u>	<u>11,108.99</u>

**II. Cash in hand and bank balances**

EUR 104,533.49  
EUR 30,711.90

Disclosure:

<b>Account</b>	31/12/2018 EUR	31/12/2017 EUR
1600 Cash	29.88	0.00
<b>Current account</b>		
1800 GLS Gemeinschaftsbank	104,503.61	30,711.90
	<u>104,533.49</u>	<u>30,711.90</u>

The bank balances are proved by the bank statements of GLS Gemeinschaftsbank eG, Bochum as of 31/12/2018.

**Liabilities****A. Equity****I. Business balances**

EUR 1,056,000.00  
EUR 412,800.00

Disclosure:

<b>Account</b>	31/12/2018 EUR	31/12/2017 EUR
2901 remaining members	1,056,000.00	412,800.00
2902 leaving members	0.00	0.00
	<u>1,056,000.00</u>	<u>412,800.00</u>

The shares have been paid at the balance sheet date, except for EUR 257,380.10.

**II. Loss carried forward (-)**

EUR -139,778.51  
EUR -36,800.03

**III. Net loss for the year (-)**

EUR -168,544.13  
EUR -102,978.48

The Board of Directors suggests to the general meeting to carry forward to new account the net loss for the year 2018 jointly with the existing loss carried forward.

**B. Provisions**

EUR 3,620.00  
 EUR 3,970.00

The disclosure is structured as follows:

<b>Account</b>	As of 01/01/2018 EUR	Consumption Reversal (A) EUR	Addition EUR	As of 31/12/2018 EUR
3070				
outstanding invoices	1,370.00	1,370.00	120.00	120.00
3095				
Audit costs	1,500.00	0.00	800.00	2,300.00
Annual Financial Statements	700.00	700.00	800.00	800.00
Tax return	400.00	400.00	400.00	400.00
	<u>3,970.00</u>	<u>2,470.00</u>	<u>2,120.00</u>	<u>3,620.00</u>

**C. Payables**

EUR 6,718.04  
 EUR 3,104.40

The disclosure is structured as follows:

<b>Account</b>	<u>31/12/2018</u> EUR	<u>31/12/2017</u> EUR
<b>Deliveries and services</b>		
3300 Collective account Payables	6,118.04	1,398.08
<b>Other</b>		
3720 Payables wages and salaries	600.00	1,066.09
3730 Payables wage and church tax	0.00	640.23
3740 Payables social security contributions	0.00	0.00
	<u>6,718.04</u>	<u>3,104.40</u>

### III. Income statement

#### 1. Gross profit

EUR 0.00  
EUR 1,393.50

Composition:

<b>Account</b>	2 0 1 8 EUR	2 0 1 7 EUR
<b>Sales</b>		
4000 Sales revenues	0.00	179.80
4400 Income,	0.00	420.00
4830 other	0.00	600.00
4930 Reversal of provisions	0.00	193.70
	<u>0.00</u>	<u>1,393.50</u>

#### 2. Personnel expenses

##### a) Wages and salaries

EUR 8.860.03  
EUR 27.245.64

Composition:

<b>Account</b>	2 0 1 8 EUR	2 0 1 7 EUR
6020 Salaries	8,219.22	26,292.00
6035 Mini jobs	480.00	0.00
6039 Lump-sum wage tax	10.34	62.04
6040 Lump-sum wage tax / temps	1.87	0.00
6090 Reimbursement of commuting expenses	148.60	891.60
	<u>8.860,03</u>	<u>27,245.64</u>



b) Social security contributions

EUR 2.138.64  
 EUR 5.482.20

Composition:

	2 0 1 8	2 0 1 7
	EUR	EUR
6110 Statutory welfare expenses	2,044.91	5,408.88
6120 (German) employer's liability insurance association ( <i>Berufsgenossenschaft</i> )	93.73	73.32
	<u>2,138.64</u>	<u>5,482.20</u>

3. Depreciations of material assets

EUR 2.363.50  
 EUR 0.00

Composition:

	2 0 1 8	2 0 1 7
	EUR	EUR
6260 Immediate write-off low-value assets	2,363.50	0.00

4. Other operating expenses

EUR 155.181.96  
EUR 71.644.14

In detail:

<b>Account</b>	<b>2 0 1 8</b>	<b>2 0 1 7</b>
	<b>EUR</b>	<b>EUR</b>
6300 other	4,033.47	0.00
6310 Rent	11,275.00	0.00
6311 Brokerage fees	2,925.00	0.00
6330 Cleaning	29.48	0.00
6392 Donations	500.00	350.00
6420 Contributions	477.49	60.00
6430 other levies	777.36	115.00
6600 Advertising expenses	73,453.61	11,994.75
6601 General management	27,750.00	49,985.16
6640 Entertainment	0.00	51.00
6644 Entertainment non-deductible	0.00	21.86
6660 Travel costs, overnight stay	223.80	344.47
6663 Travel costs, commuting expenses	5,290.18	2,529.49
6780 Third-party work (Sales)	3,000.00	0.00
6800 Postage	1,925.71	183.45
6805 Phone	148.06	136.47
6,808 Internet	267.06	0.00
6815 Office supplies	2,075.81	247.12
6821 Further training costs	0.00	890.00
6825 Legal and consultancy fees	11,550.00	1,387.30
6827 Annual accounting and auditing costs	2,508.80	1,900.00
6830 Bookkeeping	4,225.00	660.00
6850 Other operational needs	1,219.69	577.17
6855 Incidental costs of monetary transactions	326.44	210.90
6876 Supervisory Board compensation	1,200.00	0.00
	<u>155,181.96</u>	<u>71,644.14</u>

5. Net loss for the year (-)

EUR -168.544.13  
EUR -102.978.48

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## Waldmensen eG, Hamburg

## Balance Sheet as of 31 December 2018

**Assets****Liabilities**

	31/12/2018 EUR	31/12/2017 EUR		31/12/2018 EUR	31/12/2017 EUR
<b>A. <u>Due payments on shares that are in arrears</u></b>	257,380.10	38,275.00	<b>A. <u>Equity</u></b>		
			<b>I. <u>Business balances</u></b>	1,056,000.00	412,800.00
<b>B. <u>Fixed assets</u></b>			<b>II. <u>Loss carried forward (-)</u></b>	-139,778.51	-36,800.03
Financial assets	380,000.00	200,000.00	<b>III. <u>Net loss for the year (-)</u></b>	-168,544.13	-102,978.48
<b>C. <u>Current assets</u></b>					
<b>I. <u>Accounts receivable and other assets</u></b>				747,677.36	273,021.49
	16,103.79	11,108.99	<b>B. <u>Provisions</u></b>	3,620.00	3,970.00
<b>II. <u>Cash in hand and bank balances</u></b>			<b>C. <u>Payables</u></b>	6,718.04	3,104.40
	104,531.51	30,711.90			
	758,015.40	28,095.89		758,015.40	280,095.89

## Waldmensen eG, Hamburg

## Income Statement for the Period from 01/01/2018 to 31/12/2018

	EUR	Financial year EUR	Previous year EUR
1. Gross profit		0.00	1,393.50
2. Personnel expenses			
a) Wages and salaries	8,860.03		27,245.64
b) Social security costs	<u>2,138.64</u>	10,998.67	5,482.20
3. Depreciations of material assets		2,363.50	0.00
4. Other operating expenses		<u>155,181.96</u>	<u>71,644.14</u>
5. Net loss for the year (-)		<u>-168,544.13</u>	<u>-102,978.48</u>

**Waldmensen eG, Hamburg**

**Notes**

**A. General information**

1. The Balance Sheet and the Income Statement are structured according to the provisions set out in the German Commercial Code. The Income Statement was drawn up in accordance with the nature of expense method.
2. The Cooperative is small in terms of Section 267 (1) HGB. A fixed asset schedule has not been drawn up in accordance with Section 336 (2) in conjunction with Section 288 HGB.
3. The Cooperative has its registered office in Hamburg and is registered in the Register of Cooperatives at the Local Court of Hamburg under GbR 1083.

**B. Explanations on the accounting and valuation methods**

The following accounting and valuation methods were used in the preparation of the Balance Sheet and the Income Statement:

- The business balances were recognised according to the gross principle as set out in Section 337 (1) sentence 3 HGB.
- Low-value fixed assets up to an acquisition price of EUR 800.00 were written off in full and treated as a disposal in the financial year.
- The financial fixed assets were valued at their acquisition costs.
- The receivables and other assets were recognised at their nominal values. There was no need for value adjustment.
- The cash and cash equivalents were recognised at their nominal values in all cases.
- The other provisions correspond to the payment amounts as determined according to reasonable commercial judgement.
- Payables were recorded at their repayment amount.

## C. Explanations on the Balance Sheet and the Income Statement

### I. Balance sheet

1. In 2017, the Cooperative acquired 10 shares at B/. 1,000.00 (=USD 1,000.00) each of Waldmensen S.A. in Panama City, Panama, at the total purchase price of B/. 475,000.00 (= USD 475,000.00). EUR 380,000.00 had been paid for them up to the 2018 balance sheet date. The residual amount of EUR 27,056.00 were paid in early 2019. The Cooperative is the sole shareholder of Waldmensen S.A.; annual financial statements of this company are not available yet.
2. Receivables and other assets have a residual term of less than one year.
3. All payables have a residual term of less than one year.

### II. Income statement

No special remarks.

## D. Other information

### 1. Member movement

	Number of members	Number of shares
01/01/2018	79	344
Addition	151	538
Exit/disposal	1	2
01/01/2019	229	880

The business balances of the remaining members increased by EUR 424,094.90 in the financial year.

One share amounts to EUR 1,200.00.

There are no obligations regarding guaranteed amounts.

### 2. Workforce

The Cooperative employs one staff member on average.

### 3. Minimum capital

At the balance sheet date, the minimum capital according to section 37 (4) of the statutes amounts to EUR 0.00.

### 4. Name and address of the Auditing Association

Prüfungsverband der Deutschen Verkehrs-, Dienstleistungs- und  
Konsumgenossenschaften e. V.

Gotenstraße 17  
20097 Hamburg

### 5. Directors

Andreas Eke  
Dr Andreas Renner-Rebensburg      until 28/10/2018  
Ing. Iliana Armien

### 6. Supervisory Board

Dr Hans Joachim Bellmann

Dr Georg Doll    until 26/11/2018      Chairman of the SB      until 26/11/2018

Dr Verena Sandner-LeGall

André Marius Le Prince      Chairman of the SB      from 26/11/2018

7. There were no receivables due from Directors at the balance sheet date.

Hamburg, 31 May 2019

Waldmensen eG  
Board of Directors

A. Eke    I. Armien



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## Authentication

As a translator for English, Croatian, Serbian and Bosnian, duly sworn and publicly appointed by the President of the Higher Regional Court of Dresden, I hereby certify:

The above translation of the document in German language, the original/a photocopy of which was presented to me, is true and complete.

Ante Pavić

Leipzig, 20 May 2021

