Prospectus
for admission to trading on the Regulated Market (*Regulierter Markt*)
of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*)
in the segment General Standard

of

40,000,000 ordinary bearer shares with no par value (*Stückaktien*)
each with a pro-rata amount of EUR 1.00 in the share capital and with full dividend rights for the financial year ending 31 December 2018 and for all subsequent financial years

of

Tuff Group AG

Frankfurt am Main

International Securities Identification Number (ISIN): DE000A161N22
Wertpapier-Kenn-Nummer (WKN): A161N2
Börsenkürzel: TUF

Listing Agent
Acon Actienbank

27 February 2019

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1. Summary of the prospectus

*Summaries of securities prospectuses are made up of disclosure requirements known as elements („**Elements**“). These Elements are numbered in sections A to E (A.1 to E.7). This summary contains all the Elements required to be included in a summary of this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may not be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case, a short description of the Element is included in the summary with the mention of „**not applicable**“.*

Section A – Introduction and Warnings		
A.1	**Warnings.**	This summary should be read as an introduction to this prospectus (the “**Prospectus**”). Any decision to invest in the securities should be based on consideration of this Prospectus as a whole by the investor. If any claims are asserted before a court of law based on the information contained in this Prospectus, the investor appearing as plaintiff may have to bear the costs of translating this Prospectus prior to the commencement of the court proceedings pursuant to the national legislation of the member states of the European Economic Area. Tuff Group AG (the “**Company**”, “**Tuff**”, or “**Issuer**”), together with ACON Actienbank, Munich, Germany (“**Acon**” or “**Listing Agent**”) have assumed responsibility for the contents of this summary and any translation thereof pursuant to section 5 paragraph 2b no. 4 of the German Securities Prospectus Act (*Wertpapierprospektgesetz*,“**WpPG**”). The persons responsible for the summary, including any translation thereof or for the issuing (*Veranlassung*), can be held liable but only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus or it does not provide, when read together with the other parts of this Prospectus, all necessary key information.
A.2	**Information regarding the subsequent use of the Prospectus.**	*Not applicable. The Prospectus is used exlusively for the admission to trading.*

Section B – Issuer		
B.1	**Legal and commercial name.**	The Company's legal name is Tuff Group AG. Its commercial name is Tuff Group.
B.2	**Domicile, legal form, legislation under which the issuer operates, country of incorporation.**	The Company has its registered seat in Frankfurt am Main, Germany, with business address c/o Buse Heberer Fromm, Bockenheimer Landstrasse 101, 60325 Frankfurt am Main and is registered with the commercial register of the local court (*Amtsgericht*) of Frankfurt am Main, Germany, under the number HRB 113072. The Company is a German stock corporation (*Aktiengesellschaft, AG*) incorporated and existing in Germany and governed by the laws of the Federal Republic of Germany.
B.3	**Current operations and principal business activities and principal markets in which the issuer competes.**	Tuff is the parent company of the companies Tuff Offshore Engineering Services Pte Ltd and Deca Holdings GmbH ("**Tuff Group**"). Tuff Group's business is focused on the oil & gas, infrastructure, energy and power generation areas. In the oil & gas area, the subsidiary Tuff Offshore Engineering Services Pte. Ltd., a highly specialised EPCIC company (engineering, procurement, construction, installation and commissioning), is active as plant constructor for marine and naval equipment for the global oil & gas industry. The offered equipment includes in particular sea-based production and refinery facilities such as FPSO vessels (Floating Production Storage and Offloading Unit). In the infrastructure area, Tuff Offshore Engineering Services Pte. Ltd. is active as an EPC company (engineering, procurement, construction) and general contractor for large public-private partnership projects, such as traffic and routes infrastructure, airports, housing as well as supply installations for utilities. Tuff Offshore Engineering Services Pte Ltd is contracted to build international and regional airports in the Maldives. In the energy & power generation area Tuff offers the engineering, procurement and construction (EPC) of power generation plants in both the conventional and the renewable energies sector. Tuff Offshore Engineering Services Pte Ltd has placed a bid to build a waste-to-energy power plant in Kuala Lumpur. Tuff is active in the Middle-east region and in South-Asia.
B.4a	**Most significant recent trends affecting the issuer**	With respect to the oil & gas area, energy consumption is projected to increase by 41 % between 2012 and 2035 with

	and the industry in which it operates.	the oil & gas industry retaining its importance (*Source: https://www.bp.com/content/dam/bp/en/corporate/pdf/energy-economics/energy-outlook/bp-energy-outlook-2014.pdf*). Higher efforts to exploit natural resources in remoter places will increase the use of and demand for highly specialised technology and equipment. As a manufacturer of equipment for the exploitation of these resources, these developments will work to Tuff's advantage. In terms of infrastructure and with the requirement of budgets, Governments tend to shift infrastructure costs to its beneficiaries to increase acceptance to pay for using (*Source:https://assets.kpmg/content/dam/kpmg/be/pdf/2018/03/emerging-trends-in-infrastructure.pdf*). Bringing together payers, financiers and beneficiaries opens new opportunity for useful and highly accepted and used infrastructure. Tuff is driven by this emerging trend and aims to create alignment between the payers, financiers and beneficiaries of infrastructure. Regarding energy and power generation, modern life continues to depend on affordable power. Suppliers are challenged to keep up with strict standards while offering at competitive costs. While power grids become smarter to distribute and manage power more effectively, utilities must become smarter through digitalisation to keep up with a high regulated and competitive market (*Source: https://www2.deloitte.com/content/dam/Deloitte/au/Documents/public-sector/deloitte-au-ps-funding-options-alternative-financing-infrastructure-development-170914.pdf*). With its EPCIC company, the subsidiary Tuff Offshore Engineering Services Pte. Ltd., Tuff will be able to offer turnkey and tailormade solutions of different scales for the energy and power generation markets, as the waste-to-energy project in Kuala Lumpur shows.
B.5	**Description of the group and the issuer's position within the group.**	Tuff is the parent company of the Tuff Group. Tuff holds 100 % of the shares inTuff Offshore Engineering Services Pte Ltd and 100 % of the shares in Tuff Germany GmbH (formerly named as Deca Holdings GmbH). The Company currently acts as a holding and service company. The essential functions of the Company are the management of Tuff Group and the procurement of financing and equity. In the future, it cannot be ruled out that the Company will extend its activities beyond its current functions and may also assume operational tasks itself. However, there are no definitive plans to do so as of the date of this Prospectus.

B.6	**Persons who, directly or indirectly, have a (notifiable) interest in the issuer's capital or voting rights.**	According to the Company's information, as of the date of this Prospectus, the following persons, directly or indirectly, have a notifiable interest in the Company's capital and voting rights: Ganesh Paulraj 34.00 % directly Natarajan Paulraj 51.00 % directly Free Float 15.00 %
B.7	**Selected key historical financial information.**	The following selected financial information for the company Tuff Offshore Engineering Services Pte Ltd for the financial years ended 31 December 2015, 31 December 2016 and 31 December 2017 and for the Tuff Group AG for the abbreviated financial year ended 31 December 2015 and the financial years ended 31 December 2016 and 31 December 2017 summarised below has been extracted or derived from the audited financial statements of Tuff Offshore Engineering Services Pte Ltd (IFRS) and Tuff Group (IFRS) for the respective financial years and the internal accounting records or management reporting systems. The selected unaudited interim financial information from the condensed profit and loss statement for the period from 1 January 2018 until 30 June 2018 and from the condensed Balance Sheet as of 30 June 2018 of Tuff Offshore Engineering Services Pte Ltd and Tuff Group AG has been extracted or derived from the internal accounting records or management reporting systems of the respective companies. Where financial information in the following tables is labelled "*audited*", this means that it was extracted from the audited financial statements of Tuff Offshore Engineering Services Pte Ltd (IFRS) and Tuff Group AG (IFRS) referred to above. Where financial information in the following tables is labelled "*unaudited*", this means that it was extracted or derived from the internal accounting records or management reporting systems of companies of Tuff Group or is based on calculations of financial information from the above mentioned sources. Where financial information in the following tables is labelled "IFRS", this means that the IFRS applied in the respective financial statements were applied in accordance with the IFRS as adopted in the European Union. All figures presented in this section are rounded to full amounts. Because of this rounding, the figures shown in the tables do not in all cases add up exactly to the respective totals given.
Selected financial information for Tuff Offshore Engineering Services Pte Ltd		

in EUR (IFRS)	01.01.2017-31.12.2017 (*audited*)	01.01.2016-31.12.2016 (*audited*)	01.01.2015-31.12.2015 (*audited*)
Revenue	6,520,094	31,051,762	2,672,151
Items of expense	6,365,701	30,364,623	2,537,526
Profit before income tax	287,595	738,868	140,088
Profit after tax	290,665	636,307	140,088
Total comprehensive income	**178,262**	**678,021**	**137,985**

(Table: selected financial information from the profit and loss statement for the financial year ending 31 December 2015, 2016 and 2017)

in EUR (IFRS)	31.12.2017 (*audited*)	31.12.2016 (*audited*)	31.12.2015 (*audited*)
Assets			
Current assets	4,268,896	14,135,320	758,895
Non-current assets	75,728	97,982	116,308
Total assets	**4,344,624**	**14,233,302**	**875,203**
Shareholders equity			
Share Capital	64,697	64,697	64,697
Retained earnings	794,236	753,462	117,155
Total equity	**786,141**	**857,770**	**179,749**
Liabilities			
Current liabilities	3,558,483	13,259,839	682,515
Non-current liabilities	-	-	-
Total liabilities	**3,558,483**	**13,375,532**	**695,454**
Total equity and liabilities	**4,344,624**	**14,233,302**	**875,203**

(Table: selected financial information from the balance sheet as of 31 December 2015, 2016 and 2017)

in EUR (IFRS)	01.01.2017- 31.12.2017 (*audited*)	01.01.2016- 31.12.2016 (*audited*)	01.01.2015- 31.12.2015 (*audited*)
Profit before income tax	287,595	738,868	140,088
Net cash (used in)/generated from operating activities	(5,489,955)	7,463,250	450,296
Net cash used in investing activities	(12,669)	(10,177)	(129,584)
Net cash (used in)/generated from financing activities	(1,100,324)	193	12,939
Net (decrease)/increase in cash and cash equivalents	(6,602,948)	7,453,266	333,651
Cash and cash equivalents at the beginning of financial year	7,834,333	341,055	9,708
Cash at banks at the end of financial year	**1,123,066**	**7,834,333**	**341,055**

(Table: selected financial information from the cash flow statement for the financial year ending 31 December 2015, 2016 and 2017)

in EUR (IFRS)	01.01.2018- 30.06.2018 (*unaudited*)	01.01.2017- 30.06.2017 (*unaudited*)
Revenue	27,409,933	6,589,208
Items of expense	(21,469,669)	(5,234,555)
Profit before income tax	5,961,716	1,379,718
Profit after tax	4,948,224	1,373,305
Total comprehensive income	**4,986,024**	**1,422,761**

(Table: selected financial information from the profit and loss statement for the six month ending 30 June 2017 and 2018)

in EUR (IFRS)	30.06.2018 (*unaudited*)	31.12.2017 (*audited*)
Assets		
Current assets	17,883,493	4,268,896
Non-current assets	71,062	75,728
Total assets	**17.954,555**	**4,344,624**
Equity		
Share Capital	64,697	64,697
Retained earnings	5,742,460	794,236
Total equity	**5,772,166**	**786,141**
Liabilities		
Current liabilities	12,182,389	3,558,483
Non-current liabilities	-	-
Total liabilities	12,182,389	3,558,483
Total equity and liabilities	**17,954,555**	**4,344,624**

(Table: selected financial information from the balance sheet as per 31 December 2017 and 30 June 2018)

in EUR (IFRS)	01.01.2018- 30.06.2018 (*unaudited*)	01.01.2017- 30.06.2017 (*unaudited*)
Profit before income tax	5,961,716	1,379,718
Net cash (used in)/generated from operating activities	7,296,881	(2,285,717)
Net cash (used in)/generated from investing activities	(10,733)	-
Net cash (used in)/generated from financing activities	-	-
Net (decrease)/increase in cash and cash equivalents	7,286,148	(2,285,717)
Cash and cash equivalents at the beginning of period	1,960,367	7,834,333
Cash and cash equivalents at the end of period	**9,284,315**	**5,598,072**

(Table: selected financial information from the cash flow statement for the six month period ending 30 June 2017 and 2018)

The net profits of Tuff Offshore showed a decline over a period of 2016 to 2017. The entity followed an active program of business development and diversification in 2017 and invested significant portion of its 2016 revenue into exploring opportunities for business diversification and market exploration initiatives.

The significant volatility in the total assets for the three financial years reported was largely attributable to the project-oriented business of Tuff Offshore and resulted from outstanding trade receivables from customers, cash at banks and outstanding not yet due trade payables to subcontractors which were unsettled in due course as of the balance sheet dates. To a certain extent, this volatility results from the fact that project milestones and completion and corresponding revenue portions do not follow calendar and financial years.

Revenue for the first half year 2018 as per 30 June 2018 and for the first half year 2017 as per 30 June 2017 showed equivalent volatility which corresponded to the business model and project activities of Tuff Offshore and shows that ongoing projects generate significantly of the revenue and profits.

Selected financial information for Tuff Group AG

in EUR (IFRS)	01.01.2017-31.12.2017 (*audited*)	01.01.2016-31.12.2016 (*audited*)	14.07.2015-31.12.2015 (*audited*) *abbreviated financial year*
Operating income	(450)	(450)	(450)
Loss from ordinary activities after tax	450	450	450
Total comprehensive income	**(450)**	**(450)**	**(450)**

(Table: selected financial information from the profit and loss statement for the abbreviated financial year ending 31 December 2015 and the financial year ending 31 December 2016 and 2017)

in EUR (IFRS)	31.12.2017 (*audited*)	31.12.2016 (*audited*)	31.12.2015 (*audited*)
Assets			
Total assets	**12,500**	**12,500**	**12,500**
Shareholders equity			
Subscribed capital	50,000	50,000	50,000
Outstanding contributions	(37,500)	(37,500)	(37,500)
Retained earnings	(1,350)	(900)	(450)
Total shareholders equity	**11,150**	**11,600**	**12,050**
Liabilities			
Total liabilities	**1,350**	**900**	**450**
Balance sheet total	**12,500**	**12,500**	**12,500**

(Table: selected financial information from the balance sheet as per 31 December 2015, 2016 and 2017)

in EUR (IFRS)	01.01.2017-31.12.2017 (*audited*)	01.01.2016-31.12.2016 (*audited*)	14.07.2015-31.12.2015 (*audited*) *abbreviated financial year*
Cash flow provided by operating activities	0	0	0
Cash flow provided by financing activities	0	0	0
Cash and cash equivalents at the end of the period	**12,500**	**12,500**	**12,500**

(Table: selected financial information from the cash flow statement for the abbreviated financial year ending 31 December 2015 and the financial year ending 31 December 2016 and 2017)

in EUR (IFRS)	01.01.2018-30.06.2018 (*unaudited*)	01.01.2017-30.06.2017 (*unaudited*)
Operating income	**(225)**	**(225)**
Net loss	225	225
Total comprehensive income	**(225)**	**(225)**

(Table: selecteD financial information from the profit ans loss statement for the six month period ending 30 June 2017 amd 2018

in EUR (IFRS)	30.06.2018 (*unaudited*)	31.12.2017 (*audited*)
Assets		
Total current assets	**12,500**	**12,500**
Shareholders equity		
Subscribed capital	50,000	50,000
Outstanding contributions	(37,500)	(37,500)
Retained earnings	(1,575)	(1,350)
Total shareholders equity	**10,925**	**11,150**
Liabilities		
Total liabilities	**1,575**	**1,350**
Balance sheet total	**12,500**	**12,500**

(Table: selected financial information from the balance sheet as per 31 December 2017 and 30 June 2018)

in EUR (IFRS)	01.01.2018-30.06.2018 (*unaudited*)	01.01.2017-30.06.2017 (*unaudited*)
Cash flow provided by operating activities	0	0
Cash flow provided by financing activities	0	0
Cash and cash equivalents at the end of the period	**12,500**	**12,500**

(Table: selected financial information from the cash flow statement for the six month period ending 30 june 2017 and 2018)

B.9	**Profit forecast and estimate.**	*Not applicable. The Company has not issued a profit forecase or estimate.*
B.10	**Qualifications in the audit report on the historical financial information.**	*Not applicable. The auditor's reports on the historical financial information included in this prospectus have been issued without qualification.*
B.11	**Working Capital Statement**	The Company believes that Tuff Group has sufficient working capital to be able to settle its liabilities as they fall due at least for the next twelve months.

Section C – Securities

C.1	**Type and class of the securities admitted to trading.**	Ordinary bearer shares with no par value (*Stückaktien*), each representing a notional value of EUR 1.00 and full dividend entitlement from January 1, 2018.
	Security identification number. Trading Symbol.	International Securities Identification Number (ISIN): DE000A161N22 German Securities Code (Wertpapier-Kenn-Nummer): A161N2 Trading Symbol: TUF
C.2	**Currency**	Euro.
C.3	**The number of shares issued and fully paid. Notional value.**	40,000,000 bearer shares (*Inhaberaktien*) with no-par value (*Stückaktien*) ("**Shares**"). The share capital has been fully paid up. Each of the Shares of the Company represent a notional share of EUR 1.00 in the Company's share capital.
C.4	**A description of the rights attached to the securities.ca**	Each share in the Company carries one vote at the Company's shareholders' meeting. There are no restrictions on voting rights. The Shares carry full dividend entitlement from January 1, 2018. Each share provides the right to a partial amount of a surplus of the proceeds of a liquidation.
C.5	**A description of any restrictions on the free transferability of the securities.**	*Not applicable. The Company's Shares are freely transferable in accordance with the legal requirements for bearer shares. There are no prohibitions or restrictions on disposals with respect to the transferability of the Company's shares.*
C.6	**Application for admission to trading on a regulated market and identity of regulated markets where the securities are to be traded.**	The Company expects to apply for admission of the Shares to trading on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*), sub-segment General Standard. The listing approval will be applied for on 04 March 2019 and is expected to be announced on 15 March 2019. Trading of the Shares on the Frankfurt Stock Exchange is expected to commence on 19 March 2019.
C.7	**Dividend policy.**	Due to the fact that the Company was a shelf company and its business purpose was restricted to the administration of its own assets until 16 July 2018, there have been no net retained earnings available for distribution for the abbreviated financial year 2015 and the financial years 2016 and 2017. Correspondingly, there was no distribution of divi-

		dends for the abbreviated financial year 2015 and the financial years 2016 and 2017. The Company can make no predictions as to the size of future profits available for distribution, or whether distributable profits will be achieved at all. The Company intends to pay dividends from any freely distributable profits if economically and with respect to building appropriate reserves reasonable. However, the Company cannot guarantee that dividends will be paid in the future. Moreover, the results of operations as set out in the financial statements may not be necessarily indicative of the results that should be expected in the future or amounts of future dividend payments.
Section D – Risks		
D.1	**Key risks specific to the issuer and its industry.**	Market and business risks The Company lacks meaningful previous operating and financial history and therefore the Company's prospects may be unable to assess. Tuff Group is dependent on a limited number of major customers. The Company may be unable to identify suitable acquisition or project opportunities or successfully complete acquisitions or projects. Risks arise with respect to project development and management and the inherent risks of a successful completion of the project. Tuff Group may not be able to procure inputs, including equipment assembly parts and services, from suppliers in a timely manner, on satisfactory terms or at all. The Company may be unable to obtain financing, including through any share offering, if required, to complete acquisitions, project developments or to implement operational improvements in the acquired business and companies. Tuff Group's insurance coverage may not be adequate to cover all losses or damages in connection with its operations. Tuff Group may not be able to grow successfully through acquisitions or to effectively integrate them. Tuff Group's internal organisational structures and risk management might prove insufficient and might fail to

		identify or avoid undesirable developments and risks and violations of the law. Risks arise for the Tuff Group's business from human errors, technical failures in operat-ing procedures or interruptions of business operations. The Company is dependent on the relationships, skills, expertise and experience of its management team and adversely affected by any loss of team members. Risks arise for the Tuff Group's business from qualified personnel not being available and any inability to recruit qualified personnel or a high degree of staff fluctuation. Risks arise for the Tuff Group's business from increased competition. The Company could be adversely affected by a deterioration of economic conditions and business environment in its markets. As a holding company, Tuff is dependent on dividends from its subsidiaries. Tuff’s major shareholders may have conflicts of interest with other shareholders that cannot be aligned with or are contrary to the interests of the shareholders. The risks described above could have signifanct and substantial effects on the business, net assets, financial position and results of operations of Tuff or the Tuff Group <u>Legal and Regulatory Risks</u> Tuff may be adversely affected by changes to the general legal, political, economic, competitive and regulatory environment in the countries in which it operates. The Company could be subject to liability claims in connection with commissioned and completed projects. The Company may be required to comply with restrictive covenants under future financing agreements. The described legal and regulatory risks could have a considerable negative impact on the business activities and therefore the net assets, financial positions and results of operations of Tuff or the Tuff Group. <u>Tax Risks</u> Tuff Group may have to pay additional taxes following tax audits. Tuff Group may subject to additional taxes in Germany.

		Tuff Group's business is subject to the general legal and tax environment in Germany and the other countries in which Tuff Group is active. The described tax risks could have a considerable negative impact on the business activities and therefore the net assets, financial positions and results of operations of Tuff or the Tuff Group.
D.3	**Key risks specific to the securities.**	The shares are not yet publicly traded, and there is no guarantee that a liquid market will develop or continue and price. The trading volumes and market price for Tuff's shares could fluctuate considerably, and the market price could decline in the future. Any future sales of a considerable number of Tuff's shares by a major shareholder or a number of shareholders could lead to a decrease in the market price of the shares. Investors with a reference currency other than the Euro may be subject to foreign exchange risks when investing in the shares. The payment of future dividends will depend on the Company's business, financial condi-tion, cash flows and results of operation. Future capital measures could lead to a decrease in the market price for Tuff's shares and a substantial dilution of existing shareholders' interests in Tuff. The risks described above could significantly affect the share price, the tradability of the shares and the liquidity of the shares' trading on the stock exchange.

Section E – Offering

E.1	**The total net proceeds and estimate of the total expenses of the offering and listing, including estimated expenses charged to the investor by the issuer.**	The subject matter of the prospectus is only the admission to trading on the regulated market (segment general standard) ("**Listing**"), there is no offer of shares. The Company estimates that the total costs of the listing will amount to approximately EUR 585,000.00. The costs of the listing include, inter alia, costs for external advice in particular by banks including the listing agreement with Acon, legal and tax advisors, audit fees, transaction costs, costs for notarial recordings, costs for filings with the commercial register and costs of the planned stock exchange admissions, including their preparation. Neither the Company nor Acon will charge expenses to investors.
E.2a	**Reasons for the offering. Use of Proceeds, estimated net amount of the proceeds.**	*Not applicable. An offer of securities is not subject of the Prospectus.*
E.3	**Offer conditions**	*Not applicable. An offer of securities is not subject of the Prospectus.*
E.4	**Description of all interest material to the offer.**	*Not applicable. An offer of securities is not subject of the Prospectus.*
E.5	**Name of the person or entity offering to sell the security. Lock-up agreement, the parties involved, and indication of the period of the lock up.**	The major shareholders of the Company will agree with Acon that, to the extent permitted by law, for a period of six months after the listing of the shares to the Regulated Market of the Frankfurt Stock Exchange not to directly or indirectly sell, offer, commit to sell or offer, or announce a sale or an offer to dispose of, any of their shares in the Company or rights that can be converted into, or exchanged for, such shares or that carry rights to acquire such shares and not to enter into other transactions (including transactions concerning derivative instruments) the economic effect of which would be similar to that of the measures described above, without the prior written consent of Acon.
E.6	**Amount and percentage of immediate dilution resulting from the offer. In the case of a subscription offer to existing equity holders, the amount and percentage of immediate dilution if they do not subscribe to the new offer.**	*Not applicable. An offer of securities is not subject of the prospectus.*

E.7	**Estimated expenses charged to the investor by the issuer.**	*Not applicable. Neither the Company nor Acon will charge expenses to investors.*

2. Zusammenfassung des Prospekts

*Die Zusammenfassung setzt sich aus einzelnen Offenlegungspflichten zusammen, die „**Elemente**" genannt werden. Diese Elemente sind durchnummeriert und in Abschnitte A bis E eingeteilt (A.1 bis E.7). Diese Zusammenfassung enthält alle Elemente, die in einer Zusammenfassung für diesen Typ von Wertpapier und Emittent erforderlich sind. Da einige Elemente nicht genannt werden müssen, können Lücken in der Nummerierung auftreten. Es kann sein, dass trotz der Tatsache, dass ein Element für diesen Typ von Wertpapier und Emittent erforderlich ist, keine relevante Information in Bezug auf dieses Element genannt werden kann. In diesem Fall erfolgt eine kurze Beschreibung des Elements mit der Angabe „**entfällt**“.*

Abschnitt A – Einführung und Warnhinweise		
A.1	**Warnhinweise.**	Diese Zusammenfassung sollte als Einführung zu diesem Prospekt verstanden werden. Der Anleger sollte jede Entscheidung zur Anlage in die Aktien auf die Prüfung des gesamten Prospekts stützen. Für den Fall, dass vor einem Gericht Ansprüche aufgrund der in diesem Prospekt enthaltenen Informationen geltend gemacht werden, könnte der als Kläger auftretende Anleger in Anwendung der einzelstaatlichen Rechtsvorschriften der Staaten des Europäischen Wirtschaftsraums die Kosten für die Übersetzung des Prospekts vor Prozessbeginn zu tragen haben. Tuff Group AG („**Gesellschaft**“, „**Tuff**“ oder „**Emittentin**“) und die Acon Aktienbank, München, Deutschland („**Acon**“ oder „**Listing Agent**“) übernehmen nach § 5 Abs. 2b Nr 4 Wertpapierprospektgesetz („**WpPG**“) die Verantwortung für den Inhalt dieser Zusammenfassung einschließlich etwaiger Übersetzungen. Diejenigen Personen, welche die Verantwortung für die Zusammenfassung, einschließlich etwaiger Übersetzungen, übernommen haben oder von denen der Erlass ausgeht (Veranlassung), können haftbar gemacht werden, jedoch nur für den Fall, dass die Zusammenfassung irreführend, unrichtig oder widersprüchlich ist, wenn sie zusammen mit den anderen Teilen des Prospekts gelesen wird oder, wenn sie zusammen mit den anderen Teilen des Prospekts gelesen wird, nicht alle erforderlichen Schlüsselinformationen vermittelt.

A.2	**Zustimmung zur Verwendung des Prospekts für die spätere Weiterveräußerung oder endgültige Platzierung der Aktien durch Finanzintermediäre.**	*Entfällt. Es handelt sich um einen reinen Zulassungsprospekt.*

Abschnitt B – Emittent

B.1	**Juristische und kommerzielle Bezeichnung.**	Die juristische Bezeichnung der Emittentin ist Tuff Group AG. Die kommerzielle Bezeichnung der Gesellschaft ist Tuff Group.
B.2	**Sitz und Rechtsform des Emittenten, das für den Emittenten geltende Recht und Land der Gründung.**	Die Gesellschaft hat ihren Sitz in Frankfurt am Main, Deutschland, unter der Geschäftsanschrift c/o Buse Heberer Fromm, Bockenheimer Landstrasse 101, 60325 Frankfurt am Main und ist im Handelsregister des Amtsgerichts Frankfurt unter HRB 113072 eingetragen. Die Gesellschaft ist eine Aktiengesellschaft (AG), die in Deutschland gegründet wurde und deutschem Recht unterliegt.
B.3	**Art der derzeitigen Geschäftstätigkeit und Haupttätigkeit des Emittenten und Hauptmärkte.**	Tuff ist die Muttergesellschaft der Unternehmen Tuff Offshore Engineering Services Pte. Ltd. und Deca Holdings GmbH ("Tuff Group"). Das Geschäft der Tuff Group konzentriert sich auf die Bereiche Öl & Gas, Infrastruktur, Energie und Energieerzeugung. Im Bereich <u>Öl & Gas</u> ist das Tochterunternehmen Tuff Offshore Engineering Services Pte. Ltd., ein hochspezialisiertes EPCIC-Unternehmen (*Engineering, Procurement, Construction, Installation and Commissioning*, englisch für Planung, Kontrolle, Beschaffung, Ausführung, Installation und Instandhaltung von Anlagen im internationalen Bauwesen), als Anlagenbauer für die Marine- und Schiffsausrüstung der weltweiten Öl- und Gasindustrie tätig. Zu den angebotenen Anlagen gehören insbesondere seegestützte Förder- und Raffinerieanlagen wie etwa FPSO-Schiffe (*Floating Production Storage and Offloading Unit*, englisch für schwimmende Produktions-, Lager- und Verladeeinheit). Im <u>Infrastrukturbereich</u> ist die Tuff Offshore Engineering Services Pte. Ltd. als EPC-Unternehmen (*Engineering, Procurement, Construction*) und Generalunternehmer für große Public-Private-Partnership-Projekte wie Verkehrs- und Streckeninfrastruktur, Flughäfen und Wohnungen sowie Versorgungsanlagen für Versorgungsunternehmen tätig. Tuff Offshore Engineering Services Pte. Ltd. ist mit

		dem Bau von internationalen und regionalen Flughäfen auf den Malediven beauftragt. Im Bereich Energie & Stromerzeugung bietet Tuff das Engineering, die Beschaffung und den Bau (*EPC, englisch für Engineering, Procurement and Construction*) von Energieerzeugungsanlagen sowohl im konventionellen als auch im Bereich der erneuerbaren Energien an. Tuff Offshore Engineering Pte Ltd hat derzeit ein Angebot zum Bau eines Müllheizkraftwerks in Kuala Lumpur, Malaysia, abgegeben. Tuff ist im Mittleren Osten und in Südasien tätig.
B.4a	**Wichtigste jüngste Trends, die den Emittenten und die Märkte, auf denen er agiert, beeinflussen.**	Für den Öl- und Gasbereich wird zwischen 2012 und 2035 ein Anstieg des Energieverbrauchs um 41 Prozent prognostiziert, wobei die Bedeutung der Öl- und Gasindustrie erhalten bleibt (*Quelle: https://www.bp.com/content/dam/bp/en/corporate/pdf/energy-economics/energy-outlook/bp-energy-outlook-2014.pdf*).Verstärkte Anstrengungen zur Nutzung der natürlichen Ressourcen in entlegenen Gebieten werden den Einsatz und die Nachfrage nach hochspezialisierter Technologie und Ausrüstung erhöhen. Als Herstellerin von Anlagen zur Ausbeutung dieser Ressourcen wird Tuff von diesen Entwicklungen profitieren. Zur kostendeckenden Finanzierung von Infrastruktur und aufgrund begrenzter Budgets verlagert die öffentliche Hand die Kosten der Infrastruktur auf ihre Nutzer, um die Akzeptanz für die Nutzung zu erhöhen (*Quelle: https://assets.kpmg/content/dam/kpmg/be/pdf/2018/03/emerging-trends-in-infrastructure.pdf*). Das Zusammenführen von Kostenträgern, Geldgebern und Nutzern eröffnet neue Möglichkeiten für eine hoch entwickelte Infrastruktur, die nützlich ist und angenommen und genutzt wird. Tuff wird von diesem aufkommenden Trend angetrieben und strebt mit seinen Infrastruktur-Lösungen eine Annäherung zwischen Kostenträgern, Geldgebern und Nutzern der Infrastruktur an. In Bezug auf Energie und Stromerzeugung ist das moderne Leben nach wie vor auf bezahlbaren Strom angewiesen. Die Lieferanten sind gefordert, strenge Standards einzuhalten und gleichzeitig zu wettbewerbsfähigen Kosten anzubieten. Während Stromnetze intelligenter werden, um Strom effizienter zu verteilen und zu verwalten, müssen Versorgungsunternehmen durch Digitalisierung intelligenter werden, um mit einem stark regulierten und wettbewerbsorientierten Markt Schritt halten zu können *(Quelle:*

		https://www2.deloitte.com/content/dam/Deloitte/au/Documents/public-sector/deloitte-au-ps-funding-options-alternative-financing-infrastructure-development-170914.pdf). Mit seinem EPCIC-Unternehmen, der Tochter Tuff Offshore Engineering Services Pte. Ltd., wird Tuff in der Lage sein, schlüsselfertige und maßgeschneiderte Lösungen in verschiedenen Größenordnungen für den Energie- und Erzeugungsmarkt anzubieten, was etwa das Waste-to-Energy-Projekt in Kuala Lumpur zeigt.
B.5	**Beschreibung der Gruppe und der Stellung des Emittenten innerhalb dieser Gruppe.**	Tuff ist die Muttergesellschaft der Tuff-Group. Tuff hält 100 % der Anteile an der Tuff Offshore Engineering Services Pte. Ltd. und 100 % der Anteile an der Tuff Germany GmbH (vormals Deca Holdings GmbH). Die Gesellschaft fungiert derzeit als Holding- und Servicegesellschaft. Die wesentlichen Funktionen der Gesellschaft sind das Management der Tuff-Group und die Beschaffung von Finanzmitteln und Eigenkapital. In Zukunft kann nicht ausgeschlossen werden, dass die Gesellschaft ihre Aktivitäten über ihre bisherigen Funktionen hinaus ausdehnt und auch selbst operative Aufgaben übernimmt. Zum Datum dieses Prospekts gibt es jedoch keine endgültigen Pläne.
B.6	**Direkte und indirekte Aktionäre des Emittenten.**	Nach den Angaben der Gesellschaft sind zum Datum dieses Prospekts folgende Personen direkt oder indirekt am Kapital und an den Stimmrechten der Gesellschaft beteiligt: Ganesh Paulraj 34,00 % direkte Beteiligung Natarajan Paulraj 51,00 % direkte Beteiligung Streubesitz 15,00 %
B.7	**Ausgewählte wesentliche historische Finanzinformation der Emittentin, die für jedes Geschäftsjahr des von den historischen Finanzinformationen abgedeckten Zeitraums vorgelegt werden; erhebliche Änderung der Finanzlage oder des Betriebsergebnisses in oder nach den abgedeckten Zeiträumen.**	Die folgenden ausgewählten Finanzinformationen für die Gesellschaft Tuff Offshore Engineering Services Pte. Ltd. für die Geschäftsjahre zum 31. Dezember 2015, 31. Dezember 2016 und 31. Dezember 2017 sowie für die Tuff Group AG für das Rumpfgeschäftsjahr zum 31. Dezember 2015 und die Geschäftsjahre zum 31. Dezember 2016 und 31. Dezember 2017 wurden aus den geprüften Abschlüssen der Tuff Offshore Engineering Services Pte. Ltd. (IFRS) und der Tuff Group (IFRS) für die jeweiligen Geschäftsjahre und die internen Buchhaltungsunterlagen bzw. Management-Reporting-Systeme entnommen oder abgeleitet. Der ausgewählte ungeprüfte Zwischenabschluss aus der verkürzten Gewinn- und Verlustrechnung für den Zeitraum vom 1. Januar 2018 bis 30. Juni 2018 und aus der verkürzten Bilanz zum 30. Juni 2018 der Tuff Offshore Engineering Services Pte. Ltd. und der Tuff Group AG wurde aus

den internen Buchhaltungsunterlagen bzw. dem Management Reporting der jeweiligen Gesellschaften extrahiert oder abgeleitet.

Wenn die Finanzinformationen in den folgenden Tabellen als „*geprüft*“ bezeichnet werden, bedeutet dies, dass sie aus den oben genannten geprüften Abschlüssen der Tuff Offshore Engineering Services Pte. Ltd. (IFRS) und der Tuff Group AG (IFRS) entnommen wurden. Wenn Finanzinformationen in den folgenden Tabellen als „*ungeprüft*“ bezeichnet werden, bedeutet dies, dass sie aus den internen Buchhaltungsunterlagen oder Management-Berichtssystemen von Unternehmen der Tuff-Group entnommen oder abgeleitet wurden oder auf Berechnungen von Finanzinformationen aus den oben genannten Quellen basieren. Soweit die Finanzinformationen in den folgenden Tabellen als „IFRS“ bezeichnet sind, bedeutet dies, dass die im jeweiligen Abschluss angewandten IFRS in Übereinstimmung mit den IFRS, wie sie in der Europäischen Union anzuwenden sind, angewendet wurden.

Alle Angaben in diesem Abschnitt sind auf volle Beträge gerundet. Aufgrund dieser Rundung addieren sich die in den Tabellen angegebenen Werte nicht in allen Fällen exakt zu den jeweils angegebenen Summen.

Ausgewählte Finanzinformationen der Tuff Offshore Engineering Services Pte. Ltd.

in EUR (IFRS)	01.01.2017-31.12.2017 (geprüft)	01.01.2016-31.12.2016 (geprüft)	01.01.2015-31.12.2015 (geprüft)
Umsatzerlöse	6.520.094	31.051.762	2.672.151
Aufwand	6.365.701	30.364.623	2.537.526
Ergebnis vor Steuern	287.595	738.868	140.088
Ergebnis nach Steuern	290.665	636.307	140.088
Gesamtergebnis	**178.262**	**678.021**	**137.985**

(Tabelle: ausgewählte Finanzinformationen aus der Gewinn- und Verlustrechnung für die Geschäftsjahre zum 31. Dezember 2015, 2016 und 2017)

in EUR (IFRS)	31.12.2017 (*geprüft*)	31.12.2016 (*geprüft*)	31.12.2015 (*geprüft*)
Vermögenswerte			
Umlaufvermögen	4.268.896	14.135.320	758.895
Langfristige Vermögenswerte	75.728	97.982	116.308
Summe Vermögenswerte	**4.344.624**	**14.233.302**	**875.203**
Eigenkapital			
Grundkapital	64.697	64.697	64.697
Gewinnvortrag	794.236	753.462	117.155
Periodenergebnis	**786.141**	**857.770**	**179.749**
Verbindlichkeiten			
Kurzfristige Verbindlichkeiten	3.558.483	13.259.839	682.515
Langfristige Verbindlichkeiten	-	-	-
Summe Verbindlichkeiten	**3.558.483**	**13.375.532**	**695.454**
Bilanzsumme	**4.344.624**	**14.233.302**	**875.203**

(Tabelle: ausgewählte Finanzinformationen der Bilanz zum 31. Dezember 2015, 2016 und 2017)

in EUR (IFRS)	01.01.2017-31.12.2017 (*geprüft*)	01.01.2016-31.12.2016 (*geprüft*)	01.01.2015-31.12.2015 (*geprüft*)
Periodenergebnis	287.595	738.868	140.088
Cashflow aus laufender Geschäftstätigkeit	(5.489.955)	7.463.250	450.296
Cashflow aus Investitionstätigkeit	(12.669)	(10.177)	(129.584)
Cashflow aus Finanzierungstätigkeit	(1.100.324)	193	12.939
Zahlungswirksame Veränderung des Finanzmittelfonds	(6.602.948)	7.453.266	333.651
Finanzmittelfonds am Anfang der Periode	7.834.333	341.055	9.708
Finanzmittelfonds am Ende der Periode	**1.123.066**	**7.834.333**	**341.055**

(Tabelle: ausgewählte Finanzinformationen der Kapitalflussrechnung für die Geschäftsjahre zum 31. Dezember 2015, 2016 und 2017)

in EUR (IFRS)	01.01.2018-30.06.2018 (*ungeprüft*)	01.01.2017-30.06.2017 (*ungeprüft*)
Umsatzerlöse	27.409.933	6.589.208
Aufwand	(21.469.669)	(5.234.555)
Ergebnis vor Steuern	5.961.716	1.379.718
Ergebnis nach Steuern	4.948.224	1.373.305
Gesamtergebnis	**4.986.024**	**1.422.761**

(Tabelle: ausgewählte Finanzinformationen der Gewinn- und Verlustrechnung für den Sechsmonatszeitraum zum 30. Juni 2017 und 2018)

in EUR (IFRS)	30.06.2018 (*ungeprüft*)	31.12.2017 (*geprüft*)
Vermögenswerte		
Umlaufvermögen	17.883.493	4.268.896
Langfristige Vermögenswerte	71.062	75.728
Summe Vermögenswerte	**17.954.555**	**4.344.624**
Eigenkapital		
Grundkapital	64.697	64.697
Gewinnvortrag	5.742.460	794.236
Summe Eigenkapital	5.772.166	786.141
Verbindlichkeiten		
Kurzfristige Verbindlichkeiten	12.182.389	3.558.483
Langfristige Verbindlichkeiten	-	-
Summe Verbindlichkeiten	12.182.389	3.558.483
Bilanzsumme	**17.954.555**	**4.344.624**

(Tabelle: ausgewählte Finanzinformationen der Bilanz zum 31. Dezember 2017 und 30. Juni 2018)

in EUR (IFRS)	01.01.2018-30.06.2018 (*ungeprüft*)	01.01.2017-30.06.2017 (*ungeprüft*)
Periodenergebnis	5.961.716	1.379.718
Nettozahlungsmittel (-abfluss)/-zufluss aus betrieblicher Tätigkeit	7.296.881	(2.285.717)
Nettozahlungsmittel (-abfluss)/-zufluss aus Investitionstätigkeit	(10.733)	-
Nettozahlungsmittel (-abfluss)/-zufluss aus Finanzierungstätigkeit	-	-
Zahlungswirksame Veränderung des Finanzmittelfonds	7.286.148	(2.285.717)
Finanzmittelfonds am Anfang der Periode	1.960.367	7.834.333
Finanzmittelfonds am Ende der Periode	**9.284.315**	**5.598.072**

(Tabelle: ausgewählte Finanzinformationen der Kapitalflussrechnung für den Sechsmonatszeitraum zum 30. Juni 2017 und 2018)

Das Ergebnis der Tuff Offshore war in den Jahren 2016 bis 2017 rückläufig. Das Unternehmen folgte im Geschäftsjahr 2017einem aktiven Programm zur Geschäftsentwicklung und Diversifikation und investierte einen beträchtlichen Teil seines Umsatzes des Geschäftsjahr 2016 in die Entwicklung von Möglichkeiten zur Diversifikation des Geschäfts und zur weiteren Erschließung des Markts.

Die signifikante Volatilität der Bilanzsumme für die drei berichteten Geschäftsjahre ist im Wesentlichen auf das projektbezogene Geschäft von Tuff Offshore zurückzuführen und resultiert aus ausstehenden Forderungen aus Lieferungen und Leistungen gegenüber Kunden, Bankguthaben und ausstehenden, noch nicht fälligen Verbindlichkeiten aus Lieferungen und Leistungen gegenüber Subunternehmern, die zu gegebener Zeit zu den Bilanzstichtagen noch nicht beglichen waren. Diese Volatilität resultiert zum Teil daraus, dass die Projektmeilensteine und -abschlüsse sowie die entsprechenden Umsatzanteile nicht den Kalender- und Geschäftsjahren folgen.

Der Umsatz für das erste Halbjahr 2018 zum 30. Juni 2018 und für das erste Halbjahr 2017 zum 30. Juni 2017 zeigte eine vergleichbare Volatilität, die dem Geschäftsmodell und den Projektaktivitäten von Tuff Offshore entsprach und zeigt, dass laufende Projekte signifikante Umsätze und Gewinne generieren.

Ausgewählte Finanzinformationen der Tuff Group AG

in EUR (IFRS)	01.01.2017-31.12.2017 (*geprüft*)	01.01.2016-31.12.2016 (*geprüft*)	14.07.2015-31.12.2015 (*geprüft*) *Rumpfgeschäftsjahr*
Betriebsergebnis	(450)	(450)	(450)
Verlust aus der gewöhnlichen Geschäftstätigkeit nach Steuern	450	450	450
Gesamtergebnis	**(450)**	**(450)**	**(450)**

(Tabelle: ausgewählte Finanzinformationen der Gewinn- und Verlustrechnung für das Rumpfgeschäftsjahr zum 31. Dezember 2015 und für die Geschäftsjahre zum 31. Dezember 2016 und 2017)

EUR (IFRS)	31.12.2017 (*geprüft*)	31.12.2016 (*geprüft*)	31.12.2015 (*geprüft*)
Vermögenswerte			
Summe Vermögenswerte	**12.500**	**12.500**	**12.500**
Eigenkapital			
Gezeichnetes Kapital	50.000	50.000	50.000
Ausstehende Einlagen	(37.500)	(37.500)	(37.500)
Gewinnrücklagen	(1.350)	(900)	(450)
Summe Eigenkapital	**11.150**	**11.600**	**12.050**
Verbindlichkeiten			
Summe Verbindlichkeiten	**1.350**	**900**	**450**
Bilanzsumme	**12.500**	**12.500**	**12.500**

(Tabelle: ausgewählte Finanzinformationen der Bilanz zum 31. Dezember 2015, 2016 und 2017)

in EUR (IFRS)	01.01.2017-31.12.2017 (*geprüft*)	01.01.2016-31.12.2016 (*geprüft*)	14.07.2015-31.12.2015 (*geprüft*) *Rumpfgeschäftsjahr*
Cashflow aus der laufenden Geschäftstätigkeit	0	0	0
Cashflow aus der Finanzierungstätigkeit	0	0	0
Finanzmittelfonds am Ende der Periode	**12.500**	**12.500**	**12.500**

(Tabelle: ausgewählte Finanzinformationen aus der Kapitalflussrechnung für das Rumpfgeschäftsjahr zum 31. Dezember 2015 und die Geschäftsjahre zum 31. Dezember 2016 und 2017)

in EUR (IFRS)	01.01.2018-30.06.2018 (*ungeprüft*)	01.01.2017-30.06.2017 (*ungeprüft*)
Betriebsergebnis	**(225)**	**(225)**
Verlust aus der gewöhnlichen Geschäftstätigkeit nach Steuern	225	225
Gesamtergebnis	**(225)**	**(225)**

(Tabelle: ausgewählte Finanzinformationen aus der Gewinn- und Verlustrechnung für den Sechsmonatszeitraum zum 30. Juni 2017 und 2018)

in EUR (IFRS)	30.06.2018 (*ungeprüft*)	31.12.2017 (*geprüft*)
Vermögen		
Summe Vermögenswerte	**12.500**	**12.500**
Eigenkapital		
Gezeichnetes Kapital	50,000	50,000
Ausstehende Einlagen	(37.500)	(37.500)
Gewinnrücklagen	(1.575)	(1.350)
Summe Eigenkapital	**10.925**	**11.150**
Verbindlichkeiten		
Summe Verbindlichkeiten	**1.575**	**1.350**
Bilanzsumme	**12.500**	**12.500**

(Tabelle: ausgewählte Finanzinformationen aus der Bilanz zum 31. Dezember 2017 und zum 30. Juni 2018)

in EUR (IFRS)	01.01.2018-30.06.2018 (*ungeprüft*)	01.01.2017-30.06.2017 (*ungeprüft*)
Cashflow aus der laufenden Geschäftstätigkeit	**0**	**0**
Cashflow aus der Finanzierungstätigkeit	**0**	**0**
Finanzmittelfonds am Ende der Periode	**12.500**	**12.500**

(Tabelle: ausgewählte Finanzinformationen aus der Kapitalflussrechnung für den Sechsmonatszeitraum zum 30. Juni 2017 und 2018)

B.9	**Gewinnprognosen und –schätzungen.**	*Entfällt. Die Gesellschaft hat keine Gewinnprognosen veröffentlicht.*

B.10	**Art etwaiger Einschränkungen der Bestätigungsvermerke.**	*Entfällt. Die Berichte des Abschlussprüfers über die in diesem Prospekt enthaltenen historischen Finanzinformationen wurden ohne Einschränkung erteilt.*
B.11	**Erklärung zum Geschäftskapital.**	Die Gesellschaft geht davon aus, dass die Tuff Group über ausreichendes Geschäftskapital verfügt um mindestens in den nächsten zwölf Monaten ihre Verpflichtungen zu erfüllen, wenn diese fällig werden.
Abschnitt C – Wertpapiere		
C.1	**Art und Gattung der angebotenen Wertpapiere.**	Auf den Inhaber lautende Stammaktien ohne Nennbetrag (Stückaktien) jeweils mit einem rechnerischen Nennwert am Grundkapital von EUR 1,00 und voller Dividendenberechtigung ab dem 1. Januar 2018.
	Wertpapierkennung.	Internationale Wertpapieridentifikationsnummer (*International Securities Identification Number*): DE000A161N22 Wertpapierkennnummer (WKN): A161N2 Börsenkürzel: TUF
C.2	**Währung der Wertpapieremission.**	Euro.
C.3	**Zahl der ausgegebenen und voll eingezahlten Aktien und der ausgegebenen, aber nicht voll eingezahlten Aktien.** **Nennwert pro Aktie bzw. Angabe, dass die Aktien keinen Nennwert haben.**	40.000.000 auf den Inhaber lautende Stammaktien (*Stückaktien*) ohne Nennbetrag ("Stückaktien"). Das Aktienkapital ist voll eingezahlt. Jede Aktie der Gesellschaft repräsentiert einen anteiligen Betrag am Grundkapital der Gesellschaft von EUR 1,00.
C.4	**Mit den Wertpapieren verbundene Rechte.**	Jede Aktie der Gesellschaft berechtigt zu einer Stimme in der Hauptversammlung der Gesellschaft. Es bestehen keine Stimmrechtsbeschränkungen. Die Aktien gewähren volle Dividendenberechtigung ab dem 01. Januar 2018. Jede Aktie gewährt das Recht auf einen Teilbetrag am Überschuss aus einer Liquidation der Gesellschaft.
C.5	**Beschreibung aller etwaigen Beschränkungen für die freie Übertragbarkeit der Wertpapiere.**	*Entfällt. Die Aktien der Gesellschaft sind in Übereinstimmung mit den gesetzlichen Bestimmungen für auf den Inhaber lautende Stammaktien frei übertragbar. Es bestehen keine Verfügungsverbote oder –beschränkungen hinsichtlich der Übertragbarkeit der Aktien der Gesellschaft.*

C.6	**Antrag auf Zulassung zum Handel an einem geregelten Markt / Nennung der geregelten Märkte, auf denen die Wertpapiere gehandelt werden sollen.**	Die Zulassung der Aktien zum Regulierten Markt der Frankfurter Wertpapierbörse (General Standard) wird am 04. März 2019 beantragt und voraussichtlich am 15. März 2019 erfolgen. Die Notierungsaufnahme erfolgt voraussichtlich am 19. März 2019.
C.7	**Dividendenpolitik.**	Aufgrund der Tatsache, dass die Gesellschaft als Vorratsgesellschaft gegründet wurde und ihr Geschäftsbetrieb bis zur wirtschaftlichen Neugründung am 16. Juli 2018 auf das Verwalten eigener Vermögensgegenstände beschränkt war, wurde weder im Rumpfgeschäftsjahr 2015 noch in den Geschäftsjahren 2016 und 2017 ein Bilanzgewinn erzielt. Daher gab es auch keine Ausschüttung von Dividenden im Rumpfgeschäftsjahr 2015 und im Geschäftsjahr 2016 und 2017. Die Gesellschaft beabsichtigt, Dividenden aus frei verfügbaren Gewinnen auszuschütten, wenn dies wirtschaftlich vertretbar und im Hinblick auf die Bildung angemessener Rückstellungen angebracht ist. Die Gesellschaft kann jedoch keine Prognose im Hinblick auf den Umfang künftiger Gewinne, die für die Ausschüttung zur Verfügung stehen, treffen. Daher kann die Gesellschaft auch nicht garantieren, dass Dividenden in der Zukunft gezahlt werden. Zudem lässt die Ertragslage, die in den Finanzinformationen enthalten ist, nicht zwingend auf die Ertragslage, die in der Zukunft erwartet wird oder auf den Umfang künftiger Dividendenzahlungen schließen.
Abschnitt D – Risiken		
D.1	**Zentrale Risiken, die dem Emittenten oder seiner Branche eigen sind.**	<u>Markt- und Geschäftsrisiken</u> Der Gesellschaft fehlt es an einer aussagekräftigen operativen und finanziellen Vergangenheit, so dass die Geschäftsaussichten der Gesellschaft möglicherweise nicht hinreichend beurteilt werden können. Die Tuff Group ist von einer begrenzten Anzahl von Großkunden abhängig. Die Gesellschaft ist möglicherweise nicht in der Lage, geeignete Akquisitions- oder Projektmöglichkeiten zu identifizieren oder Akquisitionen oder Projekte erfolgreich abzuschließen. Risiken ergeben sich aus der Projektentwicklung und dem Projektmanagement sowie den damit verbundenen Risiken eines erfolgreichen Projektabschlusses.

		Tuff Group ist möglicherweise nicht in der Lage sein, Vorleistungen, einschließlich Bauteile und Dienstleistungen, von Lieferanten überhaupt, rechtzeitig oder zu günstigen Lieferbedingungen zu beschaffen. Die Gesellschaft ist möglicherweise nicht in der Lage, eine Finanzierung zu erhalten, auch nicht durch ein Aktienangebot, die zum Erwerb von Unternehmen, zur Entwicklung eines Projekts oder zur Umsetzung operativer Verbesserungen in den erworbenen Geschäften und Unternehmen erforderlich sein könnte. Der Versicherungsschutz der Tuff Group ist möglicherweise nicht ausreichend, um alle Verluste oder Schäden im Zusammenhang mit ihrer Geschäftstätigkeit abzudecken. Die Tuff Group ist möglicherweise nicht in der Lage, durch Akquisitionen erfolgreich zu wachsen oder diese effektiv zu integrieren. Die internen Organisationsstrukturen und das Risikomanagement der Tuff Group könnten sich als unzureichend erweisen und Fehlentwicklungen sowie Risiken und Gesetzesverstöße nicht erkennen oder vermeiden. Das Geschäft der Tuff Group unterliegt Risiken aus menschlichem Versagen, technischen Störungen im Betriebsablauf oder Betriebsunterbrechungen. Das Unternehmen ist abhängig von den Beziehungen, Fähigkeiten, Kenntnissen und Erfahrungen seines Managementteams und wird durch den Verlust von Teammitgliedern negativ beeinflusst. Risiken für das Geschäft der Tuff Group ergeben sich aus der fehlenden Verfügbarkeit von qualifiziertem Personal und der Unfähigkeit, geeignetes Personal zu rekrutieren oder einer hohen personellen Fluktuation. Risiken für das Geschäft der Tuff Group ergeben sich aus dem verschärften Wettbewerb. Die Gesellschaft könnte durch eine Verschlechterung der wirtschaftlichen Bedingungen und des Geschäftsumfelds in ihren Märkten beeinträchtigt werden. Als Holdinggesellschaft ist Tuff auf Dividenden ihrer Tochtergesellschaften angewiesen. Die Hauptaktionäre der Tuff können Interessenkonflikten unterliegen, die nicht mit den Interessen der Aktionäre in Einklang gebracht werden können oder diesen zuwiderlaufen.

		Die oben beschriebenen Risiken können wesentliche Auswirkungen auf die Vermögens-, Finanz- und Ertragslage der Tuff oder der Tuff-Group haben. Rechtliche und regulatorische Risiken Tuff kann durch Änderungen der allgemeinen rechtlichen, politischen, wirtschaftlichen, wettbewerblichen und regulatorischen Rahmenbedingungen in den Ländern, in denen es tätig ist, beeinträchtigt werden. Die Gesellschaft könnte im Zusammenhang mit in Auftrag gegebenen und fertiggestellten Projekten Haftungsansprüchen ausgesetzt sein. Die Gesellschaft kann verpflichtet werden, restriktive Auflagen aus künftigen Finanzierungsvereinbarungen einzuhalten. Die beschriebenen rechtlichen und regulatorischen Risiken könnten einen erheblichen negativen Einfluss auf die Geschäftstätigkeit und damit auf die Vermögens-, Finanz- und Ertragslage von Tuff oder der Tuff-Group haben. Steuerliche Risiken Tuff Group kann nach Steuerprüfungen zusätzliche Steuern zahlen müssen. Tuff Group kann in Deutschland zusätzlichen Steuern unterliegen. Das Geschäft der Tuff Group unterliegt den allgemeinen rechtlichen und steuerlichen Rahmenbedingungen in Deutschland und den anderen Ländern, in denen die Tuff Group tätig ist. Die beschriebenen steuerlichen Risiken könnten einen erheblichen negativen Einfluss auf die Geschäftstätigkeit und damit auf die Vermögens-, Finanz- und Ertragslage von Tuff oder der Tuff-Group haben.
D.3	**Zentrale Risiken, die den Wertpapieren eigen sind.**	Die Aktien werden noch nicht öffentlich gehandelt und es gibt keine Garantie dafür, dass sich ein liquider Markt entwickelt oder fortbesteht. Das Handelsvolumen und der Marktpreis der Aktie können stark schwanken und der Marktpreis könnte in Zukunft sinken. Jeder zukünftige Verkauf einer erheblichen Anzahl von Tuff-Aktien durch einen Großaktionär oder mehrere Aktionäre könnte zu einem Rückgang des Börsenkurses der Aktien führen.

		Anleger mit einer anderen Referenzwährung als dem Euro können bei der Anlage in die Aktien Wechselkursrisiken unterliegen. Die Auszahlung zukünftiger Dividenden hängt von der Geschäftstätigkeit, der finanziellen Lage, den Cashflows und dem Betriebsergebnis des Unternehmens ab. Zukünftige Kapitalmaßnahmen könnten zu einem Rückgang des Börsenkurses der Tuff-Aktien und einer erheblichen Verwässerung der Anteile der Altaktionäre an Tuff führen. Die oben beschriebenen Risiken könnten den Aktienkurs, die Handelbarkeit der Aktien und die Liquidität des Börsenhandels der Aktien erheblich beeinflussen.
Abschnitt E – Angebot		
E.1	**Gesamtnettoerlöse und geschätzte Gesamtkosten der Emission/des Angebots, einschließlich der geschätzten Kosten, die dem Anleger vom Emittenten oder Anbieter in Rechnung gestellt werden.**	Gegenstand dieses Wertpapierprospekts ist lediglich eine Zulassung zum Handel im regulierten Markt („**Listing**"); es gibt kein Angebot zum Erwerb von Aktien. Die Gesellschaft schätzt, dass ihr insgesamt Kosten für das Listing in einer Höhe von ungefähr EUR 585.000,00 entstehen werden. Die Kosten für das Listing umfassen unter anderem Kosten für externe Beratung insbesondere von Banken einschließlich der Listing-Vereinbarung mit der Acon, Rechts- und Steuerberater, Prüfungshonorare, Transaktionskosten, Notarkosten, Kosten für Eintragungen im Handelsregister und Kosten für die Börsenzulassung, eingeschlossen deren Vorbereitungen. Weder die Gesellschaft, noch Acon werden den Anlegern Kosten in Rechnung stellen.
E.2a	**Gründe für das Angebot, Zweckbestimmung der Erlöse, geschätzte Nettoerlöse.**	*Entfällt. Ein Angebot ist nicht Gegenstand des Zulassungsprospekts.*
E.3	**Beschreibung der Angebotskonditionen.**	*Entfällt. Ein Angebot ist nicht Gegenstand des Zulassungsprospekts.*
E.4	**Beschreibung aller für die Emission/das Angebot wesentlichen, auch potenziellen Interessenkonflikte.**	*Entfällt. Ein Angebot ist nicht Gegenstand des Zulassungsprospekts.*
E.5	**Name der Person/des Unternehmens, die/das das Wert-**	Die wesentlichen Aktionäre der Gesellschaft werden mit Acon vereinbaren, bis zu dem gesetzlich zulässigen Um-

	papier zum Verkauf anbietet. Bei Lock-up-Vereinbarungen die beteiligten Parteien und die Lock-up-Frist.	fang für einen Zeitraum von sechs Monaten nach der Zulassung der Aktien zum regulierten Markt der Frankfurter Wertpapierbörse ohne die vorherige Zustimmung der Acon die von ihnen an der Gesellschaft gehaltenen Aktien oder Rechte, die in Aktien umgewandelt oder in Aktien umgetauscht werden können oder zum Erwerb von Aktien berechtigten, weder unmittelbar noch mittelbar zu verkaufen, anzubieten, sich zu einem Verkauf oder einem Angebot zum Verkauf zu verpflichten oder einen Verkauf oder ein Angebot zum Verkauf anzukündigen und keine weiteren Transaktionen abzuschließen (umfasst sind auch Transaktion betreffend Derivate), die einen wirtschaftlich vergleichbaren Effekt haben wie die zuvor beschriebenen Maßnahmen.
E.6	**Betrag und Prozentsatz der aus dem Angebot resultierenden unmittelbaren Verwässerung. Im Falle eines Zeichnungsangebots an die existierenden Anteilseigner Betrag und Prozentsatz der unmittelbaren Verwässerung, für den Fall, dass sie das neue Angebot nicht zeichnen.**	*Entfällt. Ein Angebot von Wertpapieren ist nicht Gegenstand des Prospekts.*
E.7	**Schätzung der Ausgaben, die dem Anleger vom Emittenten oder Anbieter in Rechnung gestellt werden.**	*Entfällt. Dem Anleger werden weder von der Gesellschaft noch vom Anbieter Kosten in Rechnung gestellt.*

3. Risk factors

*When considering whether to purchase shares of Tuff Group AG (the "**Company**", "**Tuff**" or the "**Issuer**") investors should take into account, along with carefully considering the other information contained within this Prospectus, the following risk factors. The occurrence of one or more of these risks may have material adverse effects on the business, assets and financial and earning positions of Tuff and its subsidiaries Tuff Offshore Engineering Services Pte Ltd and Deca Holdings GmbH. (Tuff Group AG and its subsidiaries collectively "**Tuff Group**"). The market price of the Company's shares could drop significantly as a result of each of these risks and investors could lose all or part of their invested capital. Risks associated with the Company and its industry are described below. Additional risks and uncertainties that are not currently known to the Company could also adversely affect the business operations of Tuff and have a negative effect on the business, assets and financial and earning positions of the Company. The order in which the risks are listed does not correspond to or indicate the likelihood of their occurrence or the extent of their potential economic impact. Selection and content of the included risk factors were based on assumptions that may subsequently prove incorrect. The risks described may occur individually or cumulatively.*

3.1. Market and business risks

3.1.1. The Company lacks meaningful previous operating and financial history and therefore the Company's prospects may be unable to assess.

In the past, the Company had limited business operations. Under its new management, the Company intends to become an operating company with the strategy to acquire, develop and manage subsidiaries, shareholdings and projects in the oil and gas, the energy and power generation and the infrastructure sector. The Company's financial statements relate to a period during which the Company was not fully operational, the Company has no established competitive positioning, and there is no relevant historical data on the Company's operating performance. As a result, the historical financial information included in this Prospectus is not representative of what the Company's financial condition, results of operations and cash flows will be in the future. Therefore, the information on which to base an assessment of the Company's future performance is limited beyond the experience and track record of its management, and the Company's future financial condition, results of operations and cash flows may differ materially from such assessments.

3.1.2. Tuff Group is dependent on a limited number of major customers

Tuff Group'S operational subsidiary Tuff Offshore Engineering Services Pte Ltd has historically derived and derives a substantial amount of its revenue from a limited number of major customers, among them governmental bodies or state owned commercial agencies, companies or their subsidiaries. While Tuff Group expects to continue to be awarded contracts from these major customers in the future, major customers may change their operations, policies or business outlooks or their willingness to invest that could have a material adverse effect on Tuff Group's order situation and project pipeline and such other prospects in view of the existing and future business relations.

A predominant share of the earnings of the companies of the Tuff Group may be obtained from a single contract or a limited number of projects. The concentration of revenue sources exposes Tuff Group to a variety of risks, such as the loss of substantial sources of revenue resulting from discontinuation of existing contracts should Tuff Group fail to fulfil contractual obligations or the risk that Tuff Group will not be awarded contracts in the future. Furthermore, project contracts provide for the customer to withhold payments, such as in case of disputes of invoices submitted for the services rendered. The potential withholding of payments from a single contract or a limited number of larger projects poses a cash flow risk for Tuff Group.

Moreover, Tuff Group may be forced to agree on a decrease of the agreed rates even if contractually not obliged to do so due to economic reasons in order to maintain good relationships with its customers.

Furthermore, Tuff Group may not be able to enforce its claims against the customer, even if Tuff Group obtains an arbitral award, for practical reasons as an enforcement of an award against a state owned company, its subsidiaries or a governmental body may be extremely difficult as a practical matter.

Each of the aforementioned factors could have significant negative effects on the business, net assets, financial position and results of operations of Tuff or the Tuff Group.

3.1.3. The Company may be unable to identify suitable acquisition or project opportunities or successfully complete acquisitions or projects.

As part of its business strategy, the Company will seek to acquire interests in companies and projects to be developed in the oil and gas the infrastructure and the energy and power generation sector. The Company will only be successful in executing its strategy if it identifies attractive opportunities that are available for purchase at favourable prices. Such opportunities may be unavailable or competing project developer or construction utilities may bid for a tender offer at a competitive price. An inability to identify suitable acquisition and project opportunities would negatively affect the growth of the Company's business.

In addition, the Company faces competition from others interested in acquiring interests in companies and projects to develop. Competitors with similar strategies may possess greater technical, financial, human and other resources and lower costs of capital than the Company does. This may increase the prices of attractive assets, making it more difficult for the Company to compete and successfully implernent its growth strategy. Such competition may cause the Company to be unsuccessful in executing planned acquisitions or may result in an acquisition being made at a significantly higher price than would otherwise have been the case.

Even if the Company identifies suitable acquisition or project opportunities, the Company may be unsuccessful in its negotiations to complete such acquisitions or projects. If the Company fails to complete an acquisition or project which it has been pursuing, it may be left with substantial unrecovered transaction costs, potentially including substantial break-up fees, legal costs or other expenses. Failure to identify suitable opportunities or to successfully complete acquisitions could thcrefore have a material adverse effect on the Company's business, net assets, financial condition, cash flows and results of operations.

3.1.4. Risks arise with respect to project development and management and the inherent risks of a successful completion of the project

Tuff anticipates that large project developments will run from 12 to 60 months from tender offer to commissioning if development work is undertaken in a continuous and uninterrupted way. Many project developments are exposed to extended delays caused by market conditions and other matters outside the control of the project developer. For any project there is a risk that the development timeframe may be extended or that finalization and commoissioing may not be achieved in time or at all because of a number of factors. These factors include, but are not limited to the failure to gain required development, environmental or other required regulatory approvals and to secure a cost effective connection existing infrastructure.

The project owner may fail to gain required development, environmental or other required regulatory approvals. Suppliers and third-party contractors may deliver or perform with delay which is outside the control of Tuff. Tuff may fail to secure contracts for implementation of a project including equipment supply and other procurement contracts on suitable commercial terms with suitable counterparties that are competitive with the market. Furthermore, project debt and equity finance for the project may fail to be secured at all or at higher costs or unsuitable commercial terms.

In addition, for projects where a development partner controls the project, Tuff Group will have little or no control of project timing or whether a project will reach financial close, as it is dependent on the project partner to manage and progress the development.

Any failure to complete any of the above matters and requirements of a project and to successfully develop aproject could have significant negative effects on the Company's business, net assets, financial condition, cash flows and results of operations.

3.1.5. Tuff Group may not be able to procure inputs, including equipment assembly parts and services, from suppliers in a timely manner, on satisfactory terms or at all

Tuff Group’s operations are dependent on a sufficient supply of inputs, including equipment, assembly parts and services, used in its provision of services. Some of these inputs, in particular certain technical equipment used are only available from specialised suppliers. In addition, inventory management on Tuff Group’s projects is an important aspect of its operations due to the high cost of transporting spare parts and supplies by air, ship or other means on short notice to projects operating offshore. Tuff Group cannot assure that there will not be any substantial fluctuations in the supply and price of these inputs, that Tuff Group will be able to secure sufficient amounts of these inputs from limited suppliers or that Tuff Group will be able to adequately manage its inventories for certain inputs. In addition, if any of

Tuff Group’s suppliers fail to supply these inputs in a timely manner, on satisfactory terms or at all, and it is not able to obtain acceptable substitutes, its operations may be disrupted and its relationships with customers may be harmed.

Each of the aforementioned factors could have significant negative effects on the business, net assets, financial position and results of operations of Tuff or the Tuff Group.

3.1.6. The Company may be unable to obtain financing, including through any share offering, if required, to complete acquisitions, project developments or to implement operational improvements in the acquired business and companies.

In the future, it may be necessary or desirable for the Company to raise additional funds. The Company may be unable to obtain debt financing on attractive terms and investors may be unwilling to invest pursuant to a capital increase. To the extent that additional financing is necessary to acquire or develop new projects and to manage its then existing projects portfolio and if financing remains unavailable on acceptable terms, the Company may be compelled to restructure or abandon its acquisition plans, proceed with the existining projects portfolio, with the acquisitions on less favourable terms or acquire less attractive or smaller projects without further financing needs, which may reduce the Company's return on its assets.

Even if additional financing is unnecessary to acquire or develop new projects, the Company may require financing to implement operational improvements in the acquired projects.

Failure to secure additional financing on acceptable terms could therefore have a material adverse effect on the continued development or growth of the Company's business which could have a material adverse effect on the Company's business, net assets, financial condition, cash flows and results of operations.

3.1.7. Tuff Group’s insurance coverage may not be adequate to cover all losses or liabilities that may arise in connection with the operations of Tuff Group

Tuff Group maintains insurance at levels which are customary in the businesses in which Tuff Group operates to protect against various losses and liabilities. Tuff Group maintains insurance to cover, among others, damage to its equipment, infrastructure and facilities, business interruption risks and workers compensation. There can be no assurance that Tuff Group’s insurance will be adequate to cover all losses or liabilities that might occur in the operations in the future. The operation of Tuff Group’s facilities involves inherent risks and occupational hazards, and if it were to incur a significant loss or liability for which it were not fully insured, it could have a material adverse effect on the business, reputation, results of operations and cash flows.

Tuff Group’s insurance coverage is also subject to periodic renewal. If the availability of Tuff Group’s insurance coverage is reduced significantly for any reason, it may become exposed to certain risks for which it is not and/or could not be insured. Further, if premium levels for the insurance coverage required for Tuff Group’s operations increase significantly, Tuff Group could incur substantially higher costs for such coverage or it may decide to reduce the coverage amount, either of which could have significant negative effects on the business, net assets, financial position and results of operations of Tuff or the Tuff Group.

3.1.8. Tuff Group's internal organisational structures, particularly its risk management, might prove insufficient and might fail to identify or avoid undesirable developments and risks and impending or already perpetrated violations of the law in a timely manner

Tuff Group has a risk management system that serves to sustainably safeguard Tuff Group's existence and growth and to increase its value and competitiveness by ensuring the appropriate management and transparent communication of individual risks. It is intended to promptly identify disproportionate risks of fact and law, control them, and avoid them to the extent possible. However, Tuff Group has grown strongly in recent years, placing strain on its internal organisational structures. Consequently, the Tuff Group is challenged to safeguard a further development of an appropriate organisational risk monitoring, risk management system that enables the Tuff Group to identify and avoid undesirable development and risks and potential violations of law at an early stage. If the measures taken to improve the risk management system are inadequate, if the intended improvements fail, or if the initiated measures are implemented too late or deficiently, the Tuff Group could recognise risks and undesirable developments and impending or already perpetrated violations of the law too late or not at all. This could result in significantly adverse business decisions.

Each of the aforementioned factors could have significant negative effects on the business, net assets, financial position and results of operations of the Tuff Group.

3.1.9. Risks arise for the Tuff Group's business from human errors, technical failures in operating procedures or interruptions of business operations

Engineering and construction in the fields Tuff Group operates in requires the use of technologically und intellectualy sophisticated processes and methods, management experience, detailed knowledge and experties. There is a general risk that wrongful design or wrong assumptions in engineering, misjudgement or mismanagement or other human errors, methodical or processual failures, other damage or loss causing events could completely or partially impact the development, construction, completing and commissioning of a project wholly or partially or may lead to significant delays with respect to agreed project milestones or the overall sucess of a project.

A severe error or failure could result in material adverse effects on Tuff Group's business – even if the malfunction is not due to the fault of Tuff Group as general contractor but is rather deemed to be force majeure or an accident. A corresponding restriction could also be caused by such factors as natural disasters, sabotage, piracy, terrorist attacks, political unrest, strikes, cyber-crime for instance in connection with essential infrastructure and other damage or loss events. Tuff Group could also be held liable for third- party losses and damage. In addition, there is the risk of contractual penalties and a loss of revenues if projects to be commissioned by Tuff Group are not or only partially completed or made available or with significant delay.

Each of the aforementioned factors could have significant negative effects on the business, net assets, financial position and results of operations of Tuff or the Tuff Group.

3.1.10. The Company is dependent on the relationships, skills, expertise and experience in the oil and gas and infrastructure industries of the members of the management team, and it could be adversely affected by the loss of any members of the management team.

The Company's success depends on the relationships, skills, expertise and experience in the oil and gas and infrastructure industries of the members of the management team. The Company's management team is responsible, among other things, for deal sourcing, fund raising and the planning and execution of the Company's strategies. These management members in particular have a broad network in the oil and gas and infrastructure industries, which allows the Company to gain insight into developments and acquisition opportunities in markets the Company is active in. The Company's future success will depend to a significant extent on the continued service of the members of the Company's management team and its ability to attract and retain experienced key personnel. Competition for such personnel is intense and the Company may not be successful in attracting and retaining such personnel. The loss of any of the Company's key personnel may limit its ability to successfully execute its business strategy.

As such, the loss of any of these individuals and the Company's inability to recruit additional key personnel may have a material adverse effect on its business, financial condition and results of operations.

3.1.11. Risks arise for the Tuff Group's business from qualified personnel not being available and any inability to recruit qualified personnel or a high degree of staff fluctuation

The success of Tuff Group depends significantly on qualified managers, employees and key personnel. Tuff Group‘s business activities largely depend on technologies and engineering performance, project management skills and experience as well as trade and sale Tuff Group competes intensely with other project developers and global infrastructure utililities for qualified personnel.

Should qualified staff members leave the Issuer, or if Tuff Group proves unable to recruit, retain and motivate specialized and qualified staff members for the operation, the transition, and the expansion of its business as well as the acquisition of new projects in its business sectors, this could restrict the Tuff Group's ability to successfully operate its business and research activities, pursue strategic and financial objectives, and to develop competitive technologies and processes. Moreover, the Tuff Group could lose experienced executives who are crucial to its business.

Each of the aforementioned factors could have significant negative effects on the business, net assets, financial position and results of operations of Tuff or the Tuff Group.

3.1.12. Risks arise for the Tuff Group's business from increased competition

In the business areas in which Tuff Group is active, Tuff Group is subject to intense competition, which in recent years has sometimes resulted in significant decreases in sales. This competition has intensified in the past and could further intensify in the future owing to the entry of new market participants or a more competitive approach by existing competitors, thus increasing the risk of declining sales or lower profit margins for Tuff Group.

If Tuff Group proved unable to maintain its existing customer base in its core business areas, or to compensate for the loss of customers through gaining new customers or by increasing revenues from its business with the remaining customers, and to assert reasonable prices in relation to such customers, this could result in an adverse effect on sales volume and/or the realizable prices and margins and the relevant market position of the Tuff Group, as well as declining revenues.

Each of the aforementioned factors could have significant negative effects on the business, net assets, financial position and results of operations of Tuff or the Tuff Group.

3.1.13. The Company could be adversely affected by a deterioration of economic conditions and the business environment in the key markets and regions it operates in

The Company intends to conduct its operations across various regions and markets globally. As a result, localized economic and political developments as well as other regional trends may have a significant impact on the demand for the Company's services and the revenue and profits that it will be able to achieve.

Such regional developments may differ considerably from overall developments of global markets, and unfavourable trends, declining markets and a decreasing willingness of the public sector to invest in infrastructure and a decreasing involvement of industrialised countries in emerging markets could negatively affect the regional markets and consequently the Company's order situation.

In addition, volatility, disruption and decreased liquidity in the global capital and credit markets in recent years and similar effects in the future influence and put pressure on regional and local markets and market conditions.

Negative regional economic and political developments as well as other trends in key regional markets and the global capital and credit market environment could therefore have a material adverse effect on the Company's business, net assets, financial condition, cash flows or results of operations.

3.1.14. Tuff is a holding company and, as a result, is dependent on dividends from its subsidiaries

Tuff is a holding company and conducts substantially all of its operations through its subsidiaries. Accordingly, dividends and other distributions received from its subsidiaries are its principal source of income. Consequently, the amount of these dividends and distributions are an important factor in Tuff’s ability to pay dividends. The ability of Tuff’s subsidiaries to pay dividends or make other distributions to the Company is subject to various factors, including applicable laws or agreements restricting their ability to pay dividends or make other distributions, the availability of their distributable reserves or profits, their solvency and their having sufficient funds that are not needed to fund their operations, debt servicing and other obligations or business plans.

In addition, changes in applicable accounting standards may affect the ability of the subsidiaries of Tuff Group, and consequently, Tuff Group's ability, to declare and pay dividends. As Tuff Group is a shareholder of its subsidiaries, TuffGroup's claims as a shareholder will generally rank junior to all claims of the subsidiaries' creditors and claimants. In the event of a liquidation of a subsidiary, there may not be sufficient assets for Tuff Group to recoup its investment in that entity.

Each of the aforementioned factors could have significant negative effects on the business, net assets, financial position and results of operations of Tuff or the Tuff Group.

3.1.15. Tuff Group's major shareholders may have interests that may not be aligned or may conflict with those of its other shareholders

Members of the Paulraj family in Singapore, i.e. the brothers Mr Ganesh Paulraj and Mr. Natarajan Paulraj („**Paulraj Family**") hold directly or indirectly 85 % of the shares and voting rights in Tuff Group AG. Furthermore, members of the Paulraj Family are also members of the management and supervisory board of Tuff Group AG. Mr Ganesh Paulraj and Mr Natarajan Paulraj, appointed by resolution of the supervisory board on 16 September 2018, are management board members and Mr Govindarajan Paulraj and Mrs Mahalakshmi daughter of Mahalingam, who is the wife of Mr Ganesh Paulraj, are supervisory board members.

The members of the Paulraj Family have business interests outside of the Tuff Group which are not aligned and also intertwined with the business interests of the Tuff Group:

There is a risk that corporate opportunities are made us of to the detriment of Tuff Group in the future. Any potential claims for damages Tuff Group may have against any of such related party transaction may not qualify as unfair competition or may prove not to be sufficient to cover the damages incurred or equal the profits missed by Tuff Group or may practically not be realised due to the party's financial strength.

Each of the aforementioned factors could have significant negative effects on the business, net assets, financial position and results of operations of Tuff or the Tuff Group.

3.2. Legal and regulatory risks

3.2.1. Tuff Group's may be adversely affected by changes to the general legal, political, economic, competitive and regulatory environment in the countries in which it operates

Tuff Group operates internationally and expects to continue expanding its business activities outside of Singapore and Germany. Tuff Group is required to comply with foreign laws and regulations in the countries in which it operates including, but not limited to, trade laws, investment sanction laws, environmental laws, tax laws, industry laws and capital control regulations. Tuff Group conducts country risk assessments and in-country risk management to ensure that it understands the legal and regulatory operating environment and the political, economic and competitive conditions of a particular country, both when commencing work in that country and on an ongoing basis. Tuff Group cannot ensure, however, that local legal, regulatory, political, economic or competitive developments in the countries in which it operates will not have a material adverse effect on its business, financial condition or results of operations.

Tuff Group his expanding its business through investments and projects outside of Singapore and Germany.The expansion exposes Tuff Group to different risks than those it faces in growing its operations in Singapore, including foreign legal and regulatory risks associated with cross-border transactions and operational risks related to managing transactions outside of Singapore and Germany, such as those arising from dealing with entrenched domestic competitors in overseas markets and its relative lack of familiarity with the rules and regulations in other jurisdictions. These risks may complicate Tuff Group's efforts to complete these transactions and impede its efforts to integrate the overseas businesses into its global operations. Addressing these risks may require Tuff Group to devote substantial management resources, which could distract its management from overseeing its ongoing operations. Any failure to address these issues could delay or prevent Tuff Group from completing any future overseas expansions or could make such transactions substantially more expensive to complete than Tuff Group had anticipated.

In addition, Tuff Group's operations rely on licences, permits and registrations to conduct business in the jurisdictions in which Tuff Group operates, including, among others, Tuff Group's ability to secure oil and gas, infrastructure and power and energy generation projects locally and globally. Even when Tuff Group has obtained the required licences, permits and registrations, Tuff Group is subject to continued review under applicable laws and regulations, the implementation of which is subject to change.

There can be no assurance that Tuff Group will be able to remain in compliance with applicable laws and regulations, that Tuff Group will be able to obtain, maintain or renew required licences, permits and registrations or that Tuff Group will not become involved or be held responsible in future litigation or other proceedings. In addition, there can be no assurance that the adoption of laws and regulations, new interpretations of existing laws and regulations, increased governmental enforcement of these laws and regulations or other similar developments will not result in Tuff Group being subject to fines and penalties or having to incur additional capital expenditures or operating expenses to comply with changed standards.

Tuff Group's failure to comply with all applicable government laws and regulations, or a change in the government laws and regulations governing the industries in which Tuff Group operates, may disrupt Tuff Group's operations and could have a material adverse effect on the business, results of operations and cash flows.The legal situation may change in the future, possibly with retroactive or retrospective effect at any time and on short notice. Changes to the legal framework due to new laws or other regulations or their amendment, or as a result of changes to their legal application by public authorities or legal rulings, could have considerable negative effects on the business activities of Tuff Group. This will apply, in particular, if there are amendments to the legal framework applicable to Tuff Group which result in increased expenses for Tuff Group or restrict the ability to pursue its business. Therefore, changes in the relevant laws or the application of the law could lead to a reduction or further limitations of the existing business, future business opportunities and increasing costs or a decrease of the profitability of the business.

Furthermore, changes in regulation or case law could have a considerable negative impact on the economic success of Tuff Group. Should Tuff Group not succeed or not succeed in due time in adapting its business policy, as well as its business strategy to possible changes to the changed statutory or financial law framework, or if adaptation is not possible, this could have a considerable negative impact on the business activities and therefore the net assets, financial position and results of operations of Tuff or the Tuff Group.

If these changes in the legal and regulatory framework or its interpretation occur, individually or together, or if other changes of the legal framework should arise affecting negatively the Group's business, this could have significant negative effects on the business, net assets, financial position and results of operations of Tuff or the Tuff Group.

3.2.2. The Company could be subject to liabilily claims in connection with commissioned and completed projects

The Company develops projects and in connection with its services, the Company usually makes representations, warranties and negative declarations of knowledge to the customer with respect to characteristics of the project. The potential liability resulting therefrom usually continues to exist for a period of several years after completing the project. The Company could be subject to claims for damages from customers, who could assert that the Company has failed to meet its obligations or that its represcntations were incorrect. Furthermore, the Company could become involved in legal disputes or litigation over such claims. If the Company provides warranties to a customer in connection with the work or services provided by third parties or subcontractors, the Company may not have recourse against the third parties that managed or performed the work.

Liabilities for projects could therefore have a material adverse effect on the Company's business, net assets, financial condition, cash flows or results of operations.

3.2.3. The Company may be required to comply with restrictive covenants under future financing agreements.

The Company's future financing agreements may require compliance with certain general and financial covenants such as loan-to-value ("**LTV**") ratios, minimum interest or debt-service cover ratios as well as leverage or equity ratios and certain general covenants. A failure to comply with such covenants could cause creditors to terminate loan agreements, declare outstanding loan amounts immediately due and payable, enforce cross-default provisions, or demand extraordinary prepayments, higher interest rates, prepayment penalties or additional security interest.

The restrictions imposed by future financing agreements could therefore have a material adverse effect on the Company's business, net assets, financial condition, cash flows and results of operations.

3.3. Risks related to the Listing and the shareholder structures

3.3.1. The shares are not yet publicly traded, and there is no guarantee that a liquid market will develop or continue. The market price and trading volume of the shares could fluctuate significantly, resulting in substantial losses.

There is currently no market for the shares. Therefore, investors cannot benefit from information about prior market history when making their decision to invest. Even if an active trading market develops, the trading volume and price of the shares may fluctuate significantly. If the share price declines, investors may be unable to resell the shares at or above their purchase price. No assurance can be given that the share price will not fluctuate or decline significantly in the future. Securities markets have been volatile in the past.

Some of the factors that could negatively affect the share price or result in fluctuations in the price or trading volume of the shares include, for example, changes in the Company's actual or projected results of operations or those of its competitors, changes in eamings projections or failure to meet investors' and analysts' earnings expectations, changes in the Company's business activities, failure of securities analysts to cover the shares following the Offering, additions or departures of key management personnel, investors' evaluation of the success and effects of the strategy described in this Prospectus and evaluation of the related risks, changes in general market and economic conditions, changes in or actions by shareholders, changes in market valuations of similar companies, increases in market interest rates, changes in laws or regulations affecting the the operational business or the industry sectors or enforcement of these laws and regulations and other factors. Additionally, general fluctuations in share prices, particularly of shares of companies in the same sector, could lead to pressure on the Company's share price, even where there may not necessarily be a reason for this in the Company's business or earnings outlook.

3.3.2. The trading volumes and market price for Tuff's shares could fluctuate considerably, and the market price could decline in the future

As for financial markets and trading of securities in general, the quoted market price of the Company's may fluctuate strongly and decline in the future. Such developments are determined by the relationship between supply and demand for the shares of the Company, as well as various other factors. These factors also include the development of the net assets, financial position and results of operations of the Company, general operational and business risks, deviation of the actual results from the expected results, changes to the profit forecasts, strategy and business prospects of the Company as well as the assessment of the associated risks, changes in earnings estimates and recommendations by financial analysts, changes to general economic conditions, changes in the perceived prospects of the business of Tuff Group, in particular the oil and gas, infrastructure and energy and power generation markets worldwide, changes in government policy, legislation or regulation, changes in interest rates, changes to the shareholders, modification of the statutory framework conditions, changes to the business purose or strategy of the Company, developments of the business and the stock market prices of the Company's competitors and the development of sectors which are of importance to the business of the Company, changes to the stock exchange prices in general, as well as the stock exchange environment and mood of the capital market, trading liquidity of the shares in the Company, derivative transactions pertaining to shares of the Company, speculative investment decisions, or forecasts of security analysts and investors. Tuff does not have influence on many of these factors.

There is no guarantee that there will be a liquid trading in the Company's shares. Under certain circumstances, investors may not be able to sell their shares quickly or at a price higher than the acquisition price of the shares or at the market price if an active market for the shares fails to develop or may not be able to re-sell their shares at all.

The above factors may affect the quoted market price regardless and independent of any material change in the trading, current position or operations of the Company. They may cause considerable volatility with respect to the liquidity and quoted market price of the shares of the Company on the stock exchange price without being necessarily associated with the business activities or the income prospects of Tuff or Tuff Group.

3.3.3. Any future sales of a considerable number of Tuff's shares by a major shareholder or a number of shareholders could lead to a decrease in the market price of the shares

It cannot be predicted with certainty which effects future sales of shares by shareholders may have on the stock market prices of the Company's shares. If a major shareholder or a number of shareholders sell shares of the Company to a significant extent, offer them for sale or market them, or if the market expects such actions, the stock exchange prices of the shares of the Company may fall. As a result of a decline in the stock exchange prices of the shares, it is also possible that additional pressure to sell may result from liquidation of the shares which are held by shareholders who have financed their shares in part or in whole by third-party borrowing or who have concluded derivative transactions with respect to shares of the Company. Further, it cannot be excluded that the simultaneous sale of a significant portion of shares by one or more shareholders will have a material effect on the price of the shares.

3.3.4. Investors with a reference currency other than the Euro may be subject to foreign exchange risks when investing in the shares

The Company's equity capital is denominated in Euro, and the vast majority of its revenues and expenses will be incurred in Euro. Furthermore, all returns will be distributed in Euro. If the investor's reference currency is a currency other than the Euro, they may be adversely affected by any reduction in the value of Euro relative to the investor's reference currency. Investors may also incur the further transaction costs of converting Euro into another currency. As a result, investors are strongly urged to consult their financial advisors with a view to determining whether they should enter into hedging transactions to offset these currency risks.

3.3.5. The payment of future dividends will depend on the Company's business, financial condition, cash flows and results of operation

The Company's general shareholders' meeting will decide on matters relating to the payment of future dividends. Such decisions are based on the Company's particular situation at the time, including its earnings, financial and capital expenditure needs, and the availability of distributable balance sheet profit or reserves of the Company. In addition, some future financing arrangements may contain restrictions and covenants relating to leverage ratios and restrictions on dividend distributions upon a breach of any covenant. Any of these factors, individually or in combination, could restrict the Company's ability to pay dividends.

3.3.6. Future capital measures could lead to a decrease in the market price for Tuff's shares and a substantial dilution of existing shareholders' interests in Tuff

The Company could decide to issue new shares or other share related financial instruments, like e.g. convertible bonds in the future. As a result, the market price of the shares in the Company may fall. The future issue of shares or the exercising of conversion privileges or option rights with respect to the Company's shares, granted by means of bonds to be issued in the future may also dilute the ratio of the previous shares in the share capital of the Company and voting rights if the issue is carried out without the granting of subscription rights or other rights granting the subscription or if such rights are not exercised or cannot be exercised by shareholders outside Germany due to restrictions in other jurisdictions.

In addition, convertible bonds or similar financial instruments issued by the Company may lead to a dilution of shares when exercised or contain dilution protection provisions in case subscription rights or entitlements to dividend payments are excluded.

3.4. Tax Risks

3.4.1. Tuff Group may have to pay additional taxes following tax audits

The Tuff Group is subject to tax audits on a regular basis. No tax audits have been performed until now at the level of Tuff. Tax assessment notices at the level of the Tuff Group companies are not finally assessed, and thus, in general, are subject to future tax audits by the relevant competent tax office. Tax audits or divergent legal interpretations by the tax authorities could lead to additional tax liabilities including interest, which could have a significant adverse effect on the net assets, financial condition, and results of operations of Tuff or the Tuff Group.

3.4.2. Tuff Group may subject to additional taxes in Germany

Tuff may be subject to the German Foreign Tax Act if it is holding at least participations of more than 50 % in a foreign company at the end of the foreign company's relevant financial year, and such foreign company is generating passive income, which is subject to tax at an income rate of less than 25 %.

As of the date of this Prospectus, Tuff's subsidiaries do not generate such passive income to which German controlled foreign company (CFC) rules apply. However it cannot be ruled out that future income of subsidiaries will not be subject to income tax under German tax law.

Provided Tuff is not able to prove that income of a foreign entity is generated in the course of an overall active business, the income, determined according to German tax provisions, might be attributed to Germany and fully taxed for corporate income and trade tax purposes at approximately 32 %. The same would apply in case subsidiaries generate passive income which is subject to tax at an income tax rate below 25 % if no active business is maintained. This could have a significant adverse effect on the net assets, financial condition and results of operations of Tuff and Tuff Group.

3.4.3. Tuff Group's business is subject to the general legal and tax environment in Germany and the other countries in which Tuff Group is active

Tuff Group's business is subject to the general legal and tax framework in Germany and the other countries in which Tuff Group is active. The legal situation may change in the future, possibly with retroactive or retrospective effect at any time and on short notice. Thus, changes in tax legislation, administrative practice of German or foreign tax authorities or case law could have adverse tax consequences for Tuff and Tuff Group. For example, there could be increases in the rates of capital gains tax. Additionally, changes could be applicable to the ability to depreciate assets held, which could have a significant adverse effect on the attractiveness of Tuff Group's assts. Although the German government has recently moved away from considering introducing a financial transaction tax (*Finanztransaktionssteuer*), this measure cannot be completely ruled out. If and when introduced, a financial transaction tax may also be applicable on sales and/or transfers of shares of the Tuff Group companies. If these changes in the legal or tax framework or ist interpretation occur, individually or together, or if other changes of the legal or tax framework should arise affecting negatively Tuff Group's business, this could have a significant adverse effect on the net assets, financial condition and results of operations of Tuff and Tuff Group.

4. General information

4.1. Responsibility for the content of this Prospectus

Tuff Group AG (the "**Company**", "**Tuff**", or the "**Issuer**"), with its seat in Frankfurt am Main and its registered office at c/o Buse Heberer Fromm, Bockenheimer Landstrasse 101, 60325 Frankfurt am Main, along with Acon Actienbank AG with its seat in Munich, Siegfriedstrasse 8, 80803 Munich, Germany ("**Acon**" or the "**Listing Agent**") assume responsibility for the contents of this securities prospectus (the "**Prospectus**") pursuant to section 5 paragraph 4 of the German Securities Prospectus Act (*Wertpapierprospektgesetz* – „**WpPG**").

In accordance with Annex I of the Regulation 2004/809/EC (*Prospectus Directive Regulation*), Tuff and Acon further declare, that they have taken all reasonable care to ensure that the information contained in this Prospectus is, to the best of their knowledge, in accordance with the facts and contains no omissions likely to affect the import of this Prospectus. If an investor files claims in court on the basis of the information contained in this Prospectus, the plaintiff investor may be required by the laws of the individual member states of the European Economic Area (*Europäischer Wirtschaftsraum*) to bear the cost of translating the Prospectus before proceedings begin.

The information in this Prospectus will not be updated subsequent to the date hereof except for any significant new event or significant error or inaccuracy relating to the information contained in this Prospectus that may affect an assessment of the shares of the Company and occurs or comes to light following the approval of the Prospectus, but before the completion of the admission of the shares of Tuff to trading. These updates must be disclosed in a prospectus supplement in accordance with section 16 paragraph 1 of the WpPG.

4.2. Purpose of this Prospectus

The subject matter of this Prospectus is the admission to trading on the regulated market (*Regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*), sub-segment General Standard, of 40,000,000 ordinary registered shares of the Company with no par value (*Stückaktien*), each such share representing a notional value of EUR 1.00 and carrying full dividend entitlement from 1 January 2018 (the "**Shares**") as described hereinafter in detail. The issuance of the Shares and the admission of the Shares to trading as explained above will be carried out according to German law and in Euro currency.

4.3. Forward-looking statements

This Prospectus contains forward-looking statements. A forward-looking statement is any statement that does not relate to historical facts and events. This also applies to statements in the sections "3. Risk Factors", "8. Business Description", and "18. Recent Developments and Outlook" as well as wherever this Prospectus contains information on future earning capacity, plans and expectations regarding business and management, growth and profitability and general economic and regulatory conditions to which Tuff and its subsidiaries are exposed. Forward-looking statements in this Prospectus are based on estimates and assessments made to the best of the Company's present knowledge. The sections "3. Risk Factors", "8. Business Description", and "18. Recent Developments and Outlook" are of particular importance as they contain detailed descriptions of factors that could impact the Tuff Group AG and its subsidiaries Tuff Offshore Engineering Services Pte Ltd and Tuff Germany GmbH (formerly named as Deca Holdings GmbH) ("**Tuff Group**") and the industry in which the Tuff Group is active.

These forward-looking statements are based on current plans, assumptions, estimates, projections and expectations of the Tuff Group, which, while appropriate at this time, may later prove incorrect for a variety of reasons and factors, the occurrence or non-occurrence of which could cause the performance of the Tuff Group to differ materially from the performance and development of expectations expressed or implied in the forward-looking statements.

These factors include, among others:

- changes in general economic conditions in Germany, Singapore or other countries in which Tuff Group is active, business or legal conditions,
- political or regulatory changes,
- demographic changes,
- changes affecting interest rate levels,
- changes in the competitive environment of the Tuff Group,
- other factors as set forth in the section "3. Risk Factors" and
- factors that are not known to the Company at this time.

If risks or uncertainties materialise due to the occurrence of one or more of these factors in a single instance or in multiple instances, or should the occurrence of any one or more of these factors prove the underlying assumptions of the Tuff Group incorrect, it could cause actual results, including causing the financial condition and profitability of the Tuff Group to differ materially from or fail to meet expectations.

These forward-looking statements speak only as of the date of this Prospectus. Neither the Company nor Acon assume any obligation, except as required by law, to up-date any forward-looking statement or to conform any such statement to actual events or developments. Nevertheless, according to section 16 paragraph 1 WpPG, the Company has the obligation to disclose any significant new event or significant error or inaccuracy relating to the information included in this Prospectus that may affect an assessment of the securities and arises or is noted following the approval of this Prospectus, but before the completion of the admission of the securities to trading on an organised market. These updates must be disclosed in a supplement to this Prospectus in accordance with section 16 paragraph 1 WpPG.

4.4. Note on third-party information on market information and technical terms

Information in this Prospectus adopted from third parties has not been verified by the Company. Such information was gathered by the Company and accurately reproduced. As far as the Company is aware and is able to ascertain from the information published, no facts have been omitted which would render the reproduced information inaccurate or misleading.

The following sources were used and cited:

- Deloitte Funding options, Alternative financing for infrastructure development, April 2013, *https://www2.deloitte.com/content/dam/Deloitte/au/Documents/public-sector/deloitte-au-ps-funding-options-alternative-financing-infrastructure-development-170914.pdf*
- KPMG, Emerging trends in infrastructure, *https://assets.kpmg/content/dam/kpmg/be/pdf/2018/03/emerging-trends-in-infrastructure.pdf*
- PwC Oil and gas trends 2017 *https://www.strategyand.pwc.com/media/file/2017-Oil-and-Gas-Trends.pdf*
- British Petroleum, BP Energy Outlook 2035, January 2014.

Information on the market environment, market developments, growth rates, market trends and the competitive situation in the areas where the Tuff Group operates, was based on assessments of the Company.

Information extracted thereof that is thus not derived from independent sources may differ from estimates made by competitors of the Tuff Group or from the analyses of independent sources.

Technical terms used in this Prospectus are defined when first used and additionally in the glossary at the end of this Prospectus.

4.5. Auditor

The auditor of the financial statements of the Company as of and for the abbreviated financial year (*Rumpfgeschäftsjahr*) ended 31 December 2015 and the financial years ended 31 December 2016 and 31 December 2017 and the financial statements of Tuff Offshore Engineering Services Pte Ltd for the financial years ended 31 December 2015, 31 December 2016 and 31 December 2017 was bdp Revision und Treuhand GmbH Wirtschaftsprüfungsgesellschaft, Berlin, ("**bdp**"), Danziger Straße 64, 10435 Berlin. bdp is a member of the German Chamber of Public Accountants (*Wirtschaftsprüferkammer*), Berlin, Germany.

bdp audited the financial statements of the Company as of and for the abbreviated financial year ended 31 December 2015 and the financial years ended 31 December 2016 and 31 December 2017, which were prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted in the European Union and generally accepted standards for the audit of financial statements in Germany promulgated by the German Institute of Public Auditors (*Institut der Wirtschaftsprüfer*, "**IDW**") and issued an unqualified audit opinion (*uneingeschränkter Bestätigungsvermerk*) thereon, in each case.

For the purpose of this prospectus, Tuff Offshore Engineering Services Pte Ltd, being the operational entity of the Tuff Group, restated and prepared its existing financial statements under Singapore GAP as of and for the financial years 2015, 2016 and 2017 in accordance with the International Financial Reporting Standards (IFRS) as adopted in the European Union. bdp audited the newly prepared financial statements and issued an unqualified audit opinion (*uneingeschränkter Bestätigungsvermerk*) thereon, in each case.

4.6. Note on figures and financial information

The financial information of the Issuer for the abbreviated financial year ended 31 December 2015 and for the financial years ended 31 December 2016 and 31 December 2017 were prepared in accordance with IFRS as adopted in the EU.

The financial information regarding the company Tuff Offshore Engineering Services Pte Ltd for the financial years ended 31 December 2015, 31 December 2016 and 31 December 2017 were newly prepared for the purpose of this prospectus (compare section 11.1) in accordance with IFRS as adopted in the EU.

Where financial information in this Prospectus is labelled "*audited*", this means that it was extracted from the audited financial statements (IFRS) of Tuff as of and for the abbreviated financial year ended 31 December 2015 and the financial years ended 31 December 2016 and 31 December 2017 and the annual financial statements (IFRS) of Tuff Offshore Engineering Services Pte Ltd as of and for the financial years ended 31 December 2015, 31 December 2016 and 31 December 2017. Where financial information in this Prospectus is labelled "*unaudited*", this means that it was extracted from the interim financial statemens of Tuff Offshore Engineering Services Pte Ltd for the six months period ended 30 June 2018 or extracted or derived from the internal accounting records or management reporting systems of Tuff Group or is based on calculations of financial information from the above mentioned sources.

The financial information in this Prospectus is shown in thousands of Euro (in "**EUR k**", *for kilos or thousands*) and in millions of Euro (in "**EUR mn**", *for millions*), unless stated otherwise. Certain financial information (including percentages) has been rounded according to established commercial standards. As a result, the aggregate amounts (sum totals or sub-totals or differences or if numbers are put in relation) may not correspond in all cases to the aggregated amounts of the underlying (unrounded) figures and may not add up exactly to the totals included. Financial information presented in parentheses or with a minus ("-") denotes the negative value of such number presented. In respect of financial information set out in this Prospectus, "n.a." or a dash ("-") signifies that the relevant figure is not available, while a zero ("0") signifies that the relevant figure is available equals NIL or has been rounded to zero.

4.7. Documents available for inspection

This Prospectus will be published on the Company's website at http://www.tuffgroup.com. For the period during which this Prospectus remains valid, hard copies of the following documents are available for inspection during regular business hours at Tuff's offices, located at c/o Buse Heberer Fromm, Bockenheimer Landstrasse 101, 60325 Frankfurt am Main, Germany.

(i) the articles of association of the Company (the "**Articles of Association**");

(ii) the following financial information:

- Audited annual financial statements of Tuff Group AG for the abbreviated financial year 2015 and the financial years 2016 and 2017
- Audited annual financial statements of Tuff Offshore Engineering Services Pte Ltd for the financial years 2015, 2016 and 2017
- Unaudited interim financial statements of Tuff Offshore Engineering Services Pte Ltd for the six months period ended 30 June 2018

(iii) this Prospectus; and

(iv) any supplement to this Prospectus pursuant to section 16 WpPG.

4.8. Third Party Interests

There are no natural or legal persons who have an interest in the admission to trading of the Shares.

5. The listing

5.1. Admission to exchange trading, individual share certificates

The Company will apply for admission of 40,000,000 ordinary registered shares with no par value (*Stückaktien*), each with a pro-rata amount of EUR 1.00 per share in the share capital of the Company and with full dividend rights for the financial year ending 31 December 2018 and for all subsequent financial years (the "**Shares**") to trading on the regulated market (*Regulierter Markt*) of the Frankfurt Stock Exchange.

The admission of the Shares to trading on the regulated market of the Frankfurt Stock Exchange (*General Standard*) is expected to take place on 15 March 2019. The commencement of trading of the Shares is expected to take place on 19 March 2019.

According to the Company's Articles of Association, shareholders are not entitled to demand individual share certificates. The shares are represented in a global share certificate and are electronically securitised and held in collective safe custody by Clearstream Banking Aktiengesellschaft, Mergenthalerallee 61, 65760 Eschborn Clearstream Banking AG, Germany.

5.2. ISIN, WKN, Trading symbol

The Shares will hold the following ISIN/WKN and trading symbol:

International Securities Identification Number (ISIN):	DE000A161N22
Securities Identification Number (WKN):	A161N2
Trading symbol:	TUF

5.3. Form and voting rights

All of the Shares are ordinary registered shares with no par value and a notional value of EUR 1.00. Each of the Shares holds the same rights as all other shares of the Company and does not convey any additional rights or advantages. The Shares carry full dividend entitlement from 1 January 2018. Each Share confers one vote at shareholders' meetings. There are no restrictions on voting rights.

5.4. Dividend entitlement and participation in liquidation proceeds

The Shares carry full dividend entitlement from 1 January 2018. In the event of the Company's liquidation, shareholders are entitled to any remaining liquidation surplus in proportion to their shareholding after deduction of the Company's liabilities.

5.5. Disposal restrictions and transferability

The Shares are freely transferable.

5.6. Timetable of the Listing

The anticipated timetable for the Listing of the Shares to the regulated market of the Frankfurt Stock Exchange (General Standard) is as follows:

28 February 2019	Approval of the Prospectus by the German Federal Financial Supervisory Authority (Bundesanstalt fur Finanzdienstleistungsaufsicht, "**BaFin**")
28 February 2019	Publication of the approved Prospectus on the Company's website.
04 March 2019	Applications for listing filed with the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse)
15 March 2019	Expected listing approval issued by the Frankfurt Stock Exchange (admission to trading)
19 March 2019	Expected first day of trading
30 April 2019	Publication of consolidated annual financial statements

The Prospectus will be published on the Company's website at www.tuffgroup.com. Printed copies of the Prospectus will also be available upon publication from the Company and Acon free of charge during normal business hours at the following addresses: Acon Actienbank AG, Siegfriedstrasse 8, 80803 Munich.

Further information on the website listed in this section and information accessible via these websites is neither part of nor incorporated by reference into this Prospectus.

5.7. Listing agreement

In connection with the listing, Tuff Group AG and Acon have entered into a listing agreement. The listing agreement includes customary representations and warranties given by Tuff Group AG to Acon.

The listing agreement also stipulates that Tuff Group AG shall release Acon from certain liabilities and that their obligations under the listing agreement are contingent on the fulfilment of certain conditions, including, for example, the receipt of a standard legal opinion that Acon deems satisfactory.

Acon has a right to terminate the listing agreement for cause under certain circumstances. These circumstances include, in particular, the non-occurrence of conditions precedent under the listing agreement.

5.8. Lock-up agreement

The major shareholders of the Company will agree with Acon that, to the extent permitted by law, for a period of six months after the listing of the shares to the Regulated Market of the Frankfurt Stock Exchnage not to directly or indirectly sell, offer, commit to sell or offer, or announce a sale or an an offer to dispose of, any of their shares in the Company or rights that can be converted into, or exchanged for, such shares or that carry rights to acquire such shares and not to enter into o ther transactions, including transactions concerning derivative instruments, the economic effect of which would be similar to that of the measures described above, without the prior written consent of Acon.

6. Reasons for the listing and costs of the listing

The Company intends to expand its business in the future. To facilitate this expansion, the Company opted for the listing to gain direct access to the capital markets and thus benefit from additional sources for financing of the future growth of the business.

The Company estimates that the total costs of the listing will amount to approximately EUR 585,000.00.

The costs of the listing include, *inter alia*, costs for external advice, in particular by banks, including the listing agreement with Acon mentioned in section 5.7, (Listing agreement), legal and tax advisors, audit fees for auditors, transaction costs, costs for notarial recordings, costs for filings with the commercial register and costs of the planned stock exchange admissions, including their preparation.

7. General information about the company

7.1. Name, formation, registration with the commercial register, financial year, term and business seat

Tuff Group AG was incorporated in Germany under the German Act on Stock Corporations (*Aktiengesetz*, "**AktG**") as a stock corporation under the name "Aktiengesellschaft Ad Acta 182. Vermögensverwaltung on 20 May 2015 and initially registered in the commercial register of the local court of Hamburg under the number HRB 137 321 on 14 July 2015. After the relocation of its seat and the change of its name as resolved by the shareholders' meeting on 16 July 2018, the Company was registered in the commercial register of the local court of Frankfurt am Main under the number HRB 113 072 on 20 September 2018.

The legal name of Tuff Group AG is "Tuff Group AG" and the commercial name is "Tuff Group".

The business address is "c/o Buse Heberer Fromm, Bockenheimer Landstrasse 101, 60325 Frankfurt am Main". The telephone number is +49(0)69 98972350. The Issuer's webpage is available under the URL http://www.tuffgroup.com.

The share capital of Tuff Group AG amounts to EUR 40,000,000.00. It consists of 40,000,000 ordinary bearer shares with no-par value (*Stückaktien*), each with a notional value of EUR 1.00 in the share capital.

7.2. Business purpose of Tuff

According to section 2 of the Company's articles of association, the business purpose of the Company is the management of its own assets and to acquire, manage and sell interests in enterprises in particular in the business segments of energy, including oil & gas and power generation and in the fields of infrastructure and commodities and related services.

The Company may actively manage and finance its participations within the group as well as render a broad range of consulting services to them. The Company may itself operate in the areas specified and may carry out all activities and measures and all operations associated with the business purpose or suitable to direct or indirectly serve the business purpose.

The Company may establish, purchase or acquire interest in other companies in Germany and abroad, manage such companies or reduce activities to manage its interest. The Company may cause affiliates to partially or fully manage its operations and interests, transfer or outsource operations or interests to affiliates or enter into inter-company agreements. The Company may establish branch offices and facilities.

While the business purpose according to the articles of association allows a broader range of activities, as of the date of this Prospectus, the Company is only active in the fields of oil & gas, infrastructure and energy & power generation.

7.3. Formation and history of Tuff

Founders of Tuff

Tuff was founded on 20 May 2015 by AD ACTA Deutschland GmbH, Hamburg by notarial deed no. 2412 for the year 2015 of the notary public Dr. Florian Möhrle. The founder of the Company is a company active in the field of the formation and selling of shelf companies. The initial name of the Issuer was *Aktiengesellschaft Ad acta Vermögensverwaltung* with its initial seat in Hamburg. The initial nominal share capital amounted to EUR 50,000.00, divided into 50,000 bearer shares with no par value (*Stückaktien*), each representing a notional value of EUR 1.00. The Company was registered in the commercial register of the local court of Hamburg on 14 July 2015.

On 16 July 2018, AD ACTA Deutschland GmbH sold all of its shares to Ganesh Paulraj. After the sale of the shares, the name of the Company was changed to Tuff Group AG. The seat of the Company was transferred to Frankfurt am Main and the business purpose was changed to the current business purpose as described above in section 7.2. The acquisition of the shares in the Company by Ganesh Paulraj, the change of the business purpose and the company name constituted an economic new foundation of the Company according to the court rulings which was notified to the commercial register accordingly. In this respect Ganesh Paulraj may be regarded as founder of the Company not from a legal but from an economic point of view. These changes where entered into the commercial register at the local court of Frankfurt under HRB 113072 on 20 September 2018.

Capital increase

On 16 July 2018, the nominal share capital of Tuff Group AG was increased against contribution in kind from EUR 50,000.00 by up to EUR 39,950,000 to up to EUR 40,000,000.00 by issuing up to 39,950,000 new bearer shares (*Inhaberaktien*) with no par value (*Stückaktien*), each representing a notional value of EUR 1.00.

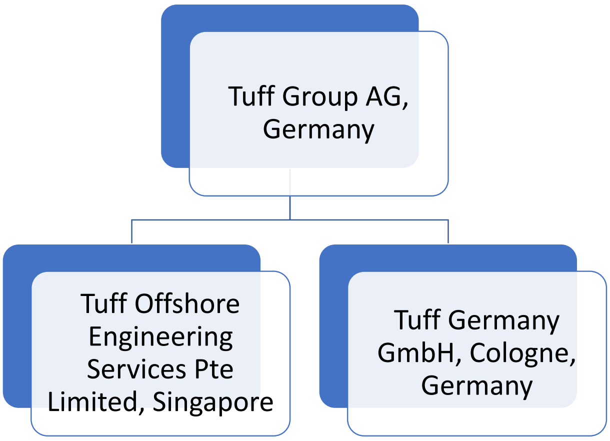
In accordance with the valuation report for the purpose of a capital increase by contribution in kind (*Bericht über die Sachkapitalerhöhungsprüfung*) pursuant to section 183 paragraph 3 and sections 33 paragraph 3 to 5, 34 and 35 of the German Stock Corporation Act (*Aktiengesetz, AktG*) the management board and the supervisory board resolved upon the final amount of the capital increase to be EUR 39,950,000.00 and 39,950,000 new shares.

The capital increase has been registered in the commercial register at the local court of Frankfurt am Main on 4 February 2019.

7.4. Tuff Group – Structure, Companies and Formation

7.4.1. Structure Chart of Tuff Group

The following chart provides an overview of the group structure of Tuff Group:



7.5. Companies of the Tuff Group

The Company holds shares in two companies, which described in more detail in the following. Currently, the Company acts as a holding and service company. The essential functions of the Company are the management of the Tuff Group and the procurement of financing and equity.

In the future, it cannot be ruled out that the Company will also extend its activities beyond its function as a holding and service company and may also assume operational tasks itself. However, there are no definitive plans to do so at the date of this prospectus.

The following companies are part of the Tuff Group:

7.5.1. Tuff Offshore Engineering Services Pte Ltd

Tuff Offshore Engineering Services Pte Ltd ("**Tuff Offshore**") is a private limited company organised and govern under the laws of the Republic of Singapore with registered office at 3791 Jalan Bukit Merah, #06-19-21, E-Centre @ Redhill, Singapore 159410. The company was found by Ganesh Paulraj and incorporated on 12 October 2011. Its registration number with the Singapore Accounting and Corporate Regulatroy Authority (ACRA) is 201130686R. The issued and paid up share capital of the company amounts to 100,002 ordinary registered shares in a total amount of 100,002 Singapore Dollars (SGD). The company can be reached over the internet at www.tuffoffshore.sg.

Tuff Offshore is represented by its directors Mahalakshmi d/o Mahalingham and Ganej Paulraj. Raja Muhammad Shah bin Abdullah serves as the company's secretary. Audit firm for the company is Kong, Lim & Partners LLP, chartered accountants of Singapore with registered office at 13A Mackenzie Road, Singapore 228676.

On 15 October 2018, the only shareholder transfered all the shares in the company to Tuff Group AG against allotment of 39,950,000 new, non-par value bearer shares with a *pro rata* amount of EUR 1.00 per share. The company is a 100 % subsidiary of Tuff Group AG.

7.5.1.1. Business purpose

Principal activities of Tuff Offshore in accordance with ACRA's classification are engineering, design and consultancy activities and providing of offshore engineering services. The activities include oil and gas engineering services, and further services incidential to oil and gas extraction excluding surveying and engineering design and consultancy services supporting mining, oil and gas extraction and offshore exploration activities.

7.5.1.2. Business description

Tuff Offshore is the operational entity of the Tuff Group as of the date of this prospectus. Tuff Offshore provides engineering, procurement, construction, installation and commission (EPCIC) in the areas of oil & gas, infrastructure and energy & power generation and offers operations and maintenance services (O&M). Tuff Offshore serves in particular the oil & gas industry with a topical focus on offshore fixed and floating systems and facilities.

Tuff Offshore's team has delivered more than 20 Floating Production Storage and Offloading vessels (FPSO) and various platforms, pipelines and other onshore and offshore work programs and construction work in various countries and regions including Asia Pacific, Middle East, Africa, South America and the Caribbean.

With respect to infrastructure, Tuff Offshore is a main contractor and provides engineering, procurement, construction (EPC) for airports, roads, bridges, social housing. In the energy & power generation area, Tuff Offshore offers engineering, procurement, construction and management (EPCM) for power generating units in the conventional and renewables sector, in particular in connection with naval or floating solutions, installations or constructions.

Tuff Offshore takes on the role of general contractor and project manager. In the majority of cases for infrastructure projects Tuff Offshore is commissioned by government agencies. For oil & gas and energy & power generation projects ßlarge private or state-owned oil & gas and utility companies hire Tuff Offshore. In a typical project, Tuff Offshore is working and providing services against the payment for fulfilled predefined milestones of a project. Except for the engineering and project management part, which is performed by Tuff Offshore, third party subcontractors are hired. Tuff Offshore's work includes front end engineering design (FEED) and the breaking down into construction elements which are in turns delivered by subcontractors.

Tuff Offshore is paid in installments on milestones and completion of project parts. Projects and their successful commissioning are secured by a bank guarantee which the general contractor deposits and which is held in custody until final acceptance and handover to the customer.

7.5.1.3. Personnel

Tuff Offshore is managed by a group of senior professionals with several decades of experience and expertise in the industry. In total, the Company has 24 project managers and 27 engineers of various experience and seniority levels along with 170 project specific staff.

7.5.2. Tuff Germany GmbH

Tuff Germany GmbH, formerly named as Deca Holdings GmbH, is a private limited company incorporated under the laws of Germany with registered seat in Cologne, registered in the commercial register of the local court of Cologne under number HRB 88924. Paid-up capital of the company amounts to EUR 30.000,00.

The object of the company is project development as well as the management, sale and rental of real estate locally and abroad, infrastructure development at local and regional level, the construction, sale and management of infrastructure projects locally and abroad, the operation and management of power generation plants and trade in all types of energy. Up to and as of the date of this Prospectus, the company had no substantial operational or other business and holds a land property in Germany at an amount of approximately EUR 30.000,00. Tuff holds 100 % of the shares in the company.

7.5.3. Formation of the Tuff Group

In July 2018 Tuff acquired shares in the companies listed above in section 7.4.1 which now, together with Tuff, form the Tuff Group. In this context it is to be noted that the shares in the acquired companies were directly or indirectly held by members of the Paulraj Family, i.e. Natarajan Paulraj (Chairman of the management board) and Ganesh Paulraj (COO).

The acquisition of the shares and thus the formation of Tuff Group was conducted as follows:

Contribution of the shares in Tuff Offshore Engineering Services Pte Ltd

Following the shareholders resolutions as of 16 July 2018 to increase the share capital against contribution in kind, all the shares in Tuff Offshore Engineering Services Pte Ltd. were transferred to Tuff Group AG.

Upon application by the Company, the local court of Hamburg on 13 August 2018 appointed MSW GmbH Auditors Tax Advisors, Berlin, as auditor of the capital increase with contributions in kind in accordance with section 183 paragraph 3 and section 33 paragraph 2 Clause 4, paragraph 3 sentence 2 and 3 of the German Stock Corporaton Act.

The carried out audit stated a valuation of the company and valued the 100 % of the shares of Tuff Offshore Engineering Services Pte Ltd at EUR 67,765,889.00 as of 30 September 2018.

As of 15 October 2018, the contributor and acquirer of the new shares signed a contribution agreement with the Company for the transfer of the shares in Tuff Offshore against allotment of 39,950,000 new shares and subsequently on the same date a share subscription agreement.

The share capital increase has become effective and been registered in the commercial register for the Company at the local court of Frankfurt am Main on 4 February 2019.

As a consequence of these contributions the book value of the respective contributed shares will in excess of the nominal value of the newly allotted shares be accounted to the capital reserves of the Company.

The book value ascribed to the shares in the respective company amounts to EUR 67 million (**"mn"**, *Millionen*), resulting in a nominal and paid-up capital in an amount of EUR 40mn and capital reserve of EUR 27mn.

7.6. Tax status of Tuff

Tuff is currently registered for tax purposes under its new name Tuff Group AG (formerly Aktiengesellschaft Ad acta 182. Vermögensverwaltung) in Frankfurt. The competent tax office has been the Tax Office Frankfurt am Main I for corporations and its tax number is 48 777 15154. The corporate income tax including solidarity surcharge for the year 2015 has been finally assessed. No tax audit has been taken place since Tuff has been only established as shelf company at the beginning of 2015.

8. Business description

8.1. Introduction and overview

Tuff Group AG („**Tuff**", „**Company**" or „**Issuer**") is heading a group companies. The group is organising its business divisions through subsidiaries ("**Group Company**" or „**Group Companies**"). The Group Companies are treated as self sustaining companies typically with equity, preferred equity or convertible loans provided by Tuff as well as board, management and expert advise.

Tuff might over time seek to build strong partnerships in its business sectors or, as the case may be, list Group Companies on stock exchanges to enable an access to capital market financing. As of the date of this prospectus, there are no definite plans to implement this strategy. However, the Company will retain ownership control as long as the Group company is part of Tuff's long term strategy.

Tuff Group is operating through its subsidiaries within the areas of oil & gas, infrastructure, energy & power generation, power engineering, fabrication and contractingto the extent that they are not subject to any license under the applicable domestic or foreign laws. Tuff has defined the following divisions to constitute its core area of operation and carried out the following business activities within the reported historical financial years:

8.1.1. Oil and gas division

Tuff Group through its subsidiary Tuff Offshore Engineering Services Pte Ltd, Singapore, has since its inception operated as an engineering and main contractor within the oil and gas services sector. Historically, the focus has been on FPSO engineering and conversion contracts., The project team has converted more than 20 FPSO's. Apart from that, the Group Company has expertise within a broad range of services within the sector.

The Group Company has access to and is using a construction shipyard, McPec yard, located in Singapore that is building oil and gas modules as subcontractor to the Group Company. 46 % of shipyard is owned by Mr Natajaran Paulraj in his personal capacity. The division will both enter into contracts with third party clients and provide services as required to other Group Companies.

In 2015, Tuff Group's subsidiary Tuff Offshore commenced the FPSO Cyrus project, which was the major and significant project in this year.

In 2016, Tuff Offshore continued on its largest project, the FPSO Cyrus, took over the project management and management of the procurement and the majority of work was completed in this year.

In the first quarter of 2017, the FPSO Cyrus was towed to its location to operate at an oil and gas field in the Persian Gulf, put into operations and handed over to the customer. During the following 2 quarters there has not been any significant project activities in the remaining of 2017 and Tuff Offshore intensified business development activities. In the fourth quarter, Tuff Offshore took over amd started its Maafaru Airport project in the Maldives.

In 2018, Tuff Offshore has been awarded an expert contract from the government of Sri Lanka to build a new oil refinery for an approx. 100k (“k”, Kilo) barrels a day capacity on a 15-year capital lease.

8.1.2. Infrastructure division

In the field of infrastructure, the Group Company’s strategy is to focus on developing projects in South East Asia and Asia Pacific, with a contract and project structure where the Group Company enters into a turn key or limited risk contract with a main contractor, the Group Company controls the project including project management. The Group Company plans to develop the business area to expand the scope over time with a focus on minimizing contract risk, political and credit risk.

Tuff Group has a solid project management team within infrastructure. Real estate development, power generation, airport construction, pipelines and process facilities are the main focus.

In 2017 and 2018, the Group Company Tuff Offshore carried out work and services building Maafaru Airport in the Maldives. Tuff Offshore will commence constructing further five local airstrips in the Maldives starting in April 2019. Tuff Group will also perform dredging work in the Maldives starting in 4th quarter for a multi-year term assignment.

8.1.3. Energy and power generation division

In 2015, 2016 and 2017 neither the Company nor any Group Company carried out work for specific projects in the Energy and Power Generation field. Engineering, constructing and building any offshore naval facility, like an FPSO unit, involves large factory size power generation elements on the floating object can, to the opinion of the issuer, be regarded equivalent to small and medium sized power generation units that may be installed on the ground onshore.

In 2018, Tuff Offshore has bid for the engineering and construction of a Waste-to-Energy project in Kuala Lumpur, Malaysia. For this project, Tuff Offshore has tied up with technology providers with decades of experience in this field.

8.2. Trends

For third party information references, please compare *4.4 Note on third-party information on market information and technical terms*

8.2.1. Oil and gas division

From PwC, BP

Energy consumption is projected to increase by 41 percent between 2012 and 2035 (British Petroleum, BP Energy Outlook 2035, London, January 2014) which means that the oil & gas industry will retain the importance it has held since machines were invented. The Asia Pacific region will contribute to meeting this increased demand; its share of global energy production over the same period is estimated to increase to 47 percent. For the oil & gas industry as a whole, compound annual growth is forecasted to be around 6 percent between 2014 and 2017.

The oil & gas industry can generally be divided into 3 stages, each requiring specialized equipment and infrastructure. The upstream stage covers the exploration and production of crude oil & gas from both onshore and offshore fields. Firms in the midstream stage then collect the crude oil & gas prior to processing, storing, transporting and distributing the products as feedstock to the petrochemical plants and refineries. Following further processing and refining, downstream firms market and distribute the end product to the gas stations as well as final consumers.

Within the upstream stage of the oil & gas industry, subsea appears to be the segment with most promising growth prospects; the capital expenditure for subsea systems is forecasted to increase by about 9 percent annually between 2014 and 2017. Oil & gas exploration firms now have to look for resources in more remote and harsher environments to meet global energy demand. Over the last decade, more than half of the main discoveries have been offshore and in the past five years, more than half of these discoveries have been in deep water. In fact, approximately half of the production of international oil companies now comes from deepwater reserves.

The needs of the oil & gas industry are continuously evolving in line with newer technologies, and manufacturers of equipment used for activities such as exploration and extraction are reacting to the changing needs through various strategies. Firstly, manufacturers have moved to modularization and standardisation as opposed to customization so that they are able to provide equipment that is capital efficient to their customers. Secondly, manufacturers have incorporated remote monitoring technology in their equipment, which together with their service agreements, will ensure full lifecycle productivity of the equipment supplied to their customers. Moreover, manufacturers have to regularly extend the physical boundaries that their equipment can operate in such as newer depths and newer parameters of pressure requirements.

From an oil & gas perspective, Tuff is driven by the demand for oil & gas production equipment. Its major industry exposure comes from new finds. The sector faces supply-related challenges. The ongoing decline in new discoveries with its lowest volume since the early 1950s and slower risein exploration spending in the years 2014 to 2016 are putting the equipment manufacturer in a long lull (*PwC*). The more complicated and the remoter exploration and production becomes, the more demand for technology and equipment will rise. With higher market prices for oil & gas, costly and elaborate discoveries become profitable. The market is rejecting the older stock equipment and is demanding new equipment for older fields, which will work to Tuff's advantage. Fall in global demand growth for steel resulting in lower raw material prices is contributing to an uptick in the demand for new equipment.

The main market catchment area for the oil and gas division of the Tuff Group comprises of South East Asia, Central Asia and the Middle East. However, the division has also participated in market surveys, expression of interests and pre-qualifications for NOC's and stakeholders from Europe and West Africa.

8.2.2. Infrastructure Division

From: KPMG

Governments around the world are looking to shift infrastructure costs and funding models for it to its beneficiaries, assuming that the acceptance to pay for infrastructure increases with seeing the benefit. This requires measuring where benefits materialize, how they are being shared and who is paying the final bill.

From an infrastructure perspective, Tuff is driven by this emerging trend. Tuff aims to create alignment between the payers, financiers and beneficiaries of infrastructure. Tuff's strategy is to identify projects that have a long term sustainable value proposition in emerging markets and finance such projects in order to link the beneficiaries of such infrastructure directly to the costing and planning process.

8.2.3. Energy and Power Generation Division

From Deloitte

In human progress, power is key. To maintain the way of life and economic development, continuous access to power at affordable prices is required. Power suppliers must maintain strict quality standards to provide their services at competitive costs and utilities must adhere to extremely high performance ratios.

Power suppliers and utilities need to collaborate to develop an infrastructure for the medium and long-term while remaining respectful of the environment given people's reluctance to rely on conventional energy. In the short-term utilities will have to manage investment and operating costs more effectively, integrate multiple power generation sources effectively and develop and promote new technologies for power manageing systems. They will have to develop commercial capabilities to access the market, predict and prepare for ongoing regulatory, political and environmental changes, internationalise their business to grow in new markets.

The way power companies respond will depend on where they operate, their regulatory environment, the structure of their portfolio of assets, evolving customer demans, their economic maturity and the level of technology adoption they require.

Tuff is looking into expanding its business in the energy and power generation area. With its EPCIC company, Tuff will be able to offer turnkey and tailormade solutions of different scales for the energy and power generation markets. Tuff may invest itself or pursue a project on his own where it seems advantageous.

8.3. Principal markets and countries

Tuff Group was and is active in the regional markets of the Middle-East and South Asia. Furthermore, Germany and Singapore are regarded as markets due to the location of Tuff's registered office and the headquarter of its operational subsidiary Tuff Offshore.

Tuff Group's and Tuff Offshore's financial reporting in accordance with IFRS did not and does not include reporting in more than one segment. In particular, audited figures with respect to the two regions Tuff Offshore was active in, are not derived from the historical financial information. For detailed information and figures of result of operations, revenue and income, refer to Sections 11, Selected financial information and 12 Management discussion and analysis.

8.3.1. Regional markets revenue

In 2015, the Group Company Tuff Offshore was active in the Middle-East and in particular in the United Arab Emirates with its project FPSO Cyrus. Results of operation, revenue and profit in the FY2015 were to a largest part attributed to the Middle-East region. A minor part was attributed to South Asia with respect to any activities in Singapore, the domicile of Tuff Offshore.

In 2016, the Group Company Tuff Offshore carried out business activities in the Middle-east and in particular in the United Arab Emirates with the FPSO Cyrus project. Results of operation, revenue and profit in the FY2016 were largely attributed to the Middle-east region with a minor part in Singapore.

In 2017, Tuff's subsidiary Tuff Offshore was active in the Middle-east and in South Asia, in particular in the Maldives, which is connected to the infrastructure project Maafaru Airport. Results of operation, revenue and profit in the FY2017 were attributed to the Middle-east region only (FPSO Cyrus project), while project revenue falling into South Asia was realised in the follow year 2018 (Maafaru Airport project).

In the first half of 2018, Tuff Offshore was active in South Asia with the Maafaru Airport project in the Maldives with results of operation, revenue and profit attributed to the South Asia region.

With new infrastructure projects in the Maldives (airfields) and its newly awarded projects in Sri Lanka (refinery) and Malaysia (waste to energy) Tuff Offshore will increase its market presence in the South-Asia region.

Tuff itself being a shelf company did not carry out activities within the provided historical financial years.

The following tables provide a breakdown of revenues for the principal markets, regions and countries and by divisions and services of Tuff Off Shore Engineering Services Ptd Ltd for the financial years ending 31 December 2015, 2016 and 2017 (FY2015, FY2016, FY2017) and for the six month period ending 30 June 2018 (HY2018).

Where financial information in the following tables is labelled "unaudited", this means that it was extracted or derived from the internal accounting records or management reporting systems of companies of Tuff Group or is based on calculations of financial information from the audited financial statements (IFRS) of Tuff Offshore for the financial years ended 31 December 2015, 2016 and 2017 and the interim financial statements for the six month period ended June 30, 2018.

in EUR	HY2018 (*unaudited*)	FY2017 (*unaudited*)	FY2016 (*unaudited*)	FY2015 (*unaudited*)
Middle-east	NIL	6,520,094	31,051,762	2,672,151
South Asia	27,409,932	NIL	NIL	NIL
Total	**27,409,932**	**6,520,094**	**31,051,762**	**2,672,151**

(Table: revenue by principal markets and geographical regions in EUR)

in %	HY2018 (*unaudited*)	FY2017 (*unaudited*)	FY2016 (*unaudited*)	FY2015 (*unaudited*)
Middle-east	0	100	100	100
South Asia	100	0	0	0
Total	**100**	**100**	**100**	**100**

(Table: revenue by principal markets and geographical regions in %)

in EUR	HY2018 (*unaudited*)	FY2017 (*unaudited*)	FY2016 (*unaudited*)	FY2015 (*unaudited*)
Oil and gas	NIL	6,520,094	31,051,762	2,672,151
Infracstructure	27,409,932	NIL	NIL	NIL
Total	**27,409,932**	**6,520,094**	**31,051,762**	**2,672,151**

(Table: revenue by services and divisions)

Revenue in the oil and gas division was attributed to FPSO Cyrus project, United Arab Emirates. Revenue in the infrastructure division was attributed to Maafaru Airport project, Maldevies.

The following table shows a breakdown of revenues for the principal markets, regions and countries of Tuff Group AG for the abbreviated financial year ending 31 December 2015 and the financial years ending 31 December 2016 and 2017 (FY2015, FY2016, FY2017) and for the six month period ending 30 June 2018 (HY2018).

Where financial information in the following tables is labelled "audited", this means that it was extracted from the audited financial statemens (IFRS) of Tuff Group AG for the abbreviated financial year ended 31 December 2016, the financial years ended 31 December 2016 and 31 December 2017. Where *financial information in the following tables is labelled "unaudited", this means that it was extracted or derived from the internal accounting records or management reporting systems of companies of Tuff Group or is based on calculations of financial information from the above mentioned sources.*

in EUR	HY2018 (unaudited)	FY2017 (audited)	FY2016 (audited)	FY2015 (audited)
Middle-east	NIL	NIL	NIL	NIL
South Asia	NIL	NIL	NIL	NIL
Domestic (Singapore)	NIL	NIL	NIL	NIL
Other	NIL	NIL	NIL	NIL
Total	**NIL**	**NIL**	**NIL**	**NIL**

(Table: revenue by principal markets and geographical regions)

8.3.2. Country information

Information on the countries that the Group Company Tuff Offshore was and is active is taken from the World Factbook, a reference resource produced by the CIA.

Data presented in this section has been sourced from

- cia.gov/library/publications/the-world-factbook, 2017, and
- AGAportal.de Credit Guarantees and Risk Coverage, 2017.

8.3.3. Malaysia

Malaysia is a federal constitutional elective monarchy in Southeast Asia. It consists of 13 states and three federal territories, separated by the South China Sea into two similarly sized regions, Peninsular Malaysia and Malaysian Borneo. Peninsular Malaysia shares a land and maritime border with Thailand in the north and maritime borders with Singapore in the south, Vietnam in the northeast, and Indonesia in the west. East Malaysia shares land and maritime borders with Brunei and Indonesia and a maritime border with the Philippines and Vietnam. Kuala Lumpur is the national capital and largest city while Putrajaya is the seat of federal government. With a population of over 30 million, Malaysia is the world's 44th most populous country; its ethnic makeup is 62% Malays, 21% Chinese. 41% of the population is between the ages of 15 and 54.

Malaysia's 2017 GDP was US$930 billion with a growth rate of 5.9. Its Moody's credit rating is A3. The economy has traditionally been fueled by its natural resources – petroleum and natural gas, rubber and palm oil processing- but is expanding in the sectors of science, tourism, commerce and medical tourism. The country has developed into a center of Islamic banking, and is the country with the highest numbers of female workers in that industry. Knowledge-based services are also expanding. To create a self-reliant defensive ability and support national development, Malaysia privatized some of its military facilities in the 1970s. The privatization has created defense industry, which in 1999 was brought under the Malaysia Defense Industry Council. The government continues to promote this sector and its competitiveness, actively marketing the defense industry

Malaysian citizens are entitled to free public education up to secondary level and public tertiary education fees are subsidized by up to 90 %. Basic healthcare services at government run clinics with prescription cost RM1. Disabled, senior citizens and public school students are entitled to free healthcare. Malaysian healthcare services have been regarded as among the best in the world and the UN Development Program called the Malaysian healthcare system "a model to other developing countries.

Malaysia is a founding member of the Association of Southeast Asian Nations, the East Asia Summit, and the Organization of Islamic Cooperation and a member of the Asia-Pacific Economic Cooperation, the Commonwealth of Nations, and the Non-Aligned Movement. In 2017, Malaysian citizens had visa-free or visa-on-arrival access to 164 countries and territories.

The overall infrastructure of Malaysia is one of the most developed in Asia and ranked 8th in Asia and 25th in the world. Malaysia is ranked 19th in the world for its quality roads, quality of port infrastructure and quality of air transport infrastructure but ranked 39th in quality of electricity supply. Its telecommunications network is second only to Singapore's in Southeast Asia, with 4.7 million fixed-line subscribers and more than 30 million cellular subscribers. The country has seven international ports, 200 industrial parks. Fresh water is available to over 95 per cent of the population.

Malaysia's energy infrastructure sector is largely dominated by Tenaga Nasional, the largest electric utility company in Southeast Asia, with over RM99.03 billion of assets. Customers are connected to electricity through the National Grid, with more than 420 transmission substations in the Peninsular linked together by approximately 11,000 km of transmission lines operating at 132, 275 and 500 kilovolts. The other two electric utility companies in the country are Sarawak Energy and Sabah Electricity. In 2013, Malaysia's total power generation capacity was over 29,728 megawatts.

The Strait of Malacca and South China Sea combined see 5 to 6 attacks of piracy annually. The Islamic State operates in the northeast province of Sabah and Jemaah Islamiyah has a presence in the large cities.

The Tuff Group has placed a bid to build a waste to energy project.

8.3.4. Maldives

The Republic of Maldives consists of a chain of coral atolls in the Indian Ocean, 80 -130 km wide stretching for around 820 km. There are altogether 26 natural atolls, which for purposes of administration are grouped into 21 units, with Male’ the Capital Island forming a separate administrative unit. The 1190 islands of Maldives make up less than 2 percent of the total area of the country that is 90,000 sq. km

Economic life in the Maldives was dominated in the past by subsistence agriculture and fishing with some exchange of marine and other products for rice and other necessities. Rapid social and economic development is of recent origin with living standards having increased very substantially since the late

1970's. The impressive annual growth in the economy since the latter part of the 70's has been due largely to the increased receipts from tourism and fishing as well as government investment in infrastructure.

The Maldives has a typical small island economy limited by natural and human resources, an acute shortage of raw materials, heavy imports of most requirements and an ever increasing demand on government revenue to cater for the basic needs of an expanding population.

Fishing has always been a central activity in Maldivian society and the fisheries sector is extremely important for the economy providing around 80% of export income. Tourism is the second largest contributor to the economy of the Maldives and it is increasing in importance year by year.

Maldives is one of the countries along China's Maritime Silk Road under the Belt and Road Initiative (BRI). In 2014, China-Maldives Joint Committee on Trade and Economic Cooperation held its first meeting in a bid to deepen bilateral trade and investment as well as tourism cooperation. With financial aid from China, the construction of China-Maldives Friendship Bridge, which will increase connectivity between the islands in Maldives, started in 2015 and is scheduled to complete in August 2018. In addition to inviting Chinese airlines to land in Maldives, the government is building a new runway at the Velana International Airport with Chinese loans and infrastructural assistance, which is expected to be completed around end-2018.

Maldives is undergoing a massive infrastructure expansion which has the potential to transform the economy. Expansion of the international and regional airports, major regional hub development and land connectivity in the Greater Malé area, and investment in harbours, sewerage systems and desalination plants are set to increase tourism and demand for ancillary services. This will also support population resettlement, reduce government service cost, and ease congestion. However, this investment surge has added considerably to the already elevated public debt and external financing risks. Banks and other financial institutions also have large exposures to the construction and government sectors.

Tuff has built the Maafaru Airport and will start to build five other smaller airfields on several islands starting April 2019.

8.3.5. Singapore

Singapore is a sunny, tropical island in South-east Asia, off the southern tip of the Malaysian Peninsular. The city-state is 710 square kilometres and inhabited by five million people from four major communities namely; Chinese, Malay, Indian and Eurasian. Ideally positioned in South-east Asia, where the rest of the region is just a "stone's throw away", Singapore is a thriving metropolis offering world-class infrastructure, a fully integrated island-wide transport network, vibrant living spaces, dynamic business environment and a rich culture largely influenced by the four major communities in Singapore with each offering a different perspective of life in Singapore in terms of culture, religion, food, language and history. Singapore gained prominence in the 19th century as a trading post under the British rule. However, after its separation from Malaysia in 1965 and since its independence on 9 August 1965, the country's founding fathers adopted a series of investor-friendly and export-oriented policies which helped the economy clock an average of 8 % annual growth between 1960 and 1999.

Singapore's leaders were quick to realize the factors which weighed down its progress: no natural resources, small land area, and a small population. The primary step, they realized, was to open up the small, domestic market. The result of their efforts was the creation of a mixed economy which stood for free-market policies, in which the government exerted control. Singapore quickly became a byword for a stable, efficient, clean, corruption-free environment. This model has come to be known as the Singapore model which many a small nations have tried to emulate, albeit without much success.

The rapid drive for modernization and industrialization has given rise to this island-nation's highly successful free-market economy which boasts the highest per-capita GDP in South East Asia and the country stands among the top countries in terms of world's ranking in global competitiveness.

However, in recent years the economic growth has been persistently weak due to Singapore having one of the world's most open economies which co-relates to the global environment. Political discourse in many countries have turned bitter, nations and communities are fracturing under the pressures of security risks, rising income inequality and accelerated migration. Provocative leaders have rallied agains globalisation and the various international system of rules and institutions which make globalisation possible.

The key driver of Singapore's prosperity of trade is under grave threat from a weak foreign demand, low oil prices and China's economic slowdown which has in turn caused manufacturing activity to plunge.

Nevertheless, Singapore's prospects are not entirely dismal. Singapore could benefit from its links to the member economies of the Association of Southeast Asian Nations (ASEAN). The member nations making up ASEAN is a major global hub for trade and manufacturing, they are also one of the fastest growing consumer markets in the world. Singapore's strategic partnership with India recently has elevated it ties as Singapore is already India's largest source of foreign direct investment.

Singapore can therefore follow multiple strategies for reinvigorating growth by seeking new sources of demand such as playing a vital role in helping its fellow ASEAN economies back to growth by collaborating with ASEAN countries, expansive knowledge sharing and stronger support to turn ASEAN into an economic powerhouse for ASIA. This in turn would stimulate demand for its own economy.

Another aspect would be to take steps to boost productivity, as Singapore is at the forefront of digitization and technology, digitization efforts can be extended to Singapore's small and medium enterprises. Such a push together with recent restrictions on labour supply in Singapore will create an impetus for real productivity improvement.

Singapore domiciles Tuff Offshore's headquarter and shipping work is done in the large harbour facilities, among them a dock Tuff Offshore frequently uses.

8.3.6. Sri Lanka

Sri Lanka formerly known as "Ceylon" is an island nation in South Asia, surrounded by the Indian Ocean, Bay of Bengal, and the Gulf of Mannar. It has long served as an important strategic destination in the Indian Ocean, catering to merchant travellers from South-east Asia, India, the Middle East and East Africa. Sri Lanka is divided into nine provinces and 25 districts, with Sri Jayewardenepura-Kotte as the legislative capital city and Colombo being the largest city. The official languages of Sri Lanka are Sinhala and Tamil, and the currency is the Sri Lankan rupee (LKR).

Sri Lanka has a compelling growth story. The economy has grown at an average of 5 percent over the last four decades, amidst the country's recent history of a long civil conflict over a few decades, weather calamities, and swings in economic policy orientation depending on ruling parties' ideology. Sri Lanka is ready to shift towards more private-sector-led growth, building on its significant upgrade in infrastructure after the war and ongoing reform efforts. Sri Lanka has gone through defining transitions over the past decade. In 2009, the country embarked in a major post-war scale up of infrastructure in a relatively brief period. Reforms continued in 2015, following a peaceful and democratic transition of power to the coalition government. The current economic environment offers a window of opportunity for evaluating remaining structural weaknesses and working towards macro-economic resilience and enhancing competitiveness. Stable and transparent regulatory systems would also make Sri Lanka's business environment more attractive for long-term foreign investment and support trade integration.

Sri Lanka's economic structure has also changed over the years. The contribution of agricultural output and employment declined over the years as labour moved to manufacturing and other sectors. While agriculture and manufacturing employ a significant share of the population, services, construction, and other sectors have become with time the main employers and output drivers in Sri Lanka

Transportation networks could be further developed and access to land should be improved. After the post-war reconstruction, Sri Lanka has one of the best road and port infrastructure in the South Asian region. That said, more remains to be done in developing road and transportation networks with the North-East regions to enable better inland trade integration as well as tourism access to these regions. Access to land also remains problematic for investors. The state ownership of land is more than 80 percent.

The quality of education can be further strengthened even though Sri Lanka has a remarkable 93 percent literacy rate, widespread access to education, high completion rates in both primary and secondary education, and gender parity in general education. However, the quality of general education lags compared to other upper middle-income countries. Although access to primary and secondary education is impressive, achievement is modest with only one third of primary school children mastering language and mathematics skills. Moreover, while the proportion of Sri Lankans with secondary education are comparable to that of East Asian countries, Sri Lanka's tertiary education numbers are much lower than in East Asian countries.

Strong economic growth has led to a significant decline in poverty rates. Emerging markets experienced a significant increase in average growth rates in the 2000s, particularly in Asia, only half of these emerging markets are converging with developed countries in per capita income levels. Remarkably, Sri Lanka has halved its poverty gap over the last decade. Nevertheless, challenges in terms of inclusiveness, regional disparities, quality of education, and gender equality remain.

Sri Lanka has seen various major Chinese-backed infrastructure projects in the country due to the Belt and Road Initiative (BRI) which are already well under way, with some long since completed. The Colombo International Container Terminal, Port City Colombo, and the redevelopment of Hambantota Port and economic zone have all been placed under the Belt and Road Initiative rubric. The island's strategic location in the Indian Ocean, with good maritime access to South-east Asia, the rest of South Asia, the Gulf and Africa, makes it key to the BRI's westwards transport routes, while Sri Lanka's long-standing good relations with China have also helped keep it in Beijing's view. In July 2017 China Merchant Ports agreed to pay Sri Lanka Ports Authority \$1.1bn for a 70%, 99-year stake in the Hambantota port, which may give it a new lease of life, potentially tying it into the major east-west maritime corridor proposed by the Belt and Road Initiative.

Tuff has been awarded to build the new state owned oil & gas refinery.

8.3.7. United Arab Emirates

The United Arab Emirates (UAE) is a federal sovereign absolute monarchy, a federation consisting of seven emirates – Abu Dhabi, Dubai, Ajman, Fujairah, Ras al-Khaimah, Sharjah and umm al-Quwain. Each emirate is governed by a ruler; together, the rulers jointly form the Federal Supreme Council, with one of the rulers serving as president of the UAE. UAE is located at the southeast end of the Arabian Peninsula on the Persian Gulf. The population in 2017 was estimated to be 6 million of which 88% are immigrants and 11% are Emerati. 61% of the population is between 25 and 54 years old.

2017 GDP totaled US\$ 686 billion with a growth rate of 0.5%. The UAE S&P credit rating is AA, Moody's Aa2. Traditionally dependent on oil & gas since the discovery of oil 60 years ago, the UAE oil reserves are the seventh largest in the world and natural gas reserves are seventeenth largest. Dubai,the most populous with 35% of the UAE population, the has developed into an important hub for aviation and maritime trade as the UAE focuses on tourism and business and away from oil& gas which now accounts for 30% of GDP. UAE plays an important role in OPEC. Daily crude oil production is 3.1 million bbl. UAE also produces cement, fertilizer and exports fish.

The UAE has a federal court system – civil, criminal and Sharia law. Public schools are government funded and free to UAE citizens. The country's main political risks are its borders with Iran and Oman and its position as a transshipment point for traffickers.

Tuff Group sees its opportunities in UAE principally in the fields of oil& gas, shipping, construction.

Tuff regards the UAE as hub for the Middle East and work for the FPSO Cyrus project has been carried out in the UAE.

8.3.8. Exceptional factors influencing the competitive position

In the financial years 2015, 2016 and 2017 and up to until the date of this Prospectus, there were no exceptional factors present that influenced the competitive and trading position of the Company. In particular, development of crude oil and gas prices were not as volatile as to influence the global oil & gas market and the demand for specialised equipment which would have an effect on the Company.

Furthermore, recent trade disputes and distortions in international trade did not influence the Company's market and competitive position in the reported periods. In the same way, trade sanctions against individual states, in particular in the Middle-east did not have an impact on the market and competitive position of the Company.

8.4. Regulatory environment

With regards to the oil & gas industry, the Company is affected by policies in Singapore for its engineering entity. This includes the quota for foreign works, according to which manufacturing firms can only hire up to 1.5 foreign workers for every full-time employee. Under the Fair Consideration Framework (FCF), firms shall consider Singaporeans fairly for Professionals, Managers and Executies positions before applying for new Employment Pass for eligible foreigners.

Movement of natural persons restrictions in many countries and jurisdictions limit the stay by the Company's foreign engineers and staff in these jurisdictions.

Withholding tax regulations require earnings made by foreign engineers and staff to be subjected to withholding tax if services are provided over a certain period of time.

Some economies require that the Company's sales team work with local agents when making submissions of quotation and when securing order.

Environmenal regulations

For global operations, the American Petroleum Institute (API) requires third-party inspections. The challenging environments that many products operate in makes it imperative that third-party inspectors are on-site to monitor the design, engineering and manufacturing processes as and when necessary.

Tuff Offshore engaged DNV GL Norway through its Dubai branch. DNV GL is amongst other services provided, a technical advisor to the global oil and gas industry, services in technical and marine assurance and advisory, risk management and offshore classification As a classification society, DNV GL sets standards for ships and offshore structures - known as Class Rules. They comprise safety, reliability and environmental requirements that vessels and other offshore mobile structures in international waters must comply with. For the FPSO Cyrus project DNV GL assessed air, sewage, oil and environment pollution and as of 29 December 2016 issued certificates that the vessel has been surveyed and complies with the regulations of the International Convention for the Prevention of Pollution from Ships 1973 and its subsequent modifications, in particular for oil pollution prevention, sewage pollution prevention, air pollution prevention and anti-fouling system.

8.5. Competitive strengths and competition

8.5.1. Competitive Strengths and weaknesses

Tuff's core subsidiary Tuff Offshore Engineering Services Pte Ltd is an established project developer and EPCC (engineering, procurement, construction and commissioning) company with a proven track record in the areas it is active in. The Group Company has worldwide operational capability. It is lead and headed by a highly experienced management team. With a view to its organizational size, it is in particular able to change and adapt quickly. This includes the ability to execute projects of limited budged and accelerated timeframe. Its lean organisation produces low overheads.

A global operational capability exposes the Company to foreign exchange fluctuations. The lack of financial resources restrains growth of the group by itself and limits investments in project rights. Building a recognised brand for its services and standing up to large market players proves to be tedious and difficult in the globalised environment.

The Company is of the opinion that the group will be able to tap into a huge market in its operational area by pursuing mid price range projects, which are deemed unattractive and unsuitable for execution by large market players. With its projecting of FPSO vessels, the Group Company Tuff Offshore is pushing into a niche market of highly specialized suppliers.

Any current and future operation and activities of the Tuff Group will be subject to Government regulations, in particular with respect to infrastructure projects that are owned by governmental bodies or authorities. Tuff Group is similarly exposed to political volatility in the markets that it will execute projects in.

8.5.2. Personnel

Being an engineering and project development group of companies, Tuff's success is highly dependent on its strong and experienced engineering and project management teams. The project team of Tuff Offshore Engineering Services Pte Ltd shares many years of experience in naval engineering and construction, in particular for the oil and gas industry. It has build 20 FPSO vessels since its foundation and is able to offer operation and maintenance services to naval production facilities carriers including FPSO vessels.

8.6. Competition

Tuff Group competes with various companies that are placing offers to tender invitations for the engineering and development of projects in its business sectors. The Company considers the following companies to be competitors in their fields.

Bechtel

Bechtel Corporation (Bechtel Group, Inc.) is an engineering, procurement, construction, and project management company. It is the largest construction company in the United States and the 8th-largest privately owned American company in 2017. Its headquarters are in the South of Market, San Francisco.

Larsen & Toubro

Larsen & Toubro Limited, commonly known as L&T, is the largest Indian multi-national firm headquartered in Mumbai, Maharashtra, India. It was founded by two Danish engineers taking refuge in India. The company has business interests in engineering, construction, manufacturing goods, information technology, and financial services, and has offices worldwide.

SP Group

The Shapoorji Pallonji Group, India,is one of India's conglomerate companies with diversified business in engineering, construction and infrastructure and comprise multiple group companies and divisions and an international employee base.

Strabag

STRABAG is a European technology group for construction services. Its services cover all areas of the construction industry and cover the entire construction value chain. They aim to bring people, building materials and equipment to the right place at the right time and to realise complex construction projects. Strabag is listed at the Vienna stock exchange, Austria.

8.7. Strategy

8.7.1. Funding and capital market orientation

In the past, the expansion of the companies of Tuff Group was mainly funded by the earnings of the companies of Tuff Group and financing provided by the existing shareholders. There was no funding via capital markets.

In line with the growth strategy defined by the Management Board, the Company now intends to gain access to the capital market by way of the listing in order to obtain a potential further means of capital sourcing to finance its further growth in the short and medium term. A broader investor base e.g. via an increasing free float, is expected to provide a stronger basis to finance the envisaged growth.

Furthermore, the Company also takes into considerations to issue bonds, in particular convertible bonds, for its future investment or financing purposes, thereby utilising the authorisation to issue convertible bonds and the contingent capital in the articles of association of the Company, which is to be resolved by the shareholders' meeting.

8.7.2. Investments

The financing structure of Tuff Group Group is medium-term oriented.

Apart from the above, Tuff's subsidiary Tuff Offshore has made investments in connection with the projects it carried out or with prospective projects as commencement.

in thousand EUR (IFRS)	01.01.2017-31.12.2017 (*audited*)	01.01.2016-31.12.2016 (*audited*)	01.01.2015-31.12.2015 (*audited*)
Revenue	6,520	31,051	2,672
Items of expense			
Staff	2,524	3,341	1,490
Consultancy	2,902	25,428	756
Bid costs (*unaudited*)	264	-	-
Travel and accomodation	452	386	162
Property, plant and equipment	13	10	130

(*Table: investments FY2015, FY2016 and FY2017*)

In 2015, sales amounted to EUR 2,672k (*audited*) and included expenses for staff at EUR 1,490k (*audited*), consultancy as subcontractor costs at EUR 756k (*audited*) and travel at EUR 162k (*audited*). Sales included raw materials, parts and equipment provided the FPSO Cyrus project and its entities. Expenses include increase in staff (human resources) and services for the project. Investments in property, plant and equipment amounted to EUR 130k (*audited*) for furniture and fittings at EUR 6,374, office equipment at EUR 17,789, computers & peripherals at EUR 97,360 and renovation at EUR 8,601.

Revenue in 2016 amounted to EUR 31,051k (*audited*) and resulted again from raw material, parts and equipment to the FPSO Cyrus project. Another increase in staff (HR) by EUR 1,851 to EUR 3,341k (*audited*) and consultancy charges as subcontractor costs by EUR 25,428k to EUR 26,184k (audited) reflected to a significant part investment made in connection with the FPSO Cyrus project. Increase of staff qualifies as investment for future activities. Travel costs increased to EUR 386k (*audited*) which reflected human resource intense work with the FPSO Cyrus project and business development investments. Investments in property, plant and equipment amounted to EUR 10k

In 2017, revenue was at EUR 6,520k (*audited*) and resulted exclusively from the FPSO Cyrus project. There was no proportional decrease in staff after finalisation of the FPSO Cyrus project resulting in a further investment into human resources for future project and work. Bid costs of EUR 264k (*unaudited*) and a larger part of travel expenses at EUR 580k (*audited*) incurred as investments into projects to be awarded in the future. Investments in property, plant and equipment amounted to EUR 13k.

In thousand EUR (IFRS)	01.01.2018-30.06.2018 (*unaudited*)	01.01.2017-30.06.2017 (*unaudited*)
Revenue	27,410	6,589
Items of expense		
Staff	892	2,136
Consultancy	19,789	2,554
Bid costs	227	132
Travel and accomodation	389	226
Property, plant and equipment	11	0

(*Table: investments HY2018*)

The revenue in the first half of 2018 at EUR 27.410k (*unaudited*) was largely attributed to the Maafaru Airport project while a significant portion was used for business development. Expense were at EUR 892k for staff EUR 19,789k, bid costs EUR 227k, travel and accommodation EUR 389k and property, plant and equipment EUR 11k.

Within the aforementioned sectors and cost categories for the second half of 2018 and the current year, Tuff Group has neither resolved upon nor decided on or planned for investments other than the running Maafaru Airport project.

Investments made by Tuff Group are linked to projects and correspond to specific custom requirements of each customer. Generally, significant investments will be incurred for to suit the requirements of potential future projects. However, due to the fact that there are currently no specific further projects, that require investment, there are no outstanding investments that have already been concluded or approved by the Management Board of the Company.

Tuff Group may have to make advance payments in accordance with future agreements for the planned projects, for example by means of a contractor guarantee. A contractor guarantee may be provided by depositing funds from freely available cash resources of Tuff Group or by a pre-financing provided by one of the commercial banks Tuff Group uses through a loan facility.

8.7.3. Investments planned

Furthermore Tuff Group has resolved upon the initial costs in connection with the listing which are to be bourne by the mother company Tuff Group AG and for which the operational subsidiary Tuff Offshore Engineering Services Pte Ltd has agreed to submit the costs in advance. The amount is approximately EUR 585k, which includes among the costs for the Prospectus the initial costs for the listing (EUR 15k) with Deusche Börse AG and the Frankfurt Stock Exchange.

Tuff Group has planned for the further initial operational costs of Tuff Group AG as the mother company of the group, which are assumed at an yearly amount of EUR 75k. Accordingly, investments include rental lease for the Company's Frankfurt based registered office and furniture (EUR 24k), costs for the annual general meeting of the shareholders (EUR 10k), annual listing fees of the Frankfurt Stock Exchange with Deutsche Börse AG (EUR 15k). Invesments include further assumed expenses for services for investor relations, tax and legal advice and administration (EUR 25k).

Tuff Offshore Engineering Services Pte Ltd has agreed and promised to provide sufficient funds and financing to its mother company Tuff Group AG. The funds will be provided on a suitable and beneficial inter-company financing agreement by dividends or loans, to be decided when necessary.

8.7.4. Property, plant and equipment

From 1 January 2015 until 30 June 2018, Tuff Group's subsidiary Tuff Offshore invested in its office equipment, furniture, computers and peripherals. As a services company, it requires hardly any larger assets for its operations. All assets are owned by the Company and financied with own funds without lending, financing or encumbrances.

While in the financial year ending 31 December 2015 Tuff Offshore made significant investment in computers & peripherals at an amount of EUR 97,360 and in office equipment at an amount of EUR 17,789, investments in tangible fixed assets were significantly lower in the following financial years ending 31 December 2016 and 2017 and in the six month period ending 30 June 2018.

The following tables show the carrying amount for the financial years ending 31 December 2015, 2016 and 2017 and the six month period ending 30 June 2018 with a breakdown for cost, additions, accumulated depreciation and depreciation charge for the period and a breakdown for tangible fixed asset classes for Tuff Offshore. Currency exchange differences are left out.

In EUR	HY2018 (*unaudited*)	FY2017 (*audited*)	FY2016 (*audited*)	FY2015 (*audited*)
Cost	158,326	147,593	141,709	129,584
Additions	10,733	12,669	10,177	129,584
Accumulated depreciation	87,264	71,865	43,727	13,276
Depreciation charge for the period	15,398	30,839	30,205	13,477
Carrying amount	**71,062**	**75,728**	**97,982**	**116,308**

(*Table: property, plant and equipment*)

in EUR	HY2018 (*unaudited*)	FY2017 (*audited*)	FY2016 (*audited*)	FY2015 (*audited*)
Furniture and fittings	3,509	3,949	4,525	5,607
Office equipment	2,965	3,956	10,740	14,348
Computers & peripherals	61,094	63,529	76,581	88,695
Renovation	3,494	4,294	6,136	7,658
Total	**71,062**	**75,728**	**97,982**	**116,308**

(*Table: tangible fixed asset classes*)

The largest part of tangible fixed assets falls to computers & peripherals at a percentage of 76 % for the FY2015, 78 % for the FY2016, 84 % for the FY2017 and 86 % for the HY2018.

On 31 July 2018, Tuff Offshore purchase office space property at 3791 Jalan Bukit Merah E-Centre at Redhill, Singapore, 159471 for a total purchase price of EUR 1,557,480 (*unaudited*). Starting 12 October 2018, Tuff Offshore uses its own premises for its office and headquarter. The property purchase will be recorded in the financial statements for the year ending 31 December 2018. The real estate property was financed with own funds.

Apart from the listed tangible fixed assets Tuff Offshore has not invested in property, plant and equipment for its own operational purposes.

In connection with its business operations, Tuff Offshore invests in property, plant and equipment only on a per project basis and regularly for and on behalf of the customer to be owned by the customer with the delivered project.

8.7.5. Environmental issues

The utilisation of the tangible fixed assets is not affected by any environmental issues, since the assets comprise regular office equipment for Tuff Offshore's Singapore headquarter. For equipment used offshore and in shipping the American Petroleum Institute requires third party inspection, which in case of Tuff Offshore's offshore activities have been overseen by the Dubai branch of DNV GL, Norway, former Det Norske Veritas and Germanischer Lloyd, a classification society, technical consultancy and supervisor.

For the FPSO Cyrus project DNV GL assessed air, sewage, oil and environment pollution and as of 29 December 2016 issued certificates that the vessel has been surveyed and complies with the regulations of the International Convention for the Prevention of Pollution from Ships 1973 and its subsequent modifications, in particular for oil pollution prevention, sewage pollution prevention, air pollution prevention and anti-fouling system.

8.8. Material contracts

8.8.1. Material contracts during the ordinary course of business

Material contracts concluded by Tuff Group during the ordinary course of business which remain in existence or were completed within the last four years prior to the date of the Prospectus include:

8.8.2. Maafaru Airport, Maldives

On 23 January 2018, Tuff Offshore Engineering Services Pte. Ltd. entered into a contract with the Government of Maldives representey by the Regional Airports for the engineering, procurement and construction of Maafaru Airport, Noonu Atoll, Maldives.

Abu Dhabi Fund for Development has agreed to fund a brand new international airport in the northern atoll of Noonu, Maldives and will extend a grant of USD 50 mn for the project. The fund awarded the project to Tuff Offshore Engineering Services Pte Ltd, with the project completion set for July 2018. The airport features a two-kilometre runway along with facilities to cater international flight operations and private jets. Several new resorts, including those by international hotel chains, are being developed in the atoll.

8.8.3. IMCA Marine construction contract for FPSO vessel Cyrus

On 15 September 2016, Tuff Offshore Engineering Services Pte. Ltd. entered into a contract with Avantgarde Petroleum FZC, Dubai, United Arab Emirates for the pre-set mooring and the towing, positioning and hook up mooring of chains, risers, umblicals and offtake hose for the FPSO “Cyrus” vessel.

FPSO Cyrus (IMO: 9260811) is a Offshore Support Vessel registered and sailing under the flag of Panama. Her gross tonnage is 62353 and deadweight is 110673. FPSO Cyrus was built in 2004 by MITSUI OSAKA ENGINEERING & SHIPBUILDING. FPSO Cyrus length overall (LOA) is 245.5 m, beam is 42 m and maximum draught is 14.967 m. Her container capacity is 0 TEU. The ship is operational on location in the Persian Gulf since 2016.

8.8.4. Project management personnel contracts

On 10 March 2015 with amemdment on 9 September 2015, Tuff Offshore Engineering Services Pte. Ltd. entered into a contract with Astra Technologies Ltd., Dubai, Uniteed Arab Emirates, regarding the performing of project management services for an offshore project against a total payment of USD 3mn USD. The agreement was entered into for a period of three years

On 21 March 2016 with amemdment on 9 September 2015, Tuff Offshore Engineering Services Pte. Ltd. entered into a contract with Astra Technologies Ltd., Dubai, Uniteed Arab Emirates, regarding the performing of project management services for an offshore project against a total payment of USD 1.5mn. The agreement was entered into for a period of three years.

Both agreements included works for the FPSO vessel Cyrus.

8.8.5. Award letter from Sri Lankan government

On 26 September 2018, the government of Sri Lanka by its ministry of il and related industries has issued an acknowledgement letter to Tuff to build a 100k barrels a day oil refinery in Sri Lanka replacing the existing ’69 refinery to fulfill the country’s demand for fossil energy.

8.8.6. Office tenancy agreement

On 16 July 2017, Tuff Offshore Engineering Services Pte Ltd as tenant entered into a tenancy agreement with Sime Darby Property (Kilang) Private Limited, Singapore, as landlord for the lease of unit #07-02/03 at 10 Jalang Kilang Road, Singapore 159410. The premises with an area of approximately 2,197 square feet was used as office and headquarters for Tuff Offshore. The agreement was entered into for one year expiring 30 June 2018 and was prolonged until 30 September 2018.

8.8.7. Real estate property purchase

On 31 July 2018, Tuff Offshore Engineering Services Pte Ltd purchased the three premises units at 3791 Jalan Bukit Merah E-Centre at Redhill, Singapore, 159471 for a total purchase gross price of SGD 2,510,567,57 (EUR 1,557,480, unaudited) including fees and costs of SGD 69.254,57 (EUR 43,515, unaudited). The purchase price was finance with own funds. Starting 12 October 2018, Tuff Offshore uses its own premises for its office and headquarters. The real estate property will be reflected in the financial statements for the year ending 31 December 2018.

8.8.8. Banker’s guarantee for Maafaru Airport project

On 23 February 2018, OCBC Oversea Chinese Banking Corporation, Singapore branch, has issued a banker’s guarantee to Regional Airports, Male, Maldvies in an amount of up to USD 5.2mn (*unaudited*) from Tuff Offshore Engineering Services Pte Ltd as a requirement for the Maafaru Airport project. The guarantee is valid up to 24 Januar 2019.

8.8.9. Banker’s guarantee

On 18 August 2018, OCBC Oversea Chinese Banking Corporation, Singapore branch, has exented its former banker’s guarantee to Malaysia Resouces Corporation Berhad in an amount of USD 536k (*unaudited*) to secure the bid for the Kepong waste-to-energy project (compare *8.9 Projects*).

8.9. Projects

Tuff’s subsidiary Tuff Offshore Engineering Services Pte. Ltd. owns a project development pipeline which shall be completed within short-term in the next years.

FPSO conversions

Tuff Offshore Engineering Services Pte Ltd has placed bids for another four FPSO conversion projects, which comprise converting a crude oil tanker vessel into a floating processing storage and offloading unit for oil & gas offshore fiels. Since FPSO conversion projects are the funding skill set on which Tuff Offshore was actually founded and Paul (Mr. Natarajan Paulraj) has extensive experience in this field and being the leading player in the mid-size FPSO segment in the South East Asian, Indian Ocean and gulf region, the Issuer is of the opinion that it may win the bids.

Maldives Airports

The Government of Maldives through its Ministry of Tourism and the Regional Airports department has indicated to contract Tuff as general contractor and for the project management to build five regional airports on different atolls and islands for a total price of USD 57.5mn (*unaudited*).

Apart from the work of building the airports, the Company estimates an equivalent volume and amount in dredging and land reclamation works to be awarded to, which needs to be done prior to commencement of airport works. Tuff Offshore as been award a letter of intent to carry out further constructions of airports on the islands of Maldives.

Hulhumale Phase II Project, Maldives

The Government of the Maldives carries out the development of Hulhumalé City in phase II. In phase I the initial land reclamation of Hulhumalé consisting of 188 hectares was completed in the year 2002. The development is situated on Hulhule island, next to Malé, the capital of the Maldives. With an aim to relieve the congestion and housing crisis in Malé, the city of Hulhumalé has been planned intelligently to accommodate the growing population with a design incorporating a mix of urban and island life for its residents and visitors.

The phase II project has been highly prioritized and is said to be the most ambitious development project for the Maldives until today. The planned city situated in the capital region shall become the first smart and sustainable city in Maldives. As per the future developments planned by the Housing Development Corporation (HDC), an enterprise owned by the Government of Maldives acting as the master developer of Hulhumalé, the city is built for a population of 160,000 residents, making it one of the most densely populated cities in the Maldives.

Male Water and Sewerage Company Pvt Ltd (MWSC) as utility company will operate and manage the water and sewerage services and is involved with its design. The facilities are designed to cater the requiredwater demand, while providing extra storage for water security. The estimate of the total investment required for completing the project amounts to approx. MVR 388mn (Maldivian rufiyaa, approx. USD 25 mn, *unaudited*).

The Company is negotiating a contract with Male Water and Sewerage company for this project. Under this project, we will be constructing all the sewerage and water lines in Hulhumale Phase II. The Company has placed a term sheet and financing proposal for the project.

Penang hospital, Malaysia

Yayasan Islam Pulau Pinang (YIPP), the Islamic foundation of Penang, Malaysia, plans to build a hospital in Penang. The contract has already been awarded to a company. The Issuer is currently in negotiations to acquire the contracted company. The estimated project volume is approx. MYR 255mn (Malaysian Ringgit, approx. USD 62 mn, *unaudited*)

Kepong waste to energy project, Malaysia

Tuff has placed a bid for an urban waste management project in Malaysia. Subject is to build a waste to energy power plant for Malaysia Resources Corporation Berhard. Adjacent to the Kepongsolid waste transfer station at Kuala Lumpur, Malaysia, the project project shall have a configuration of two mass grate burn incinerator units connected to one steam turbine. The facility will be designed to burn 1,200 TPD of Municipal Solid Waste (MSW) which will be supplied by Government of Malaysia (GoM). Required operation time shall be 8,000 hours per year, which is approximately 333 days per year.

The facility is planned to generate electricity of 35.2MWe with 29.7MWe exported to the TNB network at the design point for an MSW of 9.1 megajoule per kilo/kg. The construction area is approximately 30,000 square meters, comprising underground 1 floor, above ground 5 floors wih incinerator building and administration building. The facility is planned to be constructed in 36 months including sixth month reliability test)

Refinery in Sri Lanka

Tuff has been awared a project to replace the country's oil and gas refinery. The order requires to build a 100k barrels per day oil refinery in Sri Lanka. The new facility shall replace the 50 years old existing '69 refinery and shall fulfill the country's increasing demand for fossil energy.

8.10. Insurance

Tuff Group has purchased various operating insurance policies, which include, inter alia: insurance to cover, among others, damage to its equipment, infrastructure and facilities, business interruption risks and workers compensation. In addition, a Directors' & Officers' insurance policy (*Vermögensschadenshaftpflichtversicherung*) is in force for the members of the Management Board and Supervisory Board.

The Company considers the Tuff Group to be appropriately covered with rof thetot he nature of itsbusiness activities and the related risks in the context of the available insurance offerings and rates.

However, it is impossible to exclude the possibility that Tuff Group will incur damages that are not covered by its insurance policies or that exceed the coverage limits of these insurance policies. Moreover, there can be no guarantee that it will be possible for Tuff Group to obtain adequate insurance coverage in the future.

8.11. Litigation or administrative proceedings

The Issuer, respectively Tuff Group, is subject from time to time to claims and lawsuits in connection with its ordinary business activities. During the last twelve months, however, no member of the Tuff Group was a party to any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware), during the previous 12 months which may have, or have had in the recent past significant effects on the Company's and/or Tuff Group's financial position or profitability.

Restoration of A&T Offshore Pte Ltd

On 18 Jun 2018 the Singapore High Court in the case Ganesh Paulraj v Avantgarde Shipping Pte Ltd ordered the restoration of the struck-off joint venture entity, A&T Offshore Pte Ltd for the purposes of pursuing a certain contractual claim against Avantgard Shipping. While Avantgarde Shipping was awarded the project, Tuff Offshore was contract by A&T to carry out the project. Whereas the parties to the dispute firstly agreed to a voluntary strike-off proposed by Avantgarde Shipping, it transpired there remains an outstanding sum purportedly owed to Tuff Offshore. The court ordered the restoration of A&T Offshore since Mr Paulraj as the applicant in this case and being former director of the company and beneficial owner of Tuff Offshore proved to have the required sufficient pecuniary interest in the company's restoration. As of the date of this Prospectus, the counterparty has filed an appealment against the court order.

Subcontractor's civil law claim

On 12 February 2019, a subcontractor of Tuff Offshore Engineering Pte Ltd for the Maafaru Airport Project filed a civil claims suit in the civil court of the Maldives against Tuff Offshore and Tuff Infra Pvt Ltd, a related party and local entity for the project. The plaintiff states that a payment installment is owed. Tuff Offshore states that the quality of the subcontractor's work was unsatisfactory, that the claim includes unsubstantiated invoices and unaccepted change orders and leaves out substantial advances made to the subcontractor. The subcontractor is further said to have breached the terms of its contract repeatedly.

Tuff Offshore has agreed to discuss a settlement and is otherwise of the opinion that the law suit can be dismissed. Tuff Offshore accrued USD 1.298mn (*unaudited*), the amount the subcontractor claims, in the financial year 2018.

8.12. Research and development

Tuff Group or its subsidiary Tuff Offshore has not conduct in the years FY2015, 2016 and 2017 and does currently not conduct research with respect to scientific approach of finding new products, raw materials, substances or their use for new processes and assemblies. Development activities include the business development of new opportunities and projects under the scope of the company's purpose. Tuff's subsidiary Tuff Offshore carried out business development activities in the FY2016 and the FY2017 and is carrying out the same currently by participation in market conferences, meeting with government officials and decision-makers of utility company's and fellow project developers.

While in the FY 2015 there was an insignificant amount of costs attributed to development, in the FY2016, travel and accommodation expenses of Tuff Offshore in the amount of EUR 386k included a larger of travel expenses for development activities. In FY2017, travel and accommodation expenses amounted to EUR 452k which at a larger amount were attributed to business developement activities. Additionally, the company incurred bid costs at SGP 407k in the FY2017 which were attributed to development activities to get projects awarded. For the HY2018, travel and accomodation expenses at EUR 389k (*unaudited*) included again a larger part for development while bid costs were at EUR 227k (*unaudited*).

8.13. Employees

As of the date of this Prospectus, Tuff does not have employees while its subsidiary Tuff Offshore has 23 employees (excluding management, trainees, apprentices and employees on parental leave and partial retirement).

The following table contains a summary of the average number of employees (excluding management, trainees, apprentices and employees on parental leave and partial retirement) of the issuer's subsidiary Tuff Offshore as of the date of this Prospectus as well for the financial years 2015, 2016 and 2017 and the half year 2018. Others include temporary workers, contract workers and project-based employees.

Where financial information in the following tables is labelled "unaudited", this means that it was extracted or derived from the internal accounting records or management reporting systems of companies of Tuff Group or is based on calculations of financial information from the audited financial statements (IFRS) of Tuff Offshore for the financial years ended 31 December 2015, 2016 and 2017 and the interim financial statements for the six month period ended June 30, 2018.

Average individuals per year	HY2018 (*unaudited*)	FY2017 (*unaudited*)	FY2016 (*unaudited*)	FY2015 (*unaudited*)
Fulltime employees	17	15	12	9
Others	14	110	110	27
Total	**31**	**125**	**122**	**36**

(*Table: average number of fulltime and other employees of Tuff Offshore*)

8.14. Intellectual property rights

Neither the Company nor its subsidiaries owned or are owning, held or are holding any patents or licences or rights to patents or licences nor have they applied for the registration of intellectual property.

9. Capitalisation and indebtedness

9.1. Capitalisation

The following table provides an overview of the capitalization of Tuff Group on a consolidated basis as per 30 November 2018, taken or derived from Tuff Group's internal accounting records.

in EUR (*unaudited*)	30.11.2018
Total current debt	**8,912,954**
- Guaranteed	0
- Secured	0
- Unguaranteed / Unsecured	8,912,954
Total non-current debt	**0**
- Guaranteed	0
- Secured	0
- Unguaranteed / Unsecured	0
Shareholder's equity	
- Share capital	64,697
- Legal reserve	0
- Other reserves (1)	3,729,466
Total	**3,794,163**

(1) Other reserves includes retained earnings at EUR 3,745,438 and further other reserves at EUR (15.972).

Total current debt amounted to EUR 8.913mn (*unaudited*) as of 30 November 2018 after an amount of EUR 12.182mn (*unaudited*) as of 30 June 2018. Total current debt includes to a large part invoiced but unsettled payments to subcontractors. The decrease resulted mostly from invoices paid to subcontractors in connection with the ongoing Maafaru Airport project for completed and accepted work and services.

Other reserves amounted to EUR 3.729mn (*unaudited*) as of 30 November 2018 after an amount of retained earnings at EUR 5.742mn (*unaudited*) and further other reserves at EUR (35) (*unaudited*), which sums up to EUR 5.707mn (*unaudited*). The decrease is significantly attributed to the investment and purchase of office space property on 31 July 2018 for Tuff Offshore in Singapore.

9.2. Liquidity and Net Financial Liabilities

The following table provides an overview of the indebtedness of Tuff Group on a consolidated basis as per 30 November 2018, taken or derived from Tuff Group's internal accounting records.

in EUR (*unaudited*)	30.11.2018
A. Cash	6,211,356
B. Cash equivalent	0
C. Trading securities	0
D. Liquidity (A) + (B) + (C)	**6,211,356**
E. Current financial receivable	**4,422,432**
F. Current bank debt	0
G. Current portion of non-current debt	0
H. Other financial debt	8,912,954
I. Current financial debt (F) + (G) + (H)	**8,912,954**
J. Net current financial indebtedness (I) – (E) – (D)	**(1,720,834)**
K. Non current bank loans	0
L-. Bonds issued	0
M. Other non current loans	0
N. Non current financial indebtedness (K) + (L) + (M)	**0**
O. Net financial indebtedness (J) + (N)	**(1,720,834)**

9.3. Contingent liabilities as of 30 November 2018

There are no contingent liabilities as of 30 November 2018.

9.4. Major changes in the financial position since 30 June 2018

There have been no major changes in the financial position since 30 June 2018.

9.5. Major changes in the trading since 30 June 2018

There have been no major changes in the trading since 30 June 2018.

9.6. Statement on working capital

The Company believes that the Tuff Group has sufficient working capital and is able to settle its liabilities as they fall due at least for the next twelve months.

9.7. Pro-forma balance sheet as of 05 February 2019

With the execution and closing of the capital increase of Tuff Group AG against contribution in kind, all shares in Tuff Offshore Engineering Services Pte Ltd, Singapore, were transferred and assigned to Tuff Group AG against allotment of 39,950,000 new shares of Tuff Group AG.

The independent valuation report of MSW auditors, Berlin, provided in connection with the contribution in kind, concluded that Tuff Offshore Engineering Services Pte Ltd at minimum shall be valued at an amount of EUR 67.8mn.

The following balance sheet shows the financial position and assets of Tuff Group AG as of 5 February 2019, after the capital increase with the shares in Tuff Offshore Engineering Services Pte Ltd as contribution in kind against allotment of new shares has been registered in the commercial register for the Company at the local court of Frankfurt am Main.

in EUR (HGB)	05.02.2019 (*unaudited*)	31.12.2018 (*unaudited*)	31.12.2017 (*unaudited*)
Assets			
Current assets			
Financial assets	67,795,889	-	-
Cash on hand, bank balances and cheques	50,000	12,500	12,500
Liabilities			
Equity			
Subscribed capital	40,000,000	50,000	50,000
Uncalled outstanding contributions	-	-	-37,500
Called capital	40,000,000	50,000	12,500
Capital reserve	27,845,889	-	-
Accumulated loss	-1,800	-1,800	-1,350
Accruals			
Other accruals	1,800	1,800	1,350
Balance sheet total	**67,845,889**	**50,000**	**12,500**

(*Table: balance sheet of Tuff Group AG after capital increase as per 5 February 2019*)

As per 31 December 2018, the seller of the issuer, the former shell company Aktiengesellschaft Ad Acta 182. Vermögensverwaltung, which was thereafter renamed to Tuff Group AG, has paid up the outstanding capital contributions of EUR 37,500. As of that date, the nominal and subscribed capital of Tuff Group AG has been fully paid up.

As per the closing of the acquisition of the shares in Tuff Offshore Engineering Services Pte Ltd with the registration of the capital increase in the commercial register, financial assets as of 5 Februar 2019 amounted to EUR 67,795,889. In accordance with the valuation report of the auditor appointed by the local court of Frankfurt am Main for the purpose of the capital increase, the acquired entity is valued at an amount of EUR 67,765,889 and recorded in the financial assets. The remaining part of the recorded amount includes EUR 30,000 for Tuff Germany GmbH, acquired by Tuff Group AG.

With the acquisition, the nominal capital was increased from EUR 50,000 by EUR 39,050,000 to EUR 40,000,000 by allotment of 39,500,000 new bearer shares with no par value. The remaining amount of the acquired assets were recorded in the capital service with EUR 27,765,889 for Tuff Offshore Engineering Pte Ltd and EUR 30,000 for Tuff Germany GmbH.

10. Dividend policy and earnings per share

Shareholder allotments in the distributable profits of the Company shall be determined by their shares in the share capital, unless otherwise decided by Shareholders Meeting. For a German stock corporation (*Aktiengesellschaft*), resolutions concerning the distribution of dividends and the amount to be distributed for a given financial year are adopted by the Shareholders' Meeting in the subsequent financial year on the basis of a joint proposal by the Management Board and the Supervisory Board. Dividends may be distributed only from the net retained earnings of the Company. Net retained earnings are calculated on the basis of the Company's annual financial statements prepared in accordance with the accounting principles of the German Commercial Code (*Handelsgesetzbuch, HGB*). Accounting principles under the HGB differ significantly from those under IFRS.

The net retained earnings available for distribution is calculated by adjusting the net income/net loss for the financial year for retained profits/accumulated losses brought forward from the previous financial year and withdrawals from or appropriations to reserves. Certain reserves must be created by law and respective allocations must be deducted when calculating the net income/net loss for the fiscal year before profit distributions. Additional limitations apply where internally generated intangible fixed assets, deferred tax assets, or the excess of plan assets over corresponding pension obligations have been taken account for.

The Shareholders' Meeting resolves on the appropriation of net retained earnings with a simple majority of votes cast. If the Management Board and the Supervisory Board adopt the annual financial statements, they may appropriate up to one half of the net income for the financial year to other surplus reserves, after deducting from the net income for the year those amounts which must be appropriated to the legal reserve and any accumulated losses brought forward. Any dividends resolved by the Shareholders Meeting are distributed shortly after the Shareholders' Meeting in accordance with the resolution on the appropriation of profits and the rules of the relevant clearing system. Withholding tax of 25% of the dividend, plus a solidarity surcharge of 5.5% thereon and any applicable church tax are generally withheld. To the extent the dividend is disbursed from the contribution account for tax purposes in accordance with section 27 of the German Corporation Tax Act (*Körperschaftsteuergesetz* "**KStG**"), no withholding tax or solidarity surcharge (or church tax) are withheld. For further information on the taxation of dividends, please refer to section 19.2 "Taxation of Shareholders". There are no restrictions on dividend payments or specific procedures for nonresident owners of a security.

Dividend claims are subject to the regular three-year limitation period. Once the limitation period passes, the dividend remains with the Company.

Due to the fact that the Company was a shelf company and its business purpose was limited to the administration of its own assets until July 2018, there have been no net retained earnings available for distribution for the abbreviated financial year 2015 and the full financial years 2016 and 2017. Correspondingly, there was no distribution of dividends for the abbreviated financial year 2015 and the financials year 2016 and 2017.

Based on the formation of the Tuff Group by the acquisition of its subsidiaries, the Company has set the ground to be in a position to distribute dividends in the future. The Company intends to follow a mixed approach whereby a part of the distributable profits will be paid out to the shareholders and a part of the distributable profits will be kept with the Company in order to strengthen its financial position for its future business. The decision on whether and in what amount dividends are to be distributed will depend on a series of factors, including the level of distributable profit for the year, market developments, the investment policy, the Company's rating status, the financing needs of the Tuff Group at the time as well as the respective resolution to be adopted by the Company's shareholders' meeting and no assurance can be given that the Company will achieve sufficient distributable profits for a distribution in the future. As the Company does not conduct any operating business itself its ability to pay dividends depends substantially on its operating subsidiaries and affiliates making profits and distributing these to the Company or transferring them to the Company. Furthermore, the Tuff Group's financing agreements may in the future include financial covenants that may indirectly restrict the amount of cash available for the distribution of dividends.

The Company is not able to make predictions as to the size of future profits available for distribution, or whether distributable profits will be achieved at all. Hence the Company cannot guarantee that dividends will be paid in the future. Moreover, the results of operations as set out in the financial statements may not be necessarily indicative of the results that should be expected in the future or amounts of future dividend payments.

11. Selected financial information

Investors should read the following selected financial information of the companies of Tuff Group- together with sections "3. Risk Factors", "8. Business Description" and "12. Management's Discussion and Analysis of Net Assets, Financial Condition and Results of Operations" and the financial sections of this Prospectus.

This section includes selected financial information for the Company for the abbreviated financial year ended 31 December 2015, the financial years 31 December 2016, 31 Dezember 2017 and selected interim financial information for the first six months of 2018. Furthermore, this section includes selected financial information for the company Tuff Offshore Engineering Services Pte Ltd for the financial years ended 31 December 2015, 31 December 2016, 31 December 2017 and selected interim financial information for the first six months of 2018 as this company was the only significant substantial and operational entity of the Tuff Group as regards turnover, profits and balance sheet equity in the period from 1 January 2015 until 30 June 2018.

The audited financial statements (IFRS) of Tuff Group AG and of Tuff Offshore Engineeringe Pte Ltd mentioned above are included in this Prospectus under "Financial Information".

Where financial information in the following tables is labelled "audited", this means that it was extracted from the audited financial statemens (IFRS) of Tuff Group AG as of and for the abbreviated financial year ended 31 December 2016, the financial years ended 31 December 2016 and 31 December 2017 and from the audited financial statements (IFRS) of Tuff Offshore Engineering Services Pte Ltd as of and for the financial years ended 31 December 2015, 31 December 2016 and 31 December 2017. Where financial information in the following tables is labelled "unaudited", this means that it was extracted or derived from the internal accounting records or management reporting systems of companies of Tuff Group or is based on calculations of financial information from the above mentioned sources.

Where financial information in the following tables is labelled "IFRS", this means that the IFRS applied in the respective financial statements were applied in accordance with the IFRS as adopted in the European Union.

Certain financial information (including percentages) in the following tables has been rounded according to established commercial standards. As a result, the aggregate amounts (sum totals or sub-totals or differences or if numbers are put in relation) in the following tables may not correspond in all cases to the aggregated amounts of the underlying (unrounded) figures appearing elsewhere in this Prospectus. Furthermore, in those tables, these rounded figures may not add up exactly to the totals contained in those tables.

11.1. Explanation of the financial information provided

The historical financial information for this Prospectus ("**F-Pages**") comprise of the historical financial information for the issuer Tuff Group AG, Frankfurt am Main, Germany and its 100-% subsidiary Tuff Offshore Engineering Services Pte Ltd.

The issuer itself, Tuff Group AG, has not been an operational or competing in its markets since it was founded in July 2015. Therefore, historical financial information, whilst audited, provides limited statements and information on the results of operations, net assets and financial position of the issuer and its group.

In contrary, Tuff Offshore Engineering Services Pte Ltd has been operating in its current sphere of economic activity for more than three years. In order to implement a marketable structure for its operations and business outlook, Tuff Group AG was inserted over the established business of Tuff Offshore as a holding company by the acquisition of all the shares in Tuff Offshore against contribution in kind of its business and assets. The historical financial information of the issuing entity as the mother company to a group of companies qualifies as complex financial history in accordance with Annex-I No. 20.1 of the EU-Prospectus Regulation and ESMA Questions & Answers 25th version, No. 16, because the group of companies has not been existing for the 36 months provided with the historical financial information.

To illustrate the results of operations, net assets, financial position and the trading of the group and to present a complete and accurate view to investors, this Prospectus includes historical financial information for Tuff Offshore along with a detailed description of its business, operations and markets and a detailed management discussion and analysis. In comparison to Tuff Offshores historical information, the same information for Tuff Group AG may not be regarded as significant or material.

With the closing of the acquisition of Tuff Offshore by Tuff Group AG, the newly formed group will consolidate and include revenue, income and profit as well as expenses, assets and liabilities of Tuff Offshore in its group financial statements. Tuff Group AG's results of operations, net assets and financial position will significantly and to an utmost part result from consolidated financials of Tuff Offshore. Future group financial statements for Tuff Group will reflect the consolidated financials of Tuff Offshore and any future subsidiary Tuff Group AG may establish.

11.2. Selected financial Information for Tuff Offshore Engineering Services Pte Ltd

11.2.1. Selected Financial Information from the Profit and Loss Statement

in EUR (IFRS)	01.01.2017-31.12.2017 (*audited*)	01.01.2016-31.12.2016 (*audited*)	01.01.2015-31.12.2015 (*audited*)
Revenue	6,520,094	31,051,762	2,672,151
Items of expense	6,365,701	30,364,623	2,537,526
Profit before income tax	287,595	738,868	140,088
Profit after tax	290,665	636,307	140,088
Total comprehensive income	**178,262**	**678,021**	**137,985**

(Table: comparative statement of profit and loss)

11.2.2. Selected financial information from the balance sheet

in EUR (IFRS)	31.12.2017 (*audited*)	31.12.2016 (*audited*)	31.12.2015 (*audited*)
Assets			
Current assets	4,268,896	14,135,320	758,895
Non-current assets	75,728	97,982	116,308
Total assets	**4,344,624**	**14,233,302**	**875,203**
Equity			
Share Capital	64,697	64,697	64,697
Retained earnings	794,236	753,462	117,155
Total equity	**786,141**	**857,770**	**179,749**
Liabilities			
Current liabilities	3.463.696	13,259,839	682,515
Non-current liabilities	-	-	-
Total liabilities	**3,558,483**	**13,375,532**	**695,454**
Total equity and liabilities	**4,344,624**	**14,233,302**	**875,203**

(Table: balance sheet)

11.2.3. Selected financial information from the cash flow statement

in EUR (IFRS)	01.01.2017-31.12.2017 (*audited*)	01.01.2016-31.12.2016 (*audited*)	01.01.2015-31.12.2015 (*audited*)
Cash flows from operating activities			
Profit before income tax	287,595	738,868	140,088
Net cash (used in)/generated from operating activities	(5,489,955)	7,463,250	450,296
Net cash used in investing activities	(12,669)	(10,177)	(129,584)
Net cash (used in)/generated from financing activities	(1,100,324)	193	12,939
Net (decrease)/increase in cash and cash equivalents	(6,602,948)	7,453,266	333,651
Cash and cash equivalents at the beginning of financial year	7,834,333	341,055	9,708
Cash at banks at the end of financial year	**1,123,066**	**7,834,333**	**341,055**

(*Table: cash flow statement*)

11.2.4. Selected financial information for the six-month period ending 30 June 2018

in EUR (IFRS)	01.01.2018-30.06.2018 (*unaudited*)	01.01.2017-30.06.2017 (*unaudited*)
Revenue	27,409,933	6,589,208
Items of expense	(21,469,669)	(5,234,555)
Profit before income tax	5,961,716	1,379,718
Profit after tax	4,948,224	1,373,305
Total comprehensive income	**4,986,024**	**1,422,761**

(Table: profit and loss statement)

in EUR (IFRS)	30.06.2018 (*unaudited*)	31.12.2017 (*audited*)
Assets		
Current assets	17,883,493	4,268,896
Non-current assets	71,062	75,728
Total assets	**17,954,555**	**4,344,624**
Equity		
Share capital	64,697	64,697
Other reserves	(34,991)	(72,792)
Retained earnings	5,742,460	794,236
Total equity	**5,772,166**	**786,141**
Liabilities		
Current liabilities	12,182,389	3,558,483
Non-current liabilities	-	-
Total liabilities	12,182,389	3,558,483
Total equity and liabilities	**17,954,555**	**4,344,624**

(Table: balance sheet)

in EUR (IFRS)	01.01.2018- 30.06.2018 (*unaudited*)	01.01.2017- 30.06.2017 (*unaudited*)
Cash flows from operating actitivies		
Proft before income tax	5,961,716	1,379,718
Net cash (used in)/generated from operating activities	7,296,881	(2,285,717)
Net cash (used in)/generated from investing activities	(10,733)	-
Net cash (used in)/generated from financing activities	-	-
Net (decrease)/increase in cash and cash equivalents	7,286,148	(2,285,717)
Cash and cash equivalents at the beginning of period	1,960,367	7,834,333
Cash and cash equivalents at the end of period	**9,284,315**	**5,598,072**

(Table: cash flow statement)

The net profits of Tuff Offshore showed a decline over a period of 2016 to 2017. The entity followed an active program of business development and diversification in the financial year ending 31 December 2017 and invested significant portion of its revenue of the financial year ending 31 December 2016 into exploring opportunities for business diversification and market exploration initiatives.

The significant volatility in the total assets for the three financial years reported was largely at-tributa-ble to the project-oriented business of Tuff Offshore and resulted from outstanding trade receivables from customers, cash at banks and outstanding not yet due trade payables to subcon-tractors which were unsettled in due course as of the balance sheet dates. To a certain extent, this volatility results from the fact that project milestones and completion and corresponding revenue portions do not follow calendar and financial years.

Revenue for the first half year 2018 as per 30 June 2018 and for the first half year 2017 as per 30 June 2017 showed equivalent volatility which corresponded to the business model and project activities of Tuff Offshore and shows that ongoing projects generate significantly of the revenue and profits.

11.3. Selected financial information for Tuff Group AG

11.3.1. Selected financial information from the profit and loss statement

in EUR (IFRS)	01.01.2017-31.12.2017 (*audited*)	01.01.2016-31.12.2016 (*audited*)	14.07.2015-31.12.2015 (*audited*) *abbreviated financial year*
Operating income	(450)	(450)	(450)
Loss from ordinary activities after tax	450	450	450
Total comprehensive income	**(450)**	**(450)**	**(450)**

(Table: profit and loss statement)

11.3.2. Selected financial information from the balance sheet

EUR (FRS)	31.12.2017 (*audited*)	31.12.2016 (*audited*)	31.12.2015 (*audited*)
Assets			
Total assets	**12,500**	**12,500**	**12,500**
Shareholders equity			
Subscribed capital	50,000	50,000	50,000
Outstanding contributions	(37,500)	(37,500)	(37,500
Retained earnings	(1,350)	(900)	(450)
Total shareholders equity	**11,150**	**11,600**	**12,050**
Liabilities			
Total liabilities	**1,350**	**900**	**450**
Balance sheet total	**12,500**	**12,500**	**12,500**

(Table: balance sheet)

11.3.3. Selected financial information from the cash-flow statement

in EUR (IFRS)	01.01.2017-31.12.2017 (*audited*)	01.01.2016-31.12.2016 (*audited*)	14.07.2015-31.12.2015 (*audited*) *abbreviated financial year*
Cash flow provided by operating activities	0	0	0
Cash flow provided by financing activities	0	0	0
Cash and cash equivalents at the end of the period	**12,500**	**12,500**	**12,500**

(Table: cash flow statement)

11.3.4. Selected financial information for six-month period ending 30 June 2018

in EUR (IFRS)	01.01.2018-30.06.2018 (*unaudited*)	01.01.2017-30.06.2017 (*unaudited*)
Operating income	**(225)**	**(225)**
Net loss	225	225
Total comprehensive income	**(225)**	**(225)**

(*Table: profit and loss statement*)

in EUR (IFRS)	30.06.2018 (un*audited*)	31.12.2017 (*audited*)
Assets		
Total current assets	**12,500**	**12,500**
Shareholders equity		
Subscribed capital	50,000	50,000
Outstanding contributions	(37,500)	(37,500)
Retained earnings	(1,575)	(1,350)
Total shareholders equity	**10,925**	**11,150**
Liabilities		
Total liabilities	**1,575**	**1,350**
Balance sheet total	**12,500**	**12,500**

(*Table: balance sheet*)

in EUR (IFRS)	01.01.2018-30.06.2018 (*unaudited*)	01.01.2017-30.06.2017 (*unaudited*)
Cash flow provided by operating activities	0	0
Cash flow provided by financing activities	0	0
Cash and cash equivalents at the end of the period	**12,500**	**12,500**

(*Table: cash flow statement*)

12. Management discussion and analysis

Investors should read the following selected financial information of the companies of Tuff Group together with sections "3. Risk Factors" and "8. Business Description" and the financial sections of this Prospectus.

In the following management's discussion and analysis, the financial information for the Company for the abbreviated financial year ended 31 December 2015 and the financial years ended 31 December 2016 and 31 December 2017 is discussed and analysed.

Furthermore, in the following management's discussion and analysis, the financial information for the Tuff Offshore Engineering Pte Ltd as of and for the financial years ended 31 December 2015, 31 December 2016 and 31 December 2017 and the selected interim financial information for the first six months of 2017 is discussed and analysed as this company was the only significant substantial and operational entity of the Tuff Group as regards turnover, profits and balance sheet equity in the period from 1 January 2015 until 30 June 2018.

The financial information for Tuff Offshore Engineering Services Pte Ltd for the financial years ended 31 December 2015, 31 December 2016 and 31 December 2017 discussed below has been extracted or derived from the audited financial statements (IFRS) of Tuff Offshore Engineering Services Pte Ltd for the respective financial years and the internal accounting records or management reporting systems of Tuff Offshore Engineering Services Pte Ltd.

The selected interim financial information for Tuff Offshore Engineering Services Pte Ltd for the first six months of 2018 discussed below has been extracted or derived from the internal accounting records or management reporting systems of Tuff Offshore Engineering Services Pte Ltd.

The IFRS applied to the financial statements of Tuff Group AG and Tuff Offshore Engineering Services Pte Ltd are in accordance with the IFRS as adopted by the European Union.

The audited financial statements (IFRS) of Tuff Group AG and Tuff Offshore Engineering Services Pte Ltd mentioned above are included in this Prospectus under "Financial Information".

Where financial information in the following tables is labelled "audited", this means that it was extracted from the audited financial statements (IFRS) of Tuff Group AG as of and for the abbreviated financial year ended 31 December 2015 and the financial years ended 31 December 2016 and 31 December 2017 and from the audited financial statements (IFRS) of Tuff Offshore Engineering Services Pte Ltd as of and for the financial years ended 31 December 2015, 31 December 2016 and 31 December 2017. Where financial information in the following tables is labelled "unaudited", this means that it was extracted or derived from the internal accounting records or management reporting systems of companies of Tuff Group or is based on calculations of financial information from the above mentioned sources.

Where financial information in the following tables is labelled "IFRS", this means that the IFRS applied in the respective financial statements were applied in accordance with the IFRS as adopted in the European Union.

Certain financial information (including percentages) in the following tables has been rounded according to established commercial standards. As a result, the aggregate amounts (sum totals or sub-totals or differences or if numbers are put in relation) in the following tables may not correspond in all cases to the aggregated amounts of the underlying (unrounded) figures appearing elsewhere in this Prospectus. Furthermore, in those tables, these rounded figures may not add up exactly to the totals contained in those tables.

12.1. Business Overview

12.1.1. Revenue

Tuff derives its revenue from the following business segments:

(a) Engineering, Procurement, Construction and Commissioning

Tuff designs, engineers, purchases, fabricates, installs and commissions process modules and equipment on a turnkey project basis (Engineering, Procurement, Construction, Installation and Commissioning, "**EPCIC**"). The process modules and equipment are critical parts of the production facilities for FPSO vessels, Mobile Offshore Production Units (MOPU), offshore platforms and onshore gas power plants.

(b) Contract Engineering and Other Services

Since 2014, Tuff Group also customises its services to cater to the needs of its customers, who do not require fully integrated turnkey services but bespoke engineering and other services. Such services include project management, engineering, procurement and/or construction.

Other revenue is mainly derived from contracts relating to EPCIC for process modules and equipment. These contracts are project-based, generally non-recurring in nature and are based on a fixed contract value which is agreed with the customers prior to the execution of such contracts. These projects typically take between six months to a year to complete, depending on the complexity and specifications requested by the customers.

The revenue and cost from EPCC projects are recognised progressively in proportion to the stages of completion based on milestones agreed with the customers which is reflective of the value of work Tuff Group has done. When Tuff Group anticipates that total project costs will exceed total project revenue of an EPCC project, the expected loss is recognised as an expense immediately.

12.1.2. Cost of sales

The major components of cost of sales comprise the following:

(a) costs of sub-contractors

(b) costs and expenses for materials, equipment, resources and work

For any EPCIC project, Tuff Group’s in-house engineers and skilled workers will work closely with the customers to design and engineer solutions for their needs which are subsequently fabricated and integrated in-house or by sub-contractors. Commissioning activities are typically conducted on site by Tuff Group’s of in-house engineers and supervisors.

Direct labour costs comprise mainly wages, overtime and government levies for the team of engineers as well as skilled workers who carry out the fabrication of these solutions.

Sub-contractors' charges are incurred for fabrication, piping, insulation, painting and blasting, scaffolding, mechanical and electrical fitting and testing.

Regularly, for every project a performance bank guarantee is issued with a 2.5 to 5.0 % retention on the project volume for a period of 12 months.

12.1.3. Administrative expenses

Tuff Group’s major components of administrative expenses comprise the following:

(a) staff cost (including Directors' remuneration);

(b) depreciation expense;

(c) rental expense;

(d) expenses for business development origination, marketing; and

(e) other expenses.

12.1.4. Other operating expenses and income

Tuff Group’s other operating expenses and income comprise mainly foreign exchange losses and gains arising from fluctuations in foreign exchange rates between the various foreign currencies and US dollars as well as other miscellaneous expenses which are not significant in amount for the relevant financial years.

12.1.5. Finance costs

Tuff Group's finance costs mainly pertain to interest expenses arising from utilisation of bank facilities such as bank loans as well as project financing for large scale projects or secure bank guarantees. Tuff Group's average finance costs are within the range of 4.5% to 5% for the periods under review.

12.1.6. Income tax expense

Tuff Group's income tax expenses consist of both current tax as well as deferred income tax. Generally, Tuff Group is subjected to the Singapore tax environment. In accordance with the applicable statutory tax rates in Singapore, Tuff enjoys a relatively low prevailing tax rate of 3% or SGD 20,000 whichever is lower.

12.2. Significant factors affecting net assets, financial condition and results of operations

12.2.1. Oil and gas division

One of the main factors affecting Net Assets, Financial Condition and Results of Operations in view of the oil & gas sector is the respective oil and gas price. Although Tuff Group does not sell the oil and gas which is produced under utilisation of Tuff Group's Assets itself, the oil and gas price nevertheless has a bearing on the revenues and profits of Tuff Group. Firstly, the oil & gas price is decisive for economical, affordable and sustainable exploitations in remote regions in the globe and equipment for such endeavours.

Another main factor affecting Tuff's Net Assets, Financial Condition and Results of Operations is the existence and discovery of sufficient oil & gas fields, which are adequate for the deployment of Tuff Group's assets.

Furthermore, due to the fact that the business of Tuff Group is conducted in various different currencies, Tuff Group's business is capital intensive and its Net Assets, Financial Condition and Results of Operations is dependent upon the development of the currency exchange rates. Hence, Tuff Group is exposed to foreign exchange risk (cf. the risk factor above under 3., "Risk Factors", 3.1 "Market and Business Risks", 3.1.15, "Tuff Group is exposed to foreign exchange risk arising from changes in the exchange rates between the functional currencies of companies in its Group and other currencies" for details).

12.2.2. Limited number of major customers

Tuff Group derives a substantial amount of its revenues from a limited number of major customers, among them governmental bodies or state-owned companies or subsidiaries. Decision-making with respect to operations, policies or business outlooks affect Tuff Group's prospects in view of its existing and future business.

Realisation of revenue depends significantly on relationship-management over a project running time as well as for any follow-up projects awarded. Furthermore, any political decision, change in policy or overall domestic strategy in the countries Tuff Group is active in affecting decision-makers with regards to oil & gas, infrastructure or energy & power generation affect business prospects of Tuff Group to win new projects and to a certain extent projected revenues for ongoing projects.

12.2.3. Timing of revenue

Timing differences for project development revenue affect inter-year results. Since development based fees are generally paid only once a development reaches certain predefined milestones and stages of completion, the timing of receipt and recognition of revenue depends on the timing of the same and outcomes, which are outside Tuff's control and are difficult to predict.

Short timing differences as to whether projects reach certain milestones or levels late one financial year or early the following financial year affect financial performance in each year and relativity between years. A particular project may have planned a certain milestoned connected with a larger fee instalment in a particular financial year. If such milestone is not reached timely because, among other things, one or several development parts cause a delay or prevent the project from reaching the milestone or final stage. Despite potentially having the ability to reach the given milestone in later periods, significant fees may not be received when anticipated but rather at a later date.

12.2.4. Successful subsidiaries

Tuff is a holding company and conducts substantially all of its operations through its subsidiaries. Tuff's principal source of income is dependent on distributable net profits of its subsidiaries. Tuff's own ability to conduct and operate its subsidiaries and each subsidiary's own ability to operate its dedicated business and strategy will largely affect the subsidiary's net profits, financial position and results of operations and most importantly a positive net income generating distributions of profits to Tuff.

12.2.5. Variation order

The alteration of the scope of works in a construction in the form of an addition, substitution or omission from the original scope of works („Variation Order") may significantly influence time and budget of a project. Variation orders may be necessary if the project can not be realised on the assumption made at ist planning phase or may be placed by the customer with respect to the design and configuration which may change from time to time with changing demands and requirements.

12.2.6. Cost overruns

Unplanned, unassumed and unforeseen incidents and circumstances may lead to cost overruns while such cost overruns may not be caused by a party that can held liable and may materially affect the profitability of a project if cost overruns are not compensated by the client or included in the calculation.

12.3. Management discussion and analysis of Tuff Offshore Engineering Services Pte Ltd

12.3.1. Significant accounting policies and judgements made

12.3.1.1. Basis of preparation

The financial statements of the Company have been drawn up in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Euro (EUR) and the Company's functional currency in United States Dollars (USD).

During the reported financial periods, the directors have assessed that its functional currency has changed from SGD to USD, due to the change in the currency of underlying transactions, conditions, and events that the Company has entered into. During the year, the contracts entered into by the Company were denominated in USD, consequently, majority of its sales and purchases were denominated in USD. Such has resulted to significant increase in USD-denominated balances in the Statement of Financial Position. As a result, the Company has changed its functional currency to USD to comply with IAS 21.

12.3.1.2. Foreign currency transactions and balances

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting period are recognised in profit or loss.

12.3.1.3. Determination of functional currency

In determining the functional currency of the Company, judgment is used by the Company to determine the currency of the primary economic environment in which the Company operates. Consideration factors include the currency that mainly influences sales prices of goods and services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

12.3.1.4. Key sources of estimation of uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Useful lives of property, plant and equipment

The useful life of an item of property, plant and equipment is estimated at the time the asset is acquired and is based on historical experience with similar assets and takes into account anticipated technological or other changes. If changes occur more rapidly than anticipated or the asset experiences unexpected level of wear and tear, the useful life will be adjusted accordingly.

Impairment of loans and receivables

The impairment of trade and other receivables is based on the ageing analysis and management's continuous evaluation of the recoverability of the outstanding receivables. In assessing the ultimate realisation of these receivables, management considers, among other factors, the creditworthiness and the past collection history of each customer. If the financial conditions of these customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

12.3.1.5. Employee benefits

Retirement benefit costs

As required by law, the Company makes contributions to the Central Provident Fund (CPF), a defined contribution plan regulated and managed by the Government of Singapore. CPF contributions are recognised as expense in the same year to which the contribution relates.

Employee entitlements to annual leave are recognised when they accrue to the employees. An accrual is made for the estimated liability for annual leave as a result of services rendered by the employees up to the statement of financial position date.

A liability for bonuses is recognised where the entity is contractually obliged or upon declaration by management to pay bonuses for the financial year.

Key management personnel

Directors and certain managers that have the authority and responsibility for planning, directing and controlling the activities of the Company are considered key management personnel.

12.3.1.6. Taxes

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rate and tax law used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

12.3.2. Results of operation of Tuff Offshore Engineering Services Pte Ltd

The following table shows the profit and loss statement of Tuff Offshore Engineering Services Pte Ltd for the financial years ending 31 December 2017, 31 December 2016 and December 2015.

in EUR (IFRS)	01.01.2017-31.12.2017 (*audited*)	01.01.2016-31.12.2016 (*audited*)	01.01.2015-31.12.2015 (*audited*)
Revenue	**6,520,094**	**31,051,762**	**2,672,151**
Other items of income			
Other income	133,202	51,729	5,463
Items of expense			
Depreciation of property, plant and equipment	(30,839)	(30,205)	(13,477)
Employee benefits expense	(2,524,484)	(3,340,796)	(1,490,654)
Rental on operating expenses	(59,440)	(68,823)	(70,760)
Subcontractor costs	(2,901,522)	(26,184,020)	(756,714)
Other operating expenses	(849,416)	(740,779)	(205,921)
	(6,365,701)	(30,364,623)	(2,537,526)
Profit before income tax	287,595	738,868	140,088
Income tax benefit/(expense)	3,070	(102,561)	-
Profit after tax	**290,665**	**636,307**	**140,088**
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation	(112,403)	41,714	(2,103)
	(112,403)	41,714	(2,103)
Other comprehensive income for the year, net of tax	**178,262**	**678,021**	**137,985**
Total comprehensive income for the year	**178,262**	**678,021**	**137,985**

(Table: Profit and loss of Tuff Offshore Engineering Services Pte Ltd)

12.3.2.1. Revenue

The revenue for the FY2017 was EUR 6.520mn and decreased by EUR 24.532mn or 79.00% compared to the revenue for the FY2016 of EUR 31.052mn. The revenue for the FY2016 increased by EUR 28.380mn or 91.39 % compared to the revenue for the FY2015 of EUR 2.672mn.

The revenue peak in the FY2016 resulted from the contract with the client Avantgarde Petroleum FZC, Dubai, United Arab Emirates, signed in 2015, when the project work was at its full swing during this year. The name of the project was FPSO Cyrus. The total project value is around USD 45mn (*unaudited*) The bulk of project work was completed during the FY2016. During the first quarter of FY2017, the project was completed and sign off was done. Since no other projects were in working progress in the FY2017 a significant decrease was recorded.

The vast majority of revenue is generated from income from consultancy services, largely attributable to consulting and time based billing. For the FY2017, revenue resulted in the full amount of EUR 6.520mn from consultancy services provided by Tuff Offshore. For the FY2016, the revenue of EUR 31.052mn resulted at an amount of EUR 18.748 from construction work and at EUR 12.304mn from consultancy services. For the FY2015, the revenue of EUR 2.672mn resulted exclusively from consultancy services.

12.3.2.2. Other income

Other income for the FY2017 was EUR 133k while EUR 52k for the FY2016 and EUR 5k for the FY2015 was recorded. Other income included EUR 19k of government grant in the FY2017 compared to 51k in the FY2016 and EUR 0 (nil) in the FY2015.

Other income further included EUR 39k as foreign exchange gain for the FY2017 compared to a foreign exchange loss at EUR 124k for FY2016 (as other expenses) and EUR 5k as foreign exchange gain for FY2015. This resulted from foreign currency transactions that are translated into SGD at the exchange rates prevailing on the transaction date, i.e. gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies.

EUR 99k as trade payables waived-off were accounted for the FY2017 compared to EUR 0 (nil) in FY2016 and FY2015. Interest income from bank amounted to EUR 9k for the FY2017 and EUR 0 (nil) in the FY2016 and FY2015 respectively.

12.3.2.3. Items of expense

Items of expense for the FY2017 amounted to EUR 6.366mn and therefore a decrease of EUR 23.999mn or 79,04 % compared to FY2016 amounting to EUR 30.365mn and an increase by EUR 27.827mn or 91,64 % from the FY2015.

Additions for property, plant and equipment included EUR 12,669 for the FY2017, EUR 10,177 for the FY2016 and EUR 129.584 for the FY2015. In the FY2015, a significant amount of EUR 95,360 was attributed to computers & peripherals.

12.3.2.4. Depreciation of property, plant and equipment

Expenses for depreciation of property, plant and equipment in the FY2017 amount to EUR 31k after amounting to EUR 30k in the FY2016 and EUR 13k in the FY2015. The amounts included depreciation for furniture and fittings, office equipment, computers & peripherals and renovation.

For a detailed description of investments in property, plant and equipment, refer to *8.7.4 Property, plant and equipment*.

12.3.2.5. Employee benefits

Expenses for employee benefits for the FY2017 were EUR 2.524mn and decreased by EUR 0.816mn or 24,43 % compared to the FY2016 with employee benefits of EUR 3.341mn. For the FY2016, employee benefits increased by EUR 1.850mn or 55,38 % compared to the FY2015 at EUR 1.491mn. Employee benefits mainly comprise salaries and bonus at an amount of EUR 2.335mn for the FY2017, EUR 3.041mn for the FY2016 and EUR 1.318mn for the FY2015. The differences mainly resulted from the use of project-related personnel in connection with the FPSO cyrus project. Expenses for the Singapore Central Provident Fund (CPF), for Foreign Workers Levy (FWL) and Skill Development Levy (SDL) incurred at EUR 87k for the FY2017, at EUR 208k for the FY2016 and at EUR 92k for the FY2015.

12.3.2.6. Directors remuneration

Directors remuneration amounted to EUR 98k in the FY2017, to EUR 83k in the FY2016 and to EUR 78k in the FY2015 and included CPF contribution as pension advances at EUR 9k for the FY2017, EUR 7k (FY2016) and 6k (FY2015) respectively.

12.3.2.7. Rental on operating expenses

Rental on operating expenses were at EUR 59k for the FY2017, at EUR 69k for the FY2016 and at EUR 71k for the FY2015. In the FY2015 and part of the FY2016, Tuff Offshore rented site offices in addition to the corporate office to accommodate site personnel while in the FY2017, only the corporate office rental appeared.

12.3.2.8. Subcontractor costs

Costs for subcontractors for the FY2017 amounted to EUR 2.902mn with a decrease by EUR 23.282mn or 88,92 % compared to the FY2016 with subcontractors' costs at EUR 26.184mn. In the FY2016, the costs for subcontractors rised by EUR 25.427mn compared to the FY2015 amount to EUR 0.757mn. The peak for subcontractors' costs resulted from the large project FPSO cyrus which included significant third party work.

12.3.2.9. Other operating expenses

Other operating expenses in the FY2017 amounted to EUR 849k at an increase of EUR 109k or 14,67 % compared to the FY2016 with expenses at EUR 741k with a preceding increase of EUR 535k or 72,20 % in the FY2016 compared to EUR 206k in the FY2015.

The increase in other operating expenses in the FY2016 over the period was mainly due to travel and accommodation expenses incurred for the FPSO Cyrus project implementation. Manpower was sent to various locations for inspection work between Shenzhen, Dubai and India. The offshore project demanded that crew be moved from and to Middle East where the vessel was located.

Travel and accommodation expenses in the FY2017 were at EUR 452k compared to lower amounts in the FY2016 at EUR 386k and in the FY2015 at EUR 162k. This was the result of additional business development work undertaken in the FY2017. In the FY2016, other operating expenses included foreign exchange losses at EUR 124k. While in the FY2015 and FY2016 these expenses are mainly attributed to travel for project work, the expenses in the FY2017 were moreover attributable to business development activities, resulting in higher travel costs.

Other operating expenses also included professional fees paid to various preparation exercises and increase in marketing and tendering costs when it came to several new projects in pursuit. These additional costs have been very fruitful as Tuff Offshore has managed to capture projects earmarked to be launched in the FY2018.

12.3.2.10. Profit after tax

For the FY2017, the profit after tax amounted to EUR 291k with a decrease of EUR 356k or 54.32 % compared to the FY2016 with a profit afterfax amounting to EUR 636k. Profit after tax increased in the FY2016 from EUR 140k in the FY2015 by EUR 496k or 77.98 %. Profit after tax refers to profit before income tax decreased by income tax expenses and increase by income tax benefits.

12.3.2.11. Profit before income tax

For the FY2017, the profit before income tax amounted to EUR 288k with a decrease of EUR 451k or 61.08 % compared to the FY2016 with a profit before income tax of EUR 739k after an increase of EUR 599k or 81.04% in the FY2016 compared to EUR 140k in the FY2015. This resulted to a high workload and revenue in connection with FPSO cyrus project.

12.3.2.12. Income tax benefit and expenses

In the FY2017, the Tuff Offshore received an income tax benefit amount of EUR 3k after an amount of EUR 103k of income tax paid in the FY2016. In the FY2015, the income tax was EUR 0 (nil).

For the FY2017, an income tax benefit of EUR 9k out of over provision for previous years was received and overcompensated with income tax expenses of EUR 6k. In the FY2016, income tax was paid at EUR 103k without benefit. In the FY2015, expenses and benefits were EUR 0 (nil).

Calculated on the basis of a statutory tax rate of 17 % for the reported financial years before the described tax effects, income tax calculated at EUR 49k for the FY2017, EUR 126k for the FY2016 and EUR 24k for the FY2015.

12.3.2.13. Other comprehensive income

Other comprehensive income included items that may be reclassified subsequently to profit or loss. This included for the FY2017 foreign currency translations amounted to EUR (112k) compared to EUR 42k for the FY2016 and EUR (2k) for the FY2015.

12.3.2.14. Total comprehensive income for the year

The total comprehensive income for the FY2017 was EUR 178k at a decrease of EUR 500k or 73.71 % compared to the FY2016 with a total comprehensive income of EUR 678k. The FY2016 resulted in an increase of EUR 540k or 79.65 % compared to an amount of EUR 138k in the FY2015.

Total comprehensive income did not deviate from other comprehensive income, net of tax, for the reported financial years.

12.3.2.15. Gross Profit Earned

The gross profit ratio stabilized at 51.87 % (*unaudited*) in the FY2017 after a dip to 14.07 % (*unaudited*) in the FY 2016 compared to 71.68 % (*unaudited*) in the FY2015. This denotes that in the FY2015 expenses comprised only of top management expenses during the initial phase of the implementation for for the FPSO Cyrus project.

In the FY2016, this project was executed with full scale and additional manpower was put in compared to what was anticipated and budgeted for in order to meet tight deadline. The project was being executed in 2 locations, Shenzhen and Dubai, due to a change of plan by the client. This resulted in significantly higher expenses on salaries and other employee benefits since a lot of manpower was to be taken on from Dubai, India and China, additional costs under FWL policy.

In the FY2017, the project was signed off and an offshore crew came into the project resulting in comparably high salaries based on per day rate charges. Oil & gas per day rates average from USD 100 to 300 per day (*unaudited*) based on position. Travel charges were comparably on a high level because the offshore site where the crew was sent to was located in the Middle East.

Net profits

The net profits of Tuff Offshore Engineering Services Pte Ltd has seen a decline over a period of 2015 to 2017 as the entity followed an active program of business development and diversification and invested significant portion of their enhanced revenue into exploring opportunities for business diversification and market exploration initiatives.

12.3.3. Net Assets and financial position of Tuff Offshore Engineering Services Pte Ltd

The following tables show the balance sheet of Tuff Offshore Engineering Services Pte Ltd as per 31 December 2017, 31 December 2016 and 31 December 2015.

in EUR (IFRS)	31.12.2017 (*audited*)	31.12.2016 (*audited*)	31.12.2015 (*audited*)
Assets			
Non-current assets			
Property, plant and equipment	75,728	97,982	116,308
	75,728	**97,982**	**116,308**
Current assets			
Trade and other receivabes	2,307,778	6,300,593	417,281
Prepayment	751	394	559
Cash and cash equivalents	1,960,367	7,834,333	341,055
	4,268,896	14,135,320	758,895
Total assets	**4,344,624**	**14,233,302**	**875,203**
Equity and liabilities			
Equity			
Share capital	64,697	64,697	64,697
Other reserves	(72,792)	39,611	(2,103)
Retained earnings	794,236	753,462	117,155
Total equity	**786,141**	**857,770**	**179,749**
Current liabilities			
Trade and other payables	3,463,696	13,259,839	682,515
Amount due to related parties	-	13,132	12,939
Provision for income tax	94,787	102,561	-
	3,558,483	13,375,532	695,454
Total liabilities	**3,558,483**	**13,375,532**	**695,454**
Total equity and liabilities	**4,344,624**	**14,233,302**	**875,203**

(Table: balance sheet of Tuff Offshore Engineering Services Pte Ltd)

12.3.3.1. Total assets

As of 31 December 2017, total assets amounted to EUR 4.345mn with a decrease of EUR 9.889mn of 69.48 % compared to total assets amounting to EUR 14.223mn as of 31 December 2016. Total assets increased by EUR 13.358mn as of 31 Decemver 2016 compared to total assets at an amount of EUR 0.875mn as of 31 December 2015.

The significant volatility in the total assets for the three financial years reported were largely attributable to the project-oriented business of Tuff Offshore and resulted from outstanding trade receivables from customers, cash at banks and outstanding not yet due trade payables to subcontractors which were unsettled in due course as of the balance sheet dates.

12.3.3.2. Non-current assets

Non-current assets consisted exclusively of property, plant and equipment.

Property, plant and equipment

As of 31 December 2017, property, plant and equipment amounted to EUR 76k with a decrease at EUR 22k or 22.71 % compared to an amount of EUR 98k as of 31 December 2016 and a previous decrease at EUR 18k or 15.76 % compared to EUR 116k as of 31 December 2015. These fixed assets contained furniture & fittings, office equipment, computer peripherals and renovation.

Depreciation of plant and equipment

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	years
Furniture and fittings	5
Office equipment	3
Computers & peripherals	5
Renovation	5

12.3.3.3. Current assets

Current assets as of 31 December 2017 were recorded at an amount of EUR 4.269mn resulting in a decrease of EUR 9.866mn or 69.80 % compared to currents assets as of 31 December 2016 amounting to EUR 14.135mn. Currents assets as of 31 December 2016 increased by EUR 13.358mn compared to EUR 0.875mn as of 31 December 2015. Current assets included trade and other receivables, prepayment and cash and cash equivalents. The significant volatility resulted from ongoing project work and therefore outstanding trade receivables from customers and unsettled trade payables to subcontractors.

12.3.3.4. Trade and other receivables

As of 31 December 2017, trade and other receivables amounted to EUR 2.308mn and as of 31 December 2016 amounted to EUR 6.301mn, decreasing by EUR 3.993mn or 63.37 %. Trade and other receivables increased as of 31 December 2016 at an amount of EUR 5.883mn compared to EUR 0.417mn asof 31 December 2015.

Trade and other receivables are denominated in United States Dollars (USD) and Singapore Dollars (SGD). Amounts denominated in USD equaled to EUR 1,230k as of 31 December 2017 and to EUR 6,285k as of 31 December 2016. As of 31 December 2015, no amount in USD was recorded. As of 31 December 2017, amounts denominated in SGD equaled to EUR 1,078, as of 31 December 2016 to EUR 16k and as of 31 December 2015 to EUR 417k. The amounts denominated in SGD resulted for a very large portion from payments made in SGD.

Trade receivables

Trade and other receivables consisted of trade receivables from third parties of EUR 8k as of 31 December 2017, EUR 6,282k as of 31 December 2016 and EUR 368k as of 31 December 2015. Trade receivables were unsecured, non-interest bearing and are generally on 30 days terms throughout the reported balance sheet dates. There were no other class of financial assets that were past due or impaired except for trade receivables.

Trade receivables past due but not impaired

Tuff Offshore had trade receivables amounting to EUR 5k as of 31 December 2017, to EUR 3,163k as of 31 December 2016 and to EUR 368k as of 31 December 2015 that wer past due at the reporting date but not impaired. These receivables were unsecured. There were no trade receivables past due lesser than 30 days as of 31 December 2017 while this item amounted to EUR 1,241k as of 31 December 2016 and to EUR 187k as of 31 December 2015. As of 31 December 2017, there were no trade receivables due from 31 to 60 days but as of 31 December 2016 in an amount of EUR 1,922k and as of 31 December 2015 at EUR 181k. While there were trade receivables due more than 60 days in amount of EUR 5k as of 31 December 2017, no trade receivables at such due dates were recorded as of 31 December 2016 or as of 31 December 2015. The FY2016 was characterised by major project work so receivables were at a respectively high amount.

Trade receivables past due and impaired

There where no trade receivables that were past due and impaired.

Other receivables

Trade and other receivables further consisted of deposits at EUR 16k as of 31 December 2016 (31 December 2016: EUR 18k, 31 December 2015: EUR 23k).

This item included other receivables of EUR 193k as of 31 December 2017, (31 December 2016: EUR nil, 31 December 2015: EUR 26k). Other receivables were mainly attributable to to deposits and prepaid expenses paid to administrative contractors like utility providers.

While as of 31 December 2016 an amount due of EUR 658 and as of 31 December 3015 an amount due of EUR 647 from a related party was recorded, no such amount due was recorded as of 31 December

2017. Amounts due from a related company were unsecured, non-interest bearing, repayable on demand and were to be settled in cash.

As of 31 December 2017, an amount of EUR 2.090k was due from director (no such amount as of 31 December 2016 and 31 December 2015) and attributable to a loan granted to a director of Tuff Offshore. Amount due from a director was unsecured, non-interest bearing, repayable on demandand are to be settled in cash.

12.3.3.5. Prepayment

Prepayments as of 31 December 2017 amounted to EUR 751, as of 31 December 2016 to EUR 394 and as of 31 December 2015 to EUR 559. Prepayments are attributable to mainly deposits.

12.3.3.6. Cash and cash equivalents

Cash and cash equivalents amounted to EUR 1.960mn as of 31 December 2017 decreasing by EUR 5.874mn or 74.98 % compared to EUR 7.834mn as of 31 December 2016 after previously increasing by EUR 7.493mn compared to EUR 0.341mn as of 31 December 2015. The cash at bank denotes to the balances held by the entity in OCBC and DBS banks in Singapore. There was no restriction on the cash balances held in the banks and no liabilities towards any bank too. Cash balances for the reported balance sheet dates are volatile because of the ongoing project work in the FY2016.

12.3.3.7. Equity

As of 31 December 2017, total equity amounted to EUR 786k after an amount of EUR 858k as of 31 December 2016 resulting in a decrease by EUR 72k or 8.35 % and moreafter a previous amount of EUR 180k as of 31 December 2015 resulting in an increase by EUR 678k or three times multiple. The significant increase in the FY2016 resulted from a high increase in retained earnings, which increased further in the FY2017.

12.3.3.8. Share capital

The share capital remained equally to EUR 64.697 throughout the reported balance sheet dates. This corresponds to the 100,002 SGD of share capital of Tuff Shore divided into 100,002 registered ordinary shares. The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

12.3.3.9. Other reserves

Other reserves were at EUR (73k) as of 31 December 2017 and decreased by EUR 112k compared to other reserves as of 31 December 2016 at EUR 40k. As of 31 December 2016, other reserves increased by EUR 42k or compared to EUR (2k) as of 31 December 2015. Other reserves represent exchange differences arising from the translation of the financial statements of the Company from functional currency of USD (31 December 2015: SGD) to its presentation curreny of EUR.

12.3.3.10. Retained earnings

As of 31 December 2017, retained earnings amounted to EUR 794k, increasing by EUR 41k or 5,41 % compared to retained earnings as of 31 December 2016 amounting to EUR 753k. As of December 2016, retained earnings increased by EUR 636k compared to EUR 117k as of December 2015.

Dividend payments

No dividends have been paid in the reported financial years.

12.3.3.11. Total liabilities

As of 31 December 2017, total liabilities amounted to EUR 3.558m after an amount of EUR 13.376mn as of 31 December 2016 resulting in a decrease by EUR 9.817mn or 73.40 % and moreafter a previous amount of EUR 695k as of 31 December 2015 resulting in an increase by EUR 12.680mn. The significant increase in the FY2016 followed by a high decrease in the FY2017 were largely attributable to the project-oriented business of Tuff Offshore and resulted from outstanding trade receivables from customers, cash at banks and outstanding not yet due trade payables to subcontractors which were unsettled in due course as of the balance sheet dates.

Total liabilities consisted exclusively of current liabilities.

12.3.3.12. Trade and other payables

Trade and other payables amount to EUR 3.464mn as of 31 December 2017 decreasing by EUR 9.796mn or 73.88 % compared to EUR 13.260mn as of 31 December 2016. Before, as of 31 December 2016 trade and other payables increased by EUR 12.577mn compared to EUR 0.683mn as of 31 December 2015.

Trade payables to third parties were at EUR 2.758mn as 31 December 2017 compared to EUR 12.413mn as of 31 December 2016 and EUR 0.126mn as of 31 December 2016. Trade payablesare non-interest bearing and are normally settled on 30 days terms (31 December 2016, 31 December 2015: 30 days). Trade payables were widely attributable to payables to subcontractors of Tuff Offshore for its projects.

Accrued expenses amounted to EUR 177k as of 31 December 2017 (31 December 2016: EUR 383k, 31 December 2015: EUR 204k). Other payables amounted to EUR 529k as of 31 December 2017, to EUR 464k as of 31 December 2016 and to EUR 167k as of 31 December 2015. Accrued expenses and other payables were attributable to to work done by project contractors as part of business development or new project activities which could not be attributed to running projects.

Trade and other payables were denominated in United States Dollar (USD) at EUR 3.248mn as of 31 December 2017, at EUR 12.601mn as of 31 December 2016 and at EUR 0.174mn as of 31 December 2015. They were denominated in Singapore Dollars (SGD) at EUR 215k as of 31 December 2017 (31 December 2016: EUR 659k, 31 December 2015: 167k). As of 31 December 2016, EUR 1k was denominated in EUR.

12.3.3.13. Amount due to related parties

The amount due to related parties was EUR 0 (nil) as of 31 December 2017. As of 31 December 2016, the amount was EUR 13k compared to EUR 13k as of 31 December 2015. The amount due to related parties were unsecured, non-interest bearing, repayable on demand and were to be settled in cash.

12.3.3.14. Provision for income tax

Provision for income tax was at EUR 95k as of 31 December 2017 after EUR 103k as of December 2016 resulting in a minor decrease by 8k or 7.58 %. As of 31 December 2015, provision was EUR 0 (nil).

12.3.3.15. Total equity and liabilities

Total equity and liabilities amounted to EUR 4.345mn as of 31 December 2017 which was a decrease by EUR 9.889mn or 69.48 % compared to EUR 14.233 as of 31 December 2016. The significant difference was attributable to payables to subcontractors of Tuff Offshore projects. As of 31 December 2016, total equity and liabilities increased by EUR 13.358mn compared to EUR 0.875mn as of 31 December 2015. Again, the significant difference was attributable to payables to subcontractors that were not settled.

12.3.4. Cash-flow statement of Tuff Offshore Engineering Services Pte Ltd

The following table shows the cash-flow statement of Tuff Offshore Engineering Services Pte Ltd for the financial years ending 31 December 2017, 31 December 2016 and 31 December 2015.

in EUR (IFRS)	01.01.2017-31.12.2017 (*audited*)	01.01.2016-31.12.2016 (*audited*)	01.01.2015-31.12.2015 (*audited*)
Cash flows from operating activities			
Profit before income tax	287,595	738,868	140,088
Adjustments for:			
Depreciation of property, plant and equipment	30,839	30,205	13,477
Operating cash flow before working capital changes	318,434	769,073	153,565
Changes in working capital:			
Trade and other receivables	3,992,815	(5,883,312)	(385,225)
Prepayments	(357)	165	(559)
Trade and other payables	(9,796,143)	12,577,324	682,515
Cash (used in)/generated from operating activities	**(5,485,251)**	**7.463,250**	**450,296**
Income tax paid	(4,704)	-	-
Net cash (used in)/generated from operating activities	**(5,489,955)**	**7,463,250**	**450,296**
Cash flows from investing activities			
Purchase of property, plant and equipment	(12,669)	(10,177)	(129,584)
Net cash used in investing activities	**(12,669)**	**(10,177)**	**(129,584)**
Cash flows from financing activities			
Amount due to related parties	(13,132)	193	12,939
Dividends paid	(249,891)	-	-
Fixed deposit pledged	(1,046,942)	-	-
Net cash (used in)/generated from financing activities	**(1,100,324)**	**193**	**12,939**
Net (decrease)/increase in cash and cash equivalents	**(6,602,948)**	**7,453,266**	**333,651**
Cash and cash equivalents at the beginning of financial year	7,834,333	341,055	9,708
Effects of currency translation on cash at banks	(108,431)	40,012	(2,304)
Cash at banks at the end of financial year	**1,123,066**	**7,834,333**	**341,055**

(Table: cash-flow statement of Tuff Offshore Engineering Services Pte Ltd)

12.3.4.1. Cash flows from operating activities

Cash flows from operating activities were at EUR (5.485mn) for the FY2017 and therefore a decrease by EUR 12.949mn compared to the FY2016 amounting to EUR 7.463mn. Cash flows from operating activities increased in the FY2016 by EUR 7.013mn compared to the FY2015 with EUR 0.450mn. There were no operating projects in in the FY2017 and hence cash flow was negative as cash was being used to finance business development activities. The cash flow in the FY2015 was also low because at the time of project start, significant outlay goes into mobilization and establishment of performance guarantees. 2016 was the year of positive cash flow with respect to the FPSO Cyrus project.

Operating cash flow before working capital changes

Operating cash flow before working capital changes were recorded at EUR 318k for the FY2017 (FY2016: EUR 769k, FY2015: EUR 154k) and included profit before income tax at EUR 288k (FY2016: EUR 739k, FY2015: EUR 140k) and adjustments for depreciation of property, plant and equipment at EUR 31k (FY2016: EUR 30k, FY2015: EUR 13k). This is the reconciliation between operating cash flow and net profit. Depreciation from net profit were add back and taxes paid were added back as operating cash flow will not contain taxes paid to reconciliate operating cash flow and net profit.

Changes in working capital

Cash flows from operating activities included cash generated from trade and other receivables in an amount of EUR 3.993mn for the FY2017 after EUR 5.883mn used for operating activities in the FY2016 and EUR 0.385 in the FY2015. These were mostly attributed to receivables from customers.

Prepayments were used at an amount of EUR 357 in the FY2017 and EUR 559 in the FY2015 and generated at an amount of EUR 165 in the FY2016.

Cash flows from trade and other payables included cash used in an amount of EUR 9.796mn for the FY2017 after EUR 12.577mn generated from operating activities in the FY2016 and EUR 0.683mn in the FY2015. These were mostly attributable to payables to subcontractors.

12.3.4.2. Cash flows from investing activities

In the FY2017, cash flows from investing activities were recorded at EUR (13k) compared to EUR (10k) in the FY2016 and a significantly higher EUR (130k) in the FY2015, which was attributed to purchases of property, plant and equipment, in the FY2017 at EUR 12,669 and in the FY2016 at EUR 10,177. In the FY2015, EUR 129,584 were recorded which was attributed to purchases of furniture, computers, office equipment and renovation for its own business and office.

12.3.4.3. Cash flows from financing activities

Cash flows from financing activities in the FY2017 amounted to EUR (1,100.324), which is attributable to a fixed deposit pledged for the performance bond created for the Maldives project at an amount of EUR 837,301, dividends paid at EUR 249,891 and an amount due to related parties at EUR 13,132. For the FY20176 the amount was EUR 193 (FY2015: EUR 12,939), consisting of amounts due to related parties in the said EUR 193 (FY2015: EUR 12,939).

12.3.4.4. Cash and cash equivalents decrease and increase

In the FY2017, cash and cash equivalents decreased by EUR 6.603mn, which is attributable to an absence of project revenues and an increase in business development expenditures, in the FY2016 cash and cash equivalents increase by EUR 7.453mn which is attributable to significant progress in the FPSO Cyrus project after an increase by EUR 0.334mn in the FY2015 which is attributable to commencement of FPSO Cyrus project.

The balance included effects of currency translation on cash at banks at EUR (108k) for the FY2017, at EUR 40k for the FY2016 and EUR (2k) for the FY 2015.

Cash at banks at the end of the financial year

Cash at banks amounted to EUR 1,123k as of 31 December 2017, to EUR 7,834k as of 31 December 2016 and to EUR 341k as of December 2015.

12.3.5. Results of operations for the six month period ended 30 June 2018

The following table shows the profit and loss statement of Tuff Offshore Engineering Services Pte Ltd for the six month period ending 30 June 2018 and 30 June 2017.

in EUR (IFRS)	01.01.2018- 30.06.2018 (*unaudited*)	01.01.2017- 30.06.2017 (*unaudited*)
Revenue	**27,409,933**	**6,589,208**
Other items of income		
Other income	21,453	25,065
Items of expense		
Depreciation of property, plant and equipment	(15,398)	(15,420)
Employee benefits expense	(892,434)	(2,136,334)
Rental on operating expenses	(41,414)	(25,318)
Subcontractor costs	(19,788,965)	(2,553,777)
Other operating expenses	(731,458)	(503,706)
	(21,469,669)	(5,234,555)
Profit before income tax	5,961,716	1,379,718
Income tax benefit/(expense)	(1,013,491)	(6,413)
Profit after tax	4,948,224	1,373,305
Other comprehensive income	-	-
Items that may be reclassified subsequently to profit or loss		
Foreign currenfy translation	37,800	49,457
Other comprehensive income, net of tax	37,800	49,457
Total comprehensive income	**4,986,024**	**1,422,761**

(Table: six months profit and loss statement, Tuff Offshore Engineering Services Pte Ltd)

12.3.5.1. Results of operations

Revenue for the first half year 2018 as per 30 June 2018 ("**HY2018**") and for the first half year 2017 as per 30 June 2017 ("**HY2017**") showed equivalent volatility which corresponded to the business model and project activities of Tuff Offshore. Realised revenue derived from work on the Maarafu Airport project in the Maldives. While the project was commenced in the second half 2017, revenue shifted to the following year 2018, which is the effect of installments paid dependent on the project progress and predefined milestones.

12.3.5.2. Revenue

Revenue in the HY2018 amounted to EUR 27.410mn (*unaudited*) showed an increase of EUR 20.821mn (*unaudited*) and multiplied by three compared to revenue in the HY2017 with an amount of

EUR 6.589mn (*unaudited*). The increase was mostly attributed to the new project of airport construction in the Maldives, the Maafaru Airport project.

12.3.5.3. Other income

Other income in the HY2018 was at EUR 21k (*unaudited*) compared to EUR 25k (*unaudited*), resulting in a minor decrease by EUR 4k (*unaudited*) or 14.41 % (*unaudited*). Other income pertains deposit interest on bank balances.

12.3.5.4. Items of expense

In the HY2018, items of expense amounted to EUR 21.470mn (*unaudited*) after EUR 5.235mn (*unaudited*) in the HY2017, increasing by EUR 16.235mn (*unaudited*) or multiplied by three.

Items of expense included depreciation of property, plant and equipment at EUR 15k (*unaudited*) in the HY2018 and equally EUR 15k (*unaudited*) in the HY2017 and additions thereto at EUR 11k (*unaudited*) in the HY2018 and 13k (*unaudited*) in he HY2017, employee benefits at EUR 892k (*unaudited*) in the HY2018 compared to EUR 2,136k (*unaudited*) in the HY2017, which is a decrease by 1,244k (*unaudited*) or 58.23 % (*unaudited*), rental on operating expenses at EUR 41k (*unaudited*) in the HY2018 compared to 25k (*unaudited*) in the HY2017 and therefore increased by 16k (*unaudited*) or 63.58 % (*unaudited*).

Subcontractor costs

In the HY2018, subcontractor costs amounted to EUR 19.789mn (*unaudited*) and increased by EUR 17.235mn (*unaudited*) compared to EUR 2.554mn (*unaudited*) in the HY2017, which is a multiplier by more than six and may be attributed to project activities by subcontractors in the HY2018 in connection with the Maafaru Airport project.

Other operating expenses

Other operating expenses were recorded at EUR 731k (*unaudited*) in the HY2018 compared to EUR 504k (*unaudited*) in the HY2017 which is in increase by 228k (*unaudited*) or 45.22 % (*unaudited*).

12.3.5.5. Profit before income tax

Profit before income tax amounted to EUR 5.962mn (*unaudited*) in the HY2018 resulting in a large increase by EUR 4.582mn (*unaudited*) and multiplier by more than three compared to an amount of EUR 1.380mn (*unaudited*) in the HY2017. This resulted from the project work done in the respective period.

Income tax benefit

Income tax expense was at EUR 1,013k (*unaudited*) in the HY2018 after 6k (*unaudited*) in the HY2017.

Profit after tax

Profit after tax amount to EUR 4.948mn (*unaudited*) in the HY2018 after EUR 1.373mn (*unaudited*) in the HY2017mn (*unaudited*) resuling in a significant increase in an amount of EUR 3.575mn (*unaudited*) and multiple by almost three.

12.3.5.6. Total comprehensive income

Total comprehensive income for the HY2018 amounted to EUR 4.986mn (*unaudited*), resulting in a significant increase by EUR 3.563mn (*unaudited*) and multiple of 2.5 compared to an amount of EUR 1.423mn (*unaudited*) in the HY2017. This included other income from foreign currency translation at EUR 38k (*unaudited*) in the HY2018 (HY2017: EUR 49k, *unaudited*).

12.3.6. Net assets and financial position as per 30 June 2018

The following table shows the balance sheet of Tuff Offshore Engineering Services Pte Ltd as per the 30 June 2018 and the 31 December 2017.

in EUR (IFRS)	30.06.2018 (*unaudited*)	31.12.2017 (*audited*)
Assets		
Non-current assets		
Property, plant and equipment	71,062	75,728
	71,062	**75,728**
Current assets		
Trade and other receivables	8,594,283	2,307,778
Prepayments	4,894	751
Cash and cash equivalents	9,284,316	1,960,367
	17,883,493	**4,268,896**
Total assets	**17,888,629**	**4,344,624**
Equity and liabilities		
Equity		
Share capital	64,697	64,697
Other reserves	(34,991)	(72,792)
Retained earnings	(5,742,460)	794,236
	5,772,166	786,141
Total equity	**5,772,166**	**786,141**
Current liabilities		
Trade and other payables	8,179,590	3,463,696
Amount due to related parties	-	-
Provision for income tax	986,890	94,787
	12,182,389	3,558,483
Total liabilities	**12,182,389**	**3,558,483**
Total equity and liabilities	**17,954,555**	**4,344,624**

(Table: balance sheet per 30 June)

12.3.6.1. Net assets and financial position

As already shown for the full financial years net assets and financial position for the half year ending as at 30 June 2018 and as at 31 December 2017 showed again the seen volatility effects resulting from project work and its dates of receivables accounted for and collected as well as payables accrued and settled, not corresponding to accounting dates.

12.3.6.2. Total assets

As of 30 June 2018, total assets amounted to EUR 17,955mn (*unaudited*) and increased by EUR 13,610mn (*unaudited*) at three times compared to total assets amounting to EUR 4.345mn as of 31 December 2017. This was mostly attributed to new ongoing work with the Maafaru Airport project.

12.3.6.3. Non-current assets

Non-current assets consisted of property, plant and equipment at EUR 71k (*unaudited*) as of 30 June 2018 after EUR 76k as of 31 December 2017, which was a decrease attributed to depreciation.

12.3.6.4. Current assets

Current assets as of 30 June 2018 were recorded at an amount of EUR 17.883mn (*unaudited*) resulting in an increase of EUR 13.615mn (*unaudited*) and multiplied by more than three compared to current assets as of 31 December 2017 amounting to EUR 4.269mn. The significant volatility resulted from new project work in progress comprising trade receivables from customers and unsettled trade payables to subcontractors.

Cash and bank balances

As of 30 June 2018, cash and bank balances amounted to EUR 9.284mn (*unaudited*) and therefore increasing by EUR 7.324mn (*unaudited*) or more than three times multiply compared to EUR 1.960mn as of 31 December 2017. This was attributable to realised payments for the ongoing project.

Trade receivables

Trade receivables were at EUR 8.594mn (*unaudited*) as of 30 June 2018, which is a large increase of EUR 6.287mn (*unaudited*) compared to trade receivables at EUR 2.308mn as of 31 December 2017. Again, this was mostly attributed to trade receivables from customers for ongoing project work.

Prepayments

Prepayments amounted to EUR 5k (*unaudited*) as of 30 June 2018 which is an increase by EUR 4k (*unaudited*) compared to prepayments amouting to EUR 1k as of 31 December 2017.

12.3.6.5. Shareholder's equity

The share capital remained unchanged equally to EUR 64.697 (*unaudited*) as of June 2018 from 31 December 2017. The recorded amounts correspond to the 100,000 SGD of share capital converted into EUR at the respective date when recorded.

Other reserves

Other reserves where at EUR (35k) (*unaudited*) as of 30 June 2018 and therefore less negative compared to EUR (73k) as of 31 December 2017, which was attributable to currency translation.

12.3.6.6. Retained earnings

As of 30 June 2018, retained earnings amounted to EUR 5.742mn (*unaudited*) at a large increase of EUR 4.948mn (*unaudited*) compared to retained earnings as of 31 December 2017 amounting to EUR 0.794mn.

12.3.6.7. Total equity

As of 30 June 2018, total equity amounted to EUR 5,772mn (*unaudited*) which was a high increase by EUR 4.986mn (*unaudited*) and multiplied by six compared to total equity as of 31 December 2017 with an amount of EUR 0.786mn. This resulted from a higher profitability in the project activities, higher workload and better scalability and use of ressources.

12.3.6.8. Total liabilities

As of 30 June 2018, total liabilities amounted to EUR 12.182mn (*unaudited*) which was an increase by EUR 8.624mn (*unaudited*) compared to total liablilites as of 31 December 2017, which amounted to EUR 3.558mn. As seen above, the significant difference was attributable to payables to subcontractors that were not settled.

Total liabilities consisted exclusively of current liabilities.

12.3.6.9. Trade and other payables

Among current financial liabilities, trade and other payables amounted to EUR 11.195mn (*unaudited*) as of 30 June 2018 increasing by EUR 7.732mn (*unaudited*) more than doubling compared to EUR 3.464mn as of 31 December 2017. Trade and other payables and their significant increase as of 30 June 2018 were widely attributable to payables to subcontractors of projects and as of 31 December 2017 attributed to the remainders of the FPSO Cyrus project.

12.3.6.10. Provision for income tax

Provision for income tax amounted to EUR 987k (*unaudited*) as of 30 June 2017 and increase by EUR 892k (*unaudited*) compared to EUR 95k as of 31 December 2017.

12.3.6.11. Total equity and liabilities

Total equity and liabilities amounted to EUR 17.955mn (*unaudited*) as of 30 June 2018, which is a total increase by EUR 13.619mn (*unaudited*) or a multiple of three compared to total equity and liabilities as of 31 December 2017 in an amount of EUR 4.345mn.

12.3.7. Cash-flow statement for the six month period ended 30 June 2018

The following table shows the cash-flow statement of Tuff Offshore Engineering Services Pte Ltd for the six month period ending 30 June 2018 and 30 June 2017

in EUR (IFRS)	01.01.2018-30.06.2018 (*unaudited*)	01.01.2017-30.06.2017 (*unaudited*)
Cash flows from operating activities		
Profit before income tax	5,961,716	1,379,718
Adjustments for:		
Depreciation of property, plant and equipment	15,399	15,420
Operating cash flow before working capital changes	5,977,115	1,395,138
Changes in working capital:		
Trade and other receivables	(6,286,505)	5,941,252
Prepayments	(4,143)	-
Trade and other payables	7,731,803	(9,622,108)
Cash (used in)/generated from operating activities	**7,418,270**	**2,285,717**
Income tax paid	(121,389)	-
Net cash (used in)/generated from operating activities	**7.296,881**	**2,285,717**
Cash flows from investing activities		
Purchase of property, plant and equipment	(10,733)	(10,177)
Net cash (used in) investing activities	**(10,733)**	**(10,177)**
Cash flows from financing activities		
Net cash (used in)/generated from financing activities	-	-
Net (decrease)/increase in cash and cash equivalents	7,286,148	(2,285,717)
Cash and cash equivalents at the beginning of financial period	1,960,367	7,834,333
Effects of currency translation on cash at banks	37,800	49,457
Cash at banks at the end of financial period	**9,284,316**	**5,598,072**

(Table: cash-flow statement of Tuff Offshore Engineering Services Pte Ltd)

12.3.7.1. Cash flows from operating activities

Cash flows from operating activities were at EUR 7,296,881mn (*unaudited*) for the six month period ending 30 June 2018 ("**HY2018**") and therefore resulted in an increase by EUR 9,583mn (*unaudited*), which is a four times multiple, compared to the first six month period ending 30 June 2017 ("**HY2017**") with cash flows used at 2.286mn (*unaudited*). The cash flow in the HY2018 reflected active work with the Maafaru Airport project.

Operating cash flow before working capital changes

Operating cash flows before working capital changes were recorded at EUR 5,977mn (*unaudited*) for the HY2018 (HY2017: EUR 1,395mn, *unaudited*) and included profit before income tax at EUR 5,962mn (*unaudited*) (HY2017: EUR 1.380mn, *unaudited*) and adjustments for depreciation of property, plant and equipment at EUR 15k (*unaudited*) (HY2017: EUR 15k, *unaudited*). This reflects the reconciliation between operating cash flow and net profit. Depreciation from net profit were add back and taxes paid were added back. Operating cash flow will not contain taxes paid.

Changes in working capital

Cash flows from operating activities included cash used in trade and other receivables in an amount of EUR (6.287mn) (*unaudited*) for the HY2018 after EUR 5.941mn (*unaudited*) generated in the HY2017. These were mostly attributed to receivables from customers and depended on settled or unsettled payments as of the reporting date.

Prepayments were used at an amount of EUR 4,143 (*unaudited*) in the HY2018 while no prepayments were incurred in the HY2017 (EUR 0, null, *unaudited*).

Cash flows from trade and other payables included cash generated in an amount of EUR 7,418mn (*unaudited*) for the HY2018 after EUR 9.622mn (*unaudited*) used in operating activities in the HY2017. These were to the largest part attributable to payables to subcontractors and dependent on settled or unsettled payments.

12.3.7.2. Cash flows from investing activities

In the HY2018, cash flows from investing activities were recorded at EUR (11k) (*unaudited*) compared to EUR (0k) or null (*unaudited*) in the HY2017, being a neglibible small amount.

12.3.7.3. Cash flows from financing activities

Neither in the HY2018 nor in the HY2017, cash flows from financing activites were recorded.

12.3.7.4. Cash and cash equivalents decrease and increase

In the HY2018, cash and cash equivalents increased by EUR 7,286mn (*unaudited*), which is attributable significantly to project revenues from Maafaru Airport project and an increase in business development expenditures. Compare thereto cash and cash equivalents in the HY 2017 decreased by EUR 2.286mn (*unaudited*) which was related to the phased out FPSO Cyrus project.

The balance included effects of currency translation on cash at banks at EUR 38k (*unaudited*) for the HY2018 and at EUR 49k (*unaudited*) for the HY2017.

Cash at banks at the end of the financial year

Cash at banks in the HY 2018 amounted to EUR 1.960mn (*unaudited*) at the beginning and to EUR 9.284mn (*unaudited*) at the end of the half year period. In the HY2017 cash at banks amounted to EUR 7.834 (*unaudited*) at the beginning and to EUR 5.598mn (*unaudited*) at the end of the half year period.

12.3.8. Capital resources

With respect to Tuff Offshore there are no restriction on the use of capital resources apart from, in particular, other reserves which amounted to EUR 34,991 (*unaudited*) as of 30 June 2018 after EUR 72,792 as of 31 December 2017 and accruals for the provision for income tax which amounted to EUR 986,890 (*unaudited*) as of 30 June 2018 after EUR 94,787 as of 31 December 2017.

Retained earnings in the amount of EUR 5,742k (*unaudited*) as of 30 June 2018 after EUR 794k as of 31 December 2018 are distributable as dividends to the Company, being its sole shareholder, upon a shareholders resolution, provided that the amounts to be distributed are available in free cash, which amounted to EUR 9,284k (*unaudited*) as of 30 June 2018 after EUR 1,960k as of 31 December 2017.

In addition to the distribution of dividends, freely available cash exceeding any distribution resolved upon, may be withdrawn as inter-company loan on market terms from Tuff Offshore to the Company. Alternatively, freely available cash may be used instead as loan facility or credit line to finance the Company.

Distribution of dividends, transferring of funds or loan agreements and any such other transfer of capital between Singapore as the domicile of Tuff Offshore and the Company being its sole shareholder having its business seat in Germany are not subject to any restrictions.

Tuff Offshore has agreed and promised to provide sufficient funds and financing to its mother company Tuff Group AG in order to fulfill its working capital needs. The funds at an amount of approximate amount of EUR 75k (*unaudited*) for the current year will be provided on a suitable and beneficial inter-company financing agreement by dividends or loans, to be decided when necessary.

12.3.9. Financing structure

As of the date of the Prospectus, Tuff Offshore has been and is financed exclusively by equity funding. There are no bank or other loan facilities, bonds or such other third-party funding or financial instruments. Where necessary, contractors guarantees are financed by freely available cash resources of Tuff Group.

As a part of the further expansion of business activities, funds may be required in excess of the Company's net proceeds from any potential future capital increases. In this case, the borrowing of capital, e.g. by way of bank loans or issuance of bonds, including convertible bonds, may be necessary in addition to any capital increase, particularly regarding major investments or procurement of new assets for upcoming project work.

To the extent that Tuff follows its strategy to own the projects it develops, Tuff will consider a third-party debt financing by loan facilities or financial instruments with market standards on a project basis if project finance is suitable and offered in the specific market on the specific terms of the respective project. If required, such financing may include the collateralisation of the assets of the specific project.

Should the Company prove unable to acquire sufficient equity or additional debt financing, it might incur financing costs higher than anticipated or be unable to implement its growth strategy.

Within the Tuff Group, Tuff Offshore may obtain necessary financing through inter company loans, capital increases of the share capital or payments to the reserves.

12.4. Management discussion and analysis of Tuff Group AG

12.4.1. Significant accounting and valuation methods

The annual financial statements of the company were prepared in accordance with International Financial Reporting Standards (IFRS) as published by the International Accounting Standards Board (IASB) and applicable in the European Union (EU). The requirements of all standards and interpretations that were adopted by the EU and had to be applied as of the balance sheet date were met without exception.

Standards and interpretations that were adopted as of December 31, 2017 but were not yet mandatory in the reporting period were not applied early on a voluntary basis in the financial year 2017.

12.4.1.1. Expenses

Expenses are recognized on an annual basis.

12.4.1.2. Classification into current and non-current

The company breaks down its assets and liabilities in the balance sheet into current and non-current assets and liabilities.

An asset is classified as current if it is cash or cash equivalents, unless the exchange or use of the asset to settle an obligation is restricted for a period of at least twelve months after the balance sheet date.

All other assets are classified as non-current.

A liability is classified as current if it is expected to be settled within twelve months of the balance sheet date or if the company has no unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

All other liabilities are classified as long-term.

12.4.1.3. Financial instruments and financial liabilities

The company's financial liabilities include trade accounts payable.

Financial liabilities are initially measured at the fair value of the consideration received less transaction costs associated with the borrowing.

A financial liability is derecognized when the obligation underlying the liability is discharged, cancelled or expired.

12.4.1.4. Cash and cash equivalents

Cash and cash equivalents consist of bank balances.

12.4.1.5. Significant judgments and estimates

In preparing the annual financial statements of the company, no significant discretionary decisions, estimates and assumptions are made by management that affect the amount of income, expenses, assets and liabilities reported as of the balance sheet date and the disclosure of contingent liabilities.

12.4.2. Results of operation of Tuff Group AG

The following table shows the profit and loss statement of Tuff Group AG (formerly Aktiengesellschaft Ad acta 182. Vermögensverwaltung) for the abbreviated financial year ending 31 December 2015 and the financial years ending 31 December 2016 and December 2017.

in EUR (IFRS)	01.01.2017-31.12.2017 (audited)	01.01.2016-31.12.2016 (audited)	14.07.2015-31.12.2015 (*audited*) *abbreviated financial year*
Other operating expenses	450	450	450
Operating income	**-450**	**-450**	**-450**
Loss before income tax	450	450	450
Loss from ordinary activities after tax	**450**	**450**	**450**
Net loss	450	450	450
Total comprehensive income	**-450**	**-450**	**-450**

(Table: Profit and loss of Tuff Group AG)

Revenue

Being a shelf company, the Company did not generate any sales in the reporting periods.

Other operating expenses

Other expenses include expenses for the preparation and disclosure of the financial statements, which remained unchanged over the reporting periods.

12.4.3. Net assets and financial position of Tuff Group AG

The following tables show the balance sheet of Tuff Group AG as per 31 December 2015, 31 December 2016 and 31 December 2017.

in EUR (IFRS)	31.12.2017 (*audited*)	31.12.2016 (*audited*)	31.12.2015 (*audited*)
Assets			
Current assets			
Cash and cash equivalents	12,500	12,500	12,500
Total current assets	**12,500**	**12,500**	**12,500**
Balance sheet total	**12,500**	**12,500**	**12,500**
Shareholders equity			
Subscribed capital	50,000	50,000	50,000
Outstanding contributions	-37,500	-37,500	-37,500
Other reserves	–	–	–
Retained earnings	-1,350	-900	-450
Total shareholders equity	**11,150**	**11,600**	**12,050**
Liabilities			
Short-term liabilities			
Trade accounts payable	1,350	900	450
Total short-term liabilities	**1,350**	**900**	**450**
Total liabilities	**1,350**	**900**	**450**
Balance sheet total	**12,500**	**12,500**	**12,500**

(Table: Balance sheet of Tuff Group AG)

Assets

As a shelf company, the Company did not have any non-current assets and no other current assets than cash and cash equivalents at an amount of EUR 12,500 at the end of each reporting period. For the same reasons, there were no changes in assets, their amounts or valuation.

Liabilities

Trade accounts payable increased at a constant yearly amount of EUR 450, corresponding to the expenses for the preparation and disclosure of the financial statements, accrued over the reporting period to total of EUR 1,350.

Shareholders equity

The subscribed capital amounted to EUR 50,000 and the outstanding contribution amount to EUR 37,500 at all balance sheet dates. This results from the fact that on occasion of the foundation the founders of the Company did pay in only the statutory minimum amount for the share capital of a stock corporation of one quarter of the subscribed capital.

After the Company as shelf company was sold to the current shareholders, the founder and previous shareholder on 16 July 2018 paid in the remaining capital of EUR 37,500.

12.4.4. Cash flow statement of Tuff Group AG

The following table shows the cash flow statements of Tuff Group AG for the abbreviated financial year 2015 and the financial years 2017 and 2018.

	in EUR (IFRS)	01.01.2017-31.12.2017 (*audited*)	01.01.2016-31.12.2016 (*audited*)	14.07.2015-31.12.2015 (*audited*) abbreviated financial year
	Cash flow provided by operating activities	**0**	**0**	**0**
	Cash flow provided by financing activities	**0**	**0**	**0**
+	Cash and cash equivalents at the beginning of the period	12,500	12,500	12,500
	Cash and cash equivalents at the end of the period	**12,500**	**12,500**	**12,500**

(Table: Cash flow statement of Tuff Group AG)

Net cash provided by operating or financing activities

The company had no operating activities and no financing activities in any of the reported periods.

Cash and cash equivalents at the beginning and end of the period

The cash and cash equivalents at the beginning and end of the period remained unchanged throughout all reported periods.

12.4.5. Results of operation of Tuff Group AG for the six-month period ended 30 June 2018

The following table shows the profit and loss statement of Tuff Group AG (formerly Aktiengesellschaft Ad acta 182. Vermögensverwaltung) for the six-month period ending 30 June 2018 and 30 June 2017.

in EUR (IFRS)	01.01.2018-30.06.2018 (*unaudited*)	01.01.2017-30.06.2017 (*unaudited*)
Other operating expenses	225	225
Operating income	**-225**	**(225)**
Loss before income tax	225	225
Loss from ordinary activities after tax	**225**	**225**
Net loss	225	255
Total comprehensive income	**-225**	**(225)**

(Table: Six-month period profit and loss of Tuff Group AG)

Revenue

Being a shelf company, the Company did not generate any sales in the reporting periods.

Other operating expenses

Other expenses include expenses for the preparation and disclosure of the financial statements, which was at an amount of EUR 225 in the six month period ending 30 June 2018 ("**HY2018**").

12.4.6. Net assets and financial position of Tuff Group AG as of 30 June 2018

The following tables show the balance sheet of Tuff Group AG as per 30 June 2018 and 31 December 2017.

in EUR (IFRS)	30.06.2018 (*audited*)	31.12.2017 (*audited*)
Assets		
Current assets		
Cash and cash equivalents	12,500	12,500
Total current assets	**12,500**	**12,500**
Balance sheet total	**12,500**	**12,500**
Shareholders equity		
Subscribed capital	50,000	50,000
Outstanding contributions	(37,500)	(37,500)
Other reserves	–	–
Retained earnings	(1,575)	(1,350)
Total shareholders equity	**10,925**	**11,150**
Liabilities		
Short-term liabilities		
Trade accounts payable	1,575	1,350
Total short-term liabilities	**1,575**	**1,350**
Total liabilities	**1,575**	**1,350**
Balance sheet total	**12,500**	**12,500**

(Table: Balance sheet of Tuff Group AG as per 30 June 2018 and 31 December 2017)

Assets

As a shelf company, the Company did not have any non-current assets and no other current assets than cash and cash equivalents at an amount of EUR 12,500 (*unaudited*) at the end of each reporting period. For the same reasons, there were no changes in assets, their amounts or valuation.

Liabilities

Trade accounts payable increased at an amount of EUR 225 (*unaudited*), corresponding to the expenses for the preparation and disclosure of the financial statements, incurred in the HY2018 and accrued over the reporting period to total of EUR 1,575 (*unaudited*).

Shareholders equity

The subscribed capital amounted to EUR 50,000 (*unaudited*) and the outstanding contribution amount to EUR 37,500 as of 30 June 2018 (*unaudited*) and 31 December 2017 (*audited*). With the foundation of the Company, the founders did pay in only the statutory minimum amount for the share capital of a stock corporation of one quarter of the subscribed capital.

After the Company was acquired by the current shareholders, the founder and previous shareholder on 16 July 2018 paid in the remaining capital of EUR 37,500 (*unaudited*).

As of the date of this Prospectus and after the registration of the capital increase against contribution in kind by EUR 39.95mn on 5 Februar 2019, the subscribed and paid-up capital of the Company amounted to EUR 40,000,000.00 (*unaudited*).

12.4.7. Cash flow statement of Tuff Group AG for the six-month period ended 30 June 2018

The following table shows the cash flow statements of Tuff Group AG for the sixh month period ended 30 June 2018 and 30 June 2017.

	in EUR (IFRS)	01.01.2018-30.06.2018 (*unaudited*)	01.01.2017-30.06.2017 (*unaudited*)
	Cash flow provided by operating activities	**0**	**0**
	Cash flow provided by financing activities	**0**	**0**
+	Cash and cash equivalents at the beginning of the period	12,500	12,500
	Cash and cash equivalents at the end of the period	**12,500**	**12,500**

(Table: Six-month period cash flow statement of Tuff Group AG)

Net cash provided by operating or financing activities

The company had no operating activities and no financing activities in any of the reported periods.

Cash and cash equivalents at the beginning and end of the period

The cash and cash equivalents at the beginning and end of the period remained unchanged at EUR 12,500 at the beginning and the end of both six months periods reported.

12.4.8. Capital resources

The use of capital resources of Tuff Group AG are to a certain extent restricted by the statutory provisions for the formation of reserves in a German stock corporation. In accordance with section 150 paragraph of the German Stock Corporations Act (*Aktiengesetz, AktG*), 5 % of the yearly total comprehensive income subtracted by accumulated losses is limited to used as limited reserve, subsequently over the financial years until a statutory reserve of 10 % of the nominal capital is accumulated.

The formation of other reserves is subject to a resolution of the shareholders meeting on the appropriation oft he net retained profits.

Apart from that, freely available cash of the Company may be used to provide inter-company financing within the Tuff Group by means of loan facilities, capital increases of subsidiaries or payments to their free reserves.

12.4.9. Financing structure

At the mother company level Tuff Group AG in its holding function and of ist operational subsidiary Tuff Offshore, the Group is currently financed through equity. The business model of Tuff Group is mainly focused on the use of own funds to finance business operations. Tuff and Tuff Offshore themselves have no borrowing requirements for its business activities except inter-company financing within the Group. The liabilities for the financial years 2015, 2016 and 2017 reported in the financial statements are liabilities from ordinary business operations and do not include liabilities to banks or other lenders.

Tuff Offshore has agreed and promised to provide sufficient funds and financing to its mother company Tuff Group AG in order to fulfill its working capital needs. The funds at an amount of approximate amount of EUR 75k (*unaudited*) for the current year will be provided on a suitable and beneficial inter-company financing by dividends or loans, to be decided when necessary.

With respect to future special purpose vehicles and property or asset owning entities, the company plans to finances itself through equity and predominantly through borrowed capital. If the subsidiary requires financial resources, Tuff plan to have it provided by an external financing partner, in particular banks, to the extent possible by financing individually tailored to the respective subsidiary and ist specific purpose. If external financing is not possible or only possible to a limited extent, in individual cases the Group may provide financial resources to the subsidiary via their parent company or an intermediate holding company. For the reported financial years and up to until the date of this Prospectus there are no liabilities to banks or with or between entities of the Group.

12.5. Annual financial statements of Tuff Group AG according to HGB

The following section provides an overview of the annual financial statements of Tuff Group AG for the financial year 2017 in accordance with the German general accounting principles as per the German commercial code (*Handelsgesetzbuch, abbr. HGB*).

12.5.1. Results of operation

The following table shows the profit and loss statement of Tuff Group AG for the financial year ending 31 December 2017.

in EUR (HGB)	01.01.2017-31.12.2017 (*unaudited*)	01.01.2016-31.12.2016 (*unaudited*)
Other operating expenses	450.00	450.00
Profit after tax	**-450.00**	**-450.00**
Loss for the year	**450.00**	450.00
Loss carried forward from previous year	900.00	450.00
Accumulated loss	**1.350.00**	900.00

(Table: Profit and loss of Tuff Group AG according to HGB)

Revenue

Being a shelf company, the Company did not generate any revnues in the FY2017. The Company did not have any employees in the FY2017.

Operating expenses

Other operating expenses amounted to EUR 450 and included expenses for the preparation and disclosure of the financial statements, which remained unchanged over the reporting periods.

Loss

Profit after tax was negative at EUR (450). Loss for the year was recorded at EUR 450 and comprised exclusively other operating expenses. Loss carried forward from previous year amounted to EUR 900 which is attributed to equal losses for equal expenses for the previous years since incorporation in July 2015.

Accumulated loss added loss for the year up with loss carried forward to sum up to EUR 1,350.00 for the FY2017.

12.5.2. Net assets and financial position of Tuff Group AG

The following table shows the balance sheet of Tuff Group AG as per 31 December 2017.

in EUR (HGB)	31.12.2017 (*audited*)	31.12.2016 (*audited*)
Assets		
Current assets		
Cash on hand, bank balances and cheques	12,500.00	12,500.00
Liabilities		
Equity		
Subscribed capital	50,000.00	50,000.00
Uncalled outstanding contributions	-37,500.00	-37,500.00
Called capital	12,500.00	12,500.00
Accumulated loss	-1,350.00	-900.00
Accruals		
Other accruals	1,350.00	900.00
Balance sheet total	**12,500.00**	**12,500.00**

(Table: Balance sheet of Tuff Group AG according to HGB)

Assets

As per 31 December 2017, the total assets amounted to EUR 12,500. Current assets comprised cash on hand, bank balances including German Federal Bank (*Bundesbank*) and cheques in total at EUR 12,500.

Liabilities

The Company's nominal and subscribed capital as of 31 December 2017 amounted to EUR 50,000, of which uncalled outstanding contributions were at EUR 37,500 and called capital amounting to EUR 12,500.

As of 30 December 2017, accumulated loss was accounted at EUR 1,350 and accruals recorded other accruals in an amount of EUR 1,350.

Equity

The subscribed capital amounted to EUR 50,000 and the uncalled outstanding contribution amount to EUR 37,500 as of 31 December 2017 and 2016. With the foundation of the Company, the founders did pay in only the statutory minimum amount for the share capital of a stock corporation of one quarter of the subscribed capital.

After the Company was acquired by the current shareholders, the founder and previous shareholder on 16 July 2018 paid in the remaining capital of EUR 37,500.

As of the date of this Prospectus and after the capital increase resolved on 16 July 2018, , the subscribed and paid-up capital of the Company amounts to EUR 40,000,000.

Balance sheet total

The balance sheet total for the Company amounted to EUR 12,500 as of 31 December 2017.

13. Shareholders

To the extent known to the Company, the following persons are the principal shareholders of the Company's share capital with the stated number and percentage of shares.

Shareholders		Quota		
Name of shareholder	Number of shares held directly	Directly in %	Indirectly in %	Total In %
Ganesh Paulraj	13,600,000	34.00 %		34.00 %
Natajaran Paulraj	20,400,000	51.00 %		51.00 %
Free float	6,000,000	15.00 %		15.00 %
Total number of shares	**40,000,000**			

The free float currently amounts to 15.0 %. The main shareholders do not have different voting rights, each of their shares grants the same voting right.

With the closing of the capital increase, Natajaran Paulraj holds 20.4m or the equivalent of 51 % and his brother Ganesh Paulraj holds 13.6m or the equivalent of 34 % of the shares in Tuff Group AG. Therefore, Natarajan Paulraj holds a controlling shareholding in Tuff Group AG. Jointly with Ganesh Paulraj, the Paulraj brothers own 85 % of the Company.

14. Related party transactions

14.1. McPec Shipyard

Tuff Offshore Engineering Services Pte Ltd is using McPec shipyard in Singapore for docking, construction and maintenance works for marine vessel projects. Whereas 47 % of McPec yard is owned by Mr. Natajaran Paulraj, Tuff Offshore Engineering Services Pte Ltd pays fees at arms lengths pricing to use the shipyard.

14.2. Loan to a director

In the financial year 2017, the Tuff Offshore granted a loan to Mr. Ganesh Paulraj in an amount of EUR 2.090k at arms-length market conditions for an indefinite term and repayment option at any time. The loan was paid back in October 2018 by setting-off against dividends declared by Tuff Offshore.

14.3. Tuff Infra

Tuff Offshore Engineering Services Pte Ltd is using Tuff Infra Pvt Ltd in K. Malé, Maldives for its Maafaru Airport Project to obtain the necessary local import and manpower permits in the Maldives and to purchase certain material and equipment. 95 % of Tuff Infra Pvt Ltd is owned by Mr. Ganesh Paulraj, who is also the director of Tuff Infra Pvt Ltd. Tuff Offshore Engineering Services Pte Ltd pays fees for services, costs and expenses at arms lengths pricing.

15. Information on the Company's capital

15.1. Issued share capital and shares

As of the date of this Prospectus, the Company's share capital amounts to EUR 40,000,000.00 divided into 40,000,000 ordinary bearer shares with no par value (*Stückaktien*), each representing a notional value of EUR 1.00. Each share carries one vote at the Shareholders' Meeting. Each share carries an entitlement for the payment of dividends for the financial year ending 31 December 2018 and all subsequent financial years. The Articles of Association do not provide for any restrictions on voting rights. The shares are fully entitled to dividends. If the Company is dissolved, the Company's assets remaining after the deduction of liabilities will be divided by the percentages shareholders hold in the share capital of the Company.

Section 4 of the Articles of Association states that shareholders are not entitled to have their shares evidenced by individual share certificates. As from the date of the listing approval issued by the Frankfurt Stock Exchange (expected on 19 March 2019) the Shares will be deposited with Clearstream Banking Aktiengesellschaft, Mergenthalerallee 61, 65760 Eschborn, Germany, in the form of global share certificates without dividend coupons. The paying agent (*Zahlstelle*) for the Shares is Quirin Privatbank AG, Berlin, Germany.

15.2. Development of the share capital

The Company's share capital as of 14 July 2015 – the beginning of the period the historical financial information refers to – was EUR 50,000.00 consisting of 50,000 ordinary bearer shares with no par value (Stückaktien), each representing a notional value of EUR 1.00.

On 16 July 2018, the shareholders' meeting of the Company resolved upon a capital increase against contribution in kind. In this capital increase, the nominal share capital was incresaed from EUR 50,000.00 to EUR 40,000,000.00 by issuing 39,950,000 new ordinary bearer shares with no par value (*Stückaktien*), each representing a notional value of EUR 1.00. The capital increase has become effective by registration in the commercial register as of 4 February 2019.

All shares were issued in accordance with the terms of German stock corporation law. The Company has not issued any such financial instruments which grant to their holders conversion or subscription rights to shares in the Company.

The Company held a Shareholders' Meeting on 20 February 2019 to resolve on the further capitalsation of the Company by authorised and contingent capital.

15.3. Authorised Capital

The Shareholders' Meeting on 20 Februar 2019 resolved to authorise the Management Board, subject to the approval of the Supervisory Board, to increase the Company's share capital by up to a total of EUR 20,000,000.00 by issuing up to 20,000,000 new ordinary bearer shares with no par value in one or more tranches against contribution in cash or contribution in kind for a five years period (Authorised Capital 2019).

The Management Board is authorised, subject to the approval of the Supervisory Board, to completely or partially exclude shareholders' statutory subscription rights in the following cases:

- in the case of capital increases against contribution in cash, if shares in the company are traded on a stock market (regulated market or open market or the successors to these segments) the capital increase does not exceed 10 % of the share capital at either the time of coming into effect or the time of this authorisation being exercised and the issue price of the new shares is not significantly lower than the market price of shares in the company of the same class and features already traded on the stock market within the meaning of sections 203 paragraph 1 and 2, 186 paragraph 3 sentence 4 of the German Stock Corporation Act (*Aktiengesetz*). The amount of 10 % of the share capital must include the amount relating to shares issued or disposed of on the basis of a different corresponding authorisation with pre-emption rights disapplied under direct or mutatis mutandis application of section 186 paragraph 3 sentence 4 of the German Stock Corporation Act (*Aktiengesetz*), if such inclusion is required by law. For the purposes of this authorisation, the issue price for the purchase of new shares by an intermediary with the simultaneous obligation of such intermediary to offer the new shares for purchase to one or more third parties designated by the company is deemed to be the amount that must be paid by the third party or parties;

- to issue shares against contribution in kind in particular for the purpose of acquisition of companies, parts thereof, investments in companies, industrial property rights, such as patents, brands or licenses to these, or other product rights or other non-cash contributions as well as bonds, convertible bonds or other financial instruments;

- to the extent required, to grant holders of conversion or option rights or creditors of convertible bonds with conversion obligations that have been issued by the Company or a directly or indirectly wholly owned subsidiary a subscription right to new no par value bearer shares, to the extent that such shareholders would be entitled to if they were to exercise their option or conversion rights or upon fulfillment of a conversion obligation;

- in order to exclude fractional amounts from the subscription rights.

The Management Board is authorised, with the approval of the Supervisory Board, to determine the further content of share rights and the other details of the capital increase and its implementation. The Management Board is authorised to determine that the new shares in accordance with section 186 paragraph 5 of the German Stock Corporation Act (*Aktiengesetz, AktG*) must be assumed by a bank or a company operating in accordance with section 53 paragraph 1 sentence 1 or section 53b paragraph 1 sentence 1 or paragraph 7 of the German Banking Act (*Kreditwesengesetz*, *KWG*), with the obligation of offering them for subscription to shareholders.

15.4. Contingent capital

15.4.1. Contingent Capital I/2019 and convertible bonds

The Shareholders' Meeting on 20 February 2019 created a contingent capital of up to EUR 16,000,000.00 divided into 16,000,000 no par value bearer shares, each representing a notional value of EUR 1.00 (Contingent Capital I/2019). The new shares will participate in the profits from the beginning of the financial year in which they are created. The Contingent Capital I/2019 serves to grant shares to the holders of convertible and/or option bonds issued by the Company pursuant to an authorisation resolved by the Shareholders' Meeting on 20 February 2019 for a five years period.

The contingent capital increase shall be implemented only to the extent that conversion or option rights are exercised and to the extent that no other forms of fulfilment are used to service these rights. The Management Board is authorised to define the further details of the implementation of the contingent capital increase.

15.4.2. Contingent Capital II/2018 and stock option program 2018

The Shareholders' Meeting on 20 February 2019 created another contingent capital of up to EUR 42,000,000.00 by issuing up to 42,000,000 bearer shares for servicing the option rights granted to the parties entitled under the stock option plan 2019 (Contingent Capital II/2019). On the basis of the resolution of the Shareholders' Meeting to be concluded, the Management Board and the Supervisory Board are authorised to issue up to 42,000,000 stock options in one or more tranches to members of the Management Board and employees of the Company as well as directors and employees of Tuff Group companies. This authorisation is valid for a five year period. The stock options may not be transferred, pledged or otherwise charged.

The Management Board and, to the extent that the Management Board itself is affected, the Supervisory Board is authorised to define the further content of the subscription rights.

15.4.3. General Provisions on changes in the share capital

According to the German Stock Corporation Act (*Aktiengesetz*), the share capital of a stock corporation may be increased by a resolution taken by the shareholders' meeting. The resolution must be adopted by a majority of at least three-quarters of the share capital represented at the meeting, unless the stock corporation's Articles of Association specify other requirements with regard to majorities. The Company has exercised its right to stipulate a smaller majority of shares. Pursuant to section 19 paragraph 1 of the Company's Articles of Association, the Company's shareholders' meeting adopts its resolutions by a simple majority of the votes cast and, to the extent that a majority vote of shares is required, by a simple majority of the shares present at the meeting, except as otherwise required by the law or the Company's Articles of Association.

The shareholders may also create authorised capital. The creation of authorized capital requires a resolution adopted by a majority of three-quarters of the share capital represented at the meeting to authorise the Management Board to issue shares of up to a specific nominal amount within a period of no more than five years. The nominal amount of the authorized capital may not exceed half of the share capital existing at the time of the authorization.

Additionally, shareholders may resolve to create contingent capital to issue shares to holders of convertible bonds or other securities that grant their holders the right to subscribe for shares, to grant shares as consideration in a merger with another company, or to offer shares to officers and employees, provided that, in each case, a corresponding resolution is approved by a three-quarters majority of the share capital represented when the vote is taken. The nominal amount of contingent capital created for the issuance of shares to officers and employees may not exceed 10 % of the share capital existing at the time of the resolution. In all other cases, it may not exceed half of the share capital existing at the time of the resolution.

A resolution to decrease the share capital requires approval by a three-quarters majority of the share capital represented when the vote is taken.

15.4.4. General provisions governing subscription rights

The German Stock Corporation Act (*Aktiengesetz*) grants, in principle, all shareholders the right to subscribe for new shares to be issued in a capital increase. The same applies to convertible bonds, bonds with warrants, profit participation rights and participating bonds. Subscription rights are freely transferable and may be traded on German stock exchanges for a fixed period prior to the commencement of the subscription period. The shareholders' meeting may, subject to a majority of at least 75% of the share capital represented at the meeting, resolve to exclude subscription rights. Exclusion of shareholders' subscription rights also requires a report from the Management Board, which must justify and demonstrate that the company's interest in excluding subscription rights outweighs the interest of the shareholders to be granted subscription rights. Excluding shareholders' subscription rights when new shares are issued is specifically permissible where (i) the company is increasing share capital against contribution in cash, (ii) the amount of the capital increase does not exceed 10% of the share capital in issue and (iii) the price at which the new shares are being issued is not materially lower than the stock exchange price.

Subscription rights enable shareholders to maintain their current percentage of share capital and their voting rights ("dilution protection"). If the shareholders' subscription rights are excluded, the provisions of section 255 paragraph 2 of the German Stock Corporation Act (*Aktiengesetz*) require that the fixed issue price of the new shares or the minimum price under which the new shares may not be issued may not be "unreasonably low". By virtue of the nature of a contingent capital increase, a shareholder's general subscription right is excluded. In order to protect shareholders, the nominal value of the contingent capital, regardless of its purpose, may not exceed half of the share capital. If the contingent capital grants subscription rights to employees or members of the management of the company or a subsidiary, the nominal amount may not exceed 10 % of the share capital.

15.4.5. Treasury Shares

Currently, Tuff and its subsidiaries do not hold any own shares (treasury shares). By virtue of the resolution to be resolved upon by the shareholders' meeting of the Company, for a period of five years, the Company may be authorised to acquire treasury shares in the amount of up to 10 % of the registered share capital at the time of the resolution on this authorisation pursuant to section 71 paragraph 1 number 8 of the German Stock Corporation Act (*Aktiengesetz*).

15.4.6. Shareholding Notification and Disclosure Requirements

Since the Company's shares are admitted to trading on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange (General Standard), the Company, as a publicly traded company, is subject to the shareholding notification requirements of the German Securities Trading Act (*Wertpapierhandelsgesetz, WpHG*).

Section 33 WpHG requires that anyone who acquires, sells or in some other way reaches, exceeds or falls below 3 %, 5 %, 10 %, 15 %, 20 %, 25 %, 30 %, 50 % or 75 % of the voting rights in an issuer whose coutry of origin is the Federal Republic of Germany and whose shares are admitted to trading on an organised market must immediately but no later than within four trading days notify the issuer and, at the same time, BaFin. The notice can be drafted in either German or English and either sent in writing or via telefax (Section 18 of the German Securities Trading Reporting and Insider Register Ordinance (Wertpapierhandelsanzeige- und Insiderverzeichnisverordnung)). The notice must declare the individual or entity's address, the share of voting rights held and the date of reaching, exceeding or falling below the respective threshold. As a domestic issuer, Tuff has to publish such notices immediately, but no later than within three trading days after receiving them, via media outlets. Media outlets includeany media which one can assume will disseminate the information throughout the EuropeanUnion and in the non-E.U. contracting parties to the EEA Agreement. The Company must also transmitthe notice to BaFin and to the electronic company register (*elektronisches Unternehmensregister*) for archiving. Moreover, under section 38 WpHG, any person who directly or indirectly holds certainfinancial instruments or other instruments is subject to similar notification obligations. "Other instruments" include, for instance, re-transfer claims under securities loans or the agreement by a seller to buy a security back from the respective purchaser at a specified price at a designated future date (*repo transactions*). These financial and other instruments must entitle the holder to unilaterally acquire existing shares of the Company carrying voting rights by binding legal agreement of an issuer whose country of origin is the Federal Republic of Germany. These notification obligations apply if the sum of the shares such holder can acquire, together with any voting right stakes the holder may already hold in the issuer or which are attributable to him pursuant to sections 33 and 334 WpHG (*voting rights shares*), reaches or exceeds any of the thresholds mentioned, with the exception of the 3 % threshold.

Furthermore, pursuant to section 38 WpHG, any person who directly or indirectly holds financial instruments or other instruments that are not covered by section 37 WpHG and that enable the holder based on their terms to acquire existing shares carrying voting rights of an issuer whose home country is the Federal Republic of Germany is subject to the aforementioned notification obligations. The notification obligations apply on financial and other instruments (i) which provide for a cash settlement only, but not for a right to acquire shares, if the counterparty is in a position to hedge its risks under the instruments by holding shares and (ii) under which shares may be acquired directly. The latter include instruments such as physical call options providing for a condition which is beyond the control of the holder of the instrument.

In connection with these notice requirements, the WpHG contains various rules on when the voting rights of shares are deemed to belong to parties required to make a disclosure in cases where they do not hold the shares directly but nevertheless control the voting rights. For example, shares are deemed to belong to a party if they belong to a third party controlled by the relevant party; the sameapplies where shares are held by a third company for the account of the relevant company.

Breaches of the notification obligation are punishable by a fine. Moreover, shareholders who do not file a notification cannot exercise the rights attached to their shares, including voting rights and the right to receive dividends; but with regard to dividends, only in cases where the failure to file was willful and has not been remedied, until this failure has been rectified. This period is extended by six months in case of wilful or grossly negligent violation of the notification obligations if the shareholder omitted or did not correctly file a notification regarding the number of voting rights attributable to him. However, in respect of the notification obligations pursuant to the section 38 WpHG, breaches of the notification obligations can only trigger a fine.

Furthermore, Section 43 WpHG requires any shareholder whose holdings reach or exceed the 10 % threshold or a higher threshold to notify the issuer of the aims being pursued with the acquisition of the voting rights and the origin of the funds used for the acquisition within 20 trading days of the date on which the respective threshold is met or exceeded. Once this information is received, and even if no notification is received, the issuer has to publish it in the form discussed above, or give notice that the disclosure requirement was not met, within no more than three trading days following the issuer's access to the notification. The issuer's Articles of Association may stipulate that the shareholders are not subject to notification obligations. The Articles of Association of the Company do not contain such a provision.

15.4.7. Duty to submit a public offer

The German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz, "WpÜG"*) provides that any person whose voting rights reach or exceed 30 % of the Company's voting shares must publish this fact and the percentage of voting rights held in at least one national newspaper designated for stock exchange notices (*Börsenpflichtblatt*) or by means of an electronically operated information dissemination system for financial information within seven calendar days and, unless released from this obligation, must subsequently submit a mandatory public offer addressed to all of the Company's shareholders.

15.4.8. Exclusion of Minority Shareholders

Under sections 327a et seq. AktG, which governs the so-called "squeeze-out under stock corporation law", upon the request of a shareholder holding 95 % of the share capital ("**Majority Shareholder**"), the shareholders' meeting of a stock corporation may resolve to transfer the shares of minority shareholders to the Majority Shareholder against payment of an adequate compensation in cash. The amount of the cash payment that must be offered to minority shareholders has to reflect "the circumstances of the Company" at the time the shareholders' meeting passes the resolution. The amount of the cash payment is based on the full value of the company, which is generally determined using the capitalised earnings method. The minority shareholders are entitled to file for a valuation proceeding (Spruchverfahren), in the course of which the appropriateness of the cash payment is reviewed.

Under sections 39a and 39b WpÜG, in the case of a so-called "squeeze-out under takeover law", an offeror holding at least 95 % of the voting share capital of a target company (as defined in the WpÜG) after a takeover bid or mandatory offer, may, within three months of the expiry of the deadline for acceptances, petition the regional court (*Landgericht*) of Frankfurt am Main for a court order transferring the remaining voting shares to it against the payment of an adequate compensation. A resolution passed by the shareholders' meeting is not required. The consideration paid in connection with a takeover or a mandatory bid is considered adequate if the offeror has obtained at least 90 % of the share capital that was subject to the offer. The nature of the compensation must be the same as the consideration paid under the takeover bid or mandatory offer; a cash alternative must always be offered. In addition, after a takeover bid or mandatory offer, shareholders in a target company who have not accepted the offer may do so up to three months after the deadline for acceptances has expired, provided the offeror is entitled to petition for the transfer of the outstanding voting shares in accordance with section 39a WpÜG (section 39c WpÜG). The provisions for a squeeze-out under stock corporation law cease to apply once an offeror has petitioned for a squeeze-out under takeover law, and only apply again when these proceedings have been definitely completed.

In addition, under the provisions of section 62 paragraph 5 of the German Reorganisation and Transformation Act (*Umwandlungsgesetz, UmwG*), within three months after the conclusion of a merger agreement, the shareholders' meeting of a transferring company may pass a resolution according to section 327a AktG, i.e., a resolution on the transfer of the shares held by the remaining shareholders (minority interests) to the transferee company (Majority Shareholder) in exchange for an adequate cash settlement if the Majority Shareholder has at least 90 % of the share capital. The result of this "squeeze-out under reorganisation law" is the exclusion of the minority shareholders in the transferring company. The entitlement to consideration is based on the provisions of sections 327a et seq. AktG.

Under sections 319 et seq. AktG, the shareholders' meeting of a stock corporation may vote for integration (*Eingliederung*) with another stock corporation that has its registered office in Germany, provided the prospective parent company holds at least 95 % of the shares of the company to be integrated. The former shareholders of the integrated company are entitled to adequate compensation, which must generally be provided in the form of shares in the parent company. Where the compensation takes the form of treasury shares in the parent company, it is considered appropriate if the shares are issued in the same proportion as shares of the parent company would have been issued per share in the company integrated if a merger had taken place. Fractional amounts may be paid out in cash.

15.4.9. Disclosure of Directors' Dealings

Under the Market Abuse Regulation VO (EU) Nr. 596/2014 (*Marktmissbrauchsverordnung, "MAR"*), persons holding managerial responsibilities within listed stock corporations ("directors") are required to notify the stock corporation and the BaFin within five business days of their own transactions involving shares of the company or related financial instruments, including, in particular, derivatives. This obligation also applies to directors' related parties. Domestic issuers must publish this notification immediately after receiving it, notify the BaFin of its publication and send a copy to the electronic company register.

Notification is not required if the total sum of all transactions involving a director and his or her related parties is less than EUR 5,000.00 for the calendar year.

Director for these purposes means any managing partner or member of the company's management, administrative or supervisory bodies and any person who has regular access to insider information and is authorized to make important managerial decisions. Related parties include spouses, registered civil partners, dependent children and other relatives who have been living in the same household as the director for at least one year when the relevant transaction is made. Notice is also required for legal entities in which a director and/or any of the aforementioned parties holds supervisory responsibilities, which are controlled by a director or such parties or which were established for the benefit of a director or such a party or the economic interests of which are substantially equivalent to those of a director or such a party.

Negligent non-compliance with these notification requirements may result in the imposition of a statutory.

16. Governance, Board and Management

16.1. Introduction

The company is managed in the legal form of a stock corporation. It is a legal entity with share capital divided into no-par value shares. No natural person is liable for the liabilities of the company with his private assets. Liability is limited to the share capital.

The company is legally represented by its Management Board. The Management’Board manages ’he Company's business in accordance with the law, the Articles of Association and the rules of procedure for the Management Board. It manages society under its own responsibility.

In addition to the Management Board, the Supervisory Board acts as the supervisory body and the Annual General Meeting as the decision-making body. The powers of these bodies are governed by the German Stock Corporation Act and the Articles of Association.

16.2. Management board

The Management Board consists of one or more members in accordance with the Articles of Association. The Supervisory Board appoints the members of the Management Board and determines the number of members.

If there are several members of the Management Board, the Supervisory Board may appoint a Chairman of the Management Board and a Deputy Chairman. If the Management Board consists of more than two persons, all Management Board resolutions are passed by a simple majority. In the event of a tie, the Chairman has the casting vote. The relationship between the members of the Management Board is determined by the rules of procedure for the Management Board. To this end, the Supervisory Board unanimously adopted rules of procedure for the Management Board, which were approved by the Management Board.

If there is only one member of the Management Board, he shall represent the Company alone. The Supervisory Board may determine that the members of the Management Board jointly represent the company or that one member of the Management Board jointly represents the company with an authorised signatory. Furthermore, the Supervisory Board may permit any member of the Management Board to represent the Company in legal transactions with a third party as its representative (exemption from the restrictions of § 181 BGB).

Within the statutory periods, the Management Board must prepare the annual financial statements (balance sheet together with profit and loss account and notes) and – if necessary – the management report for the past financial year and submit a proposal on the appropriation of the balance sheet profit to the Supervisory Board. The Supervisory Board shall examine the annual financial statements, the management report of the Management Board and the proposal for the appropriation of the balance sheet profit – if necessary, arrange for an audit – and report on its examination in writing to the General Meeting. It must forward its report to the Management Board within one month of receipt of the documents. If the Supervisory Board approves the annual financial statements after review, they are adopted. Upon receipt of the report of the Supervisory Board on the results of its audit, the Management Board must convene the Annual General Meeting without delay. The annual financial statements, the management report of the Management Board, the report of the Supervisory Board and the proposal of the Management Board for the appropriation of the balance sheet profit must be read from the publication of the convening notice in the Federal Gazette to the Annual General Meeting in the company's premises and at the Annual General Meeting itself for inspection by the shareholders. The described duties of the Management Board apply in the same way to the consolidated financial statements of the Tuff Group.

The Company's Management Board currently consists of the following members:

Natarajan Paulraj, Executive Chairman

Natarajan Paulraj (Paul as he is popularly called) started his career as a marine engineer and spent ten years working on-board crude oil tankers of various sizes, including VLCCs for Scindia Steam Navigation Limited and Essar Shipping Limited. He then started working for Modec International in 2001 in the field of FPSO conversion and has worked on various international FPSO, FSO and FDPSO projects for Saipem and BW Offshore.

In his stint as the Senior Vice President, Projects for Bumi Armada, where he joned as a Project Manager in 2008, Paul has been involved in the conversion of all their FPSOs since the Armada Perdana.

Paul holds a Bachelor of Mechanical Engineering Degree from the Alagappa Chettiar College of Engineering and Technology, Madurai Kamaraj University, India.

On 16 September 2018, Paul has appointed as member of the Management Board for a three years term.

Mr Natarajan Paulraj holds the following positions as a partner or member of an administrative, management or supervisory body or a partner of any enterprise outside Tuff Group:

Enterprise	Positon
McPec Marine and Offshore Engineering Pte Ltd, Singapore	Director
McPec Marine and Offshore Pte Ltd, Singapore	Director

Apart from the above, Mr Natarajan Paulraj has not held a position in the last five years as a partner or member of an administrative, management or supervisory body or a partner of any enterprise outside the companies of the Tuff Group.

With the closing of the capital increase, Natajaran Paulraj holds 20.4m or the equivalent of 51 % of the shares in Tuff Group AG.

Vaidyanathan Nateshan, Group Chief Executive Officer

Mr Nateshan has earned a degree as Bachelor of Arts with specialisation in Economics at the University of Madras, India. His career includes work in both the operational and strategic aspects of a wide range of industries ranging from oil and gas, information technology, business consulting and pharmaceuticals. He has served in over 30 countries and executed and managed strategic alliances in over 12 countries, which includes managing a joint venture in China and setting up marketing operations in the Middle East. He has also managed manufacturing, marketing and financial operations for companies in India, Asia Pacific and the Middle East. Mr Nateshan has been working for the companies of the De Raj Group from 1 September 2016 until 31 March 2018 as vice president for the international operations. Now, Mr. Nateshan works as the Group Chief Executive Officer for Tuff Group AG.

On 16 September 2018, Mr Nateshan was appointed as member of the Management Board for a three years term.

Mr Nateshan does not hold a position as a partner or member of an administrative, management or supervisory body of any other company in the Tuff Group.

In the last five years, Mr Nateshan held the following positions as a partner or member of an administrative, management or supervisory body or a partner of any enterprise outside Tuff Group:

Enterprise	Positon	Duration
Rapid Nutrition Ltd., Australia	Executive Director	January 2012 until February 2015
De Raj Group AG, Germany	Group Chief Executive Officer	November 2016 to March 2018

Apart from the above, Mr Nateshan has not held a position in the last five years as a partner or member of an administrative, management or supervisory body or a partner of any enterprise outside the companies of the Tuff Group.

Vaidyanathan Nateshan does not hold shares or options for shares in Tuff Group AG.

Ganesh Paulraj, Group Chief Operating Officer

Ganesh Paulraj is currently holding the position of Managing Director in Tuff Offshore Engineering Services Pte Ltd. Mr Ganesh is responsible for the development of commercial strategies across the spectrum of marketing, sales and product development to ensure the integrated commercial success of the organisation. Mr Ganesh brings with him over 20 years of skilled project services management expertise in the engineering, marine, infrastructure and offshore oil & gas sectors. He has a broad range of expertise having undertaken roles in strategic planning and development of multiple FPSO projects in the Asia-Pacific region. Mr Ganesh holds a Bachelor of Engineering in Mechanical Engineering from Madurai Kamaraj University in India.

On 16 July 2018, Ganesh Paulraj has been appointed as member of the Management Board for a full term of five years.

Mr Ganesh Paulraj holds the following positions as a partner or member of an administrative, management or supervisory body or a partner of any enterprise outside Tuff Group:

Enterprise	Positon
A&T Offshore Pte Ltd	Director
Tuff Infra Pvt Ltd, K Male, Maldives	Managing Director
Tuff Metals & Mining Limited, U.K.	Director

Apart from the above, Mr Ganesh Paulraj has not held a position in the last five years as a partner or member of an administrative, management or supervisory body or a partner of any enterprise outside the companies of the Tuff Group.

With the closing of the capital increase, Ganesh Paulraj holds 13.6m or the equivalent of 34 % of the shares in Tuff Group AG.

16.2.1. Representation

The members of the Management Board of the Company have joint power of representation among and between two members each.

In the last five years, no member of the Management Board has been convicted of a fraudulent crime. Nor have any public accusations and/or sanctions been made against current members of the Management Board by the authorities or the regulatory authorities (including certain professional associations). In the last five years, no member of the Management Board has been affected by insolvencies, insolvency administrations or liquidations in the course of his activities as a member of an administrative, management or supervisory body or in senior management. No member of the Management Board has ever been deemed unfit by a court to hold office in the administrative, management or supervisory bodies of a company or to act in the management or conduct of the business of an issuer.

The members of the Management Board Natarajan Paulraj and Ganesh Paulraj and the member of the Supervisory Board Govindarajan Paulraj are brothers. The member of the Supervisory Board Mahalakshmi daughter of Mahalingam is the wife of Ganesh Paulraj.

The member of the Management Board Vaidyanathan Nateshan and the member of the Supervisory Board Carlo Arachi have no family relationship to each other or to the members of the Management Board or the members of the Supervisory Board or senior management. The company has currently neither granted loans to members of the Management Board nor assumed any guarantees or warranties for them.

The members of the Management Board of the company have no conflicts of interest with regard to their private interests or other obligations to Tuff. The members of the Management Board can be reached at the company's business address.

However, potential conflicts of interest may arise from any situation, development, fact or circumstance in the future which results in a lack of alignment of interest between the members of the Management Board and the Supervisory Board who are at the same time members of the Paulraj family.

16.2.2. Employment contracts of the Management Board

Employment contracts were concluded with the members of the Management Board on 16 September 2018 with Vaidyanathan Nateshan and with Natarajan Paulraj and Ganesh Paulraj as of 3 December 2018. Vaidyanathan receives a monthly base salary of USD 12,500.00 while Natarajan Paulraj receives a monthly base salary of USD 30,000.00 and Ganesh Paulraj receives a monthly base salary of USD 20,000.00. In addition to the base salary as fixed remuneration, they also receive a performance-related variable remuneration resulting as bonus on a discretionary basis determined by the Supervisory Board. The annual bonus comprises short-term and long-term incentive components comparable with industry standards and shall not exceed the amount of the base salary while the total annual compensation shall not exceed twice the base salary. The annual bonus shall be paid in three equal installments over a period of three years.

The service contracts contain a non-competition clause to the extent that the Management Board is prohibited from acquiring or participating in a Group company during the term of the contract without exemption by a resolution of the Supervisory Board. No benefits are granted to the Management Board upon termination of the employment relationship, except in the event of an earlier termination before their assigned office term or in the event of a change of control, in which an equivalent of two month’s salary shall be paid as compensation.

16.2.3. Rules of procedure for the Management Board

In accordance with the rules of procedure of the Management Board, which were adopted by the Supervisory Board, each Management Board member must inform the Management Board as a whole on an ongoing basis about all significant events in his business segment and keep himself informed about the course of business in the other business segments. Decisions of fundamental importance are taken jointly by the members of the Executive Board.

The Management Board and the Supervisory Board work closely together for the benefit of the company. The Management Board coordinates the strategic orientation of the company with the Supervisory Board and discusses the status of strategy implementation with it at regular intervals. The Management Board informs the Supervisory Board regularly, promptly and comprehensively about all planning, business development, risk situation and risk management issues relevant to the company and reports to the Supervisory Board in accordance with section 90 AktG.

16.2.4. Further duties of the Management Board

The company is obliged to publish without delay new factsthat arise in the company's field of activity and are not publicly known if they are likely to have a significant influence on the stock exchange price of the company's listed securities due to their impact on the company's asset and financial position or on the general course of business. The Management Board will follow the principle of equal treatment when passing on information.

Tuff will immediately publish announcements about the acquisition or sale of shares or other financial instruments related to Tuff and will provide corresponding information in the notes to the annual financial statements. The members of the Management Board may not pursue any interests that are contrary to the interests of the company in the management of the company. In connection with their activities, the members of the Management Board may neither demand or accept from third parties' payments or other advantages for themselves or for other persons, nor grant third parties unjustified advantages.

16.2.5. Top and middle management of Tuff

Apart from the Management Board, the Company does not have a top or middle management as per personnel or organisational level.

16.3. Supervisory board

The Supervisory Board performs its duties in accordance with the law, the articles of association of the Company and the rules of procedure for the Supervisory Board. Pursuant to section 9 paragraph 1 of the Articles of Association of the Company, the Supervisory Board consists of three members. The members of the Supervisory Board are elected by the General Meeting for the period until the end of the General Meeting which resolves on the discharge for the fourth financial year after the beginning of the term of office, unless the General Meeting elects for a shorter term of office. The fiscal year in which the election takes place is not included in this calculation. Reelection is possible.

Any member of the Supervisory Board may resign from office at any time by giving three months' notice in writing to the Management Board and notifying the Chairman of the Supervisory Board. At the first meeting after its election, the Supervisory Board elects a chairman and one or more deputies from among its members. Deputy Chairmen have the rights and duties of the Chairman of the Supervisory Board if he is unable to attend. The term of office of the Chairman and the Deputy Chairman shall correspond to their term of office as members of the Supervisory Board, unless a shorter term of office is determined at the time of election. If the Chairman or Deputy Chairman resigns before the end of his term of office, the Supervisory Board shall hold a new election for the remaining term of office. Supervisory Board resolutions are generally passed in meetings.

The meetings of the Supervisory Board shall be convened in writing by the Chairman of the Supervisory Board with 14 days' notice. The day on which the invitation is sent and the day of the meeting are not included in the calculation of the period. In urgent cases, the Chairman may shorten this period accordingly and convene a meeting orally, by telephone, telex, telex or by electronic media (e.g. e-mail). The Supervisory Board is quorate if at least three members participate in the passing of a resolution. Outside of meetings, written, telex or telephone resolutions or resolutions may be passed by electronic means by order of the Chairman of the Supervisory Board if no member objects to this procedure within a reasonable period of time determined by the Chairman. This does not affect the mandatory statutory provisions governing the resolution of the Supervisory Board. Resolutions and elections are generally passed by a simple majority, whereby the chairman's vote is decisive in the event of a tie.

The Supervisory Board has set its own rules of procedure.

Declarations of intent of the Supervisory Board are made on behalf of the Supervisory Board by the Chairman or, in his absence, by the Deputy Chairman. The permanent representative of the Supervisory Board *vis-à-vis* third parties, in particular courts and authorities, as well as the Executive Board, shall be the Chairman or, in his absence, his deputy. According to sect 11 paragraph 4 of the articles of association of the Company, the supervisory board is authorized to resolve amendments to the articles of association which only affect their wording. The members of the Supervisory Board receive reimbursement of their necessary expenses. The Annual General Meeting of 16 September 2018 resolved the following regarding the amount of remuneration:

"*The members of the Supervisory Board receive each a yearly remuneration of € 10,000.00 plus applicable tax to be paid in four installments on a quarterly basis, after the respective quarter. If a member of the Supervisory Board does not hold office for a full year, the renumeration will be paid on a pro-rata basis. For the current year 2018, the remuneration shall be paid starting as of 16 July 2018*."

There are no service agreements between the Supervisory Board members and the Issuer or its subsidiaries which provide for remuneration after the end of the term of office.

If the Supervisory Board approves the annual financial statements in accordance with section 172 AktG, they are adopted unless the Management Board and Supervisory Board decide to leave the adoption of the annual financial statements to the Annual General Meeting. The resolutions of the Management Board and the Supervisory Board shall be included in the report of the Supervisory Board to the General Meeting. If the Management Board and Supervisory Board approve the annual financial statements, they may transfer up to half of the annual net profit to other revenue reserves in accordance with the articles of association of the Company. In addition, they are authorized to transfer up to a further quarter of net income to other revenue reserves as long as the revenue reserves do not exceed half of the share capital or as long as they would not exceed half of the share capital after the transfer. If the Annual General Meeting adopts the annual financial statements, it may transfer a maximum of half of the annual surplus to other revenue reserves. The current Supervisory Board of the company is composed of the following persons:

- Carlo Arachi
- Mahalakshmi daughter of Mahalingam
- Govindarajan Paulraj

Carlo Arachi

Mr Arachi studied law at the universities in Marburg and Cologne and did his legal clerkship at the District Court Moenchengladbach. Mr Arachi has a law firm based in Cologne and Viersen, in cooperation with Tax-Consultants Detlef Tissen, Viersen. He focusses on tax-, commercial- and business law.

Mr Arachi advises medium-sized companies that are active on an international level, not only in legal matters but also in all fields of development and structure of the business. In addition, he takes over the legal representation and the entire contracting work for companies. Furthermore, he acts as a trustee for clients. Mr Arachi is also experienced in reporting according to International Financial Reporting Standards.

On 16 July 2018 and by resolution of the shareholders meeting, Mr Arachi has been elected as member of the Supervisory Board for a five years term.

Mr Arachi does not hold a position as a partner or member of an administrative, management or supervisory body of any other company of Tuff Group.

Mr Arachi has not had a position in the last five years as a partner or member of an administrative, management or supervisory body or a partner of any enterprise inside or outside De Raj Group.

In the last five years, Mr Arachi had the following position as a partner or member of an administrative, management or supervisory body or a partner of any enterprise outside Tuff Group:

Enterprise	Positon	Duration
De Raj Group AG, Germany	Supervisory board member	since 11 October 2017

Apart from the above, Mr Arachi has not had a position in the last five years as a partner or member of an administrative, management or supervisory body or a partner of any enterprise inside or outside the companies of the Tuff Group.

Mahalakshmi d/o Mahalingam

Ms Maha completed her Bachelor of Business at Nanyang Technological University of Singapore. She worked with an audit firm for 2 years as Business Development Manager before moving to London and working as a Financial Controller with an energy firm for 8 years. She came back to Singapore and worked with Bureau Veritas as Marine Business Controller for 3 years before joining Tuff Offshore Engineering Services Pte Ltd.

In her course of work she reviews all financial operational processes and analyses financial risks and recommends effective solutions; maintains financial reports and business plans; prepares financial budgets and plans and analyses various outlooks for same.

On 16 September 2018 and by resolution of the shareholders meeting, Ms. Mahalakshmi has been elected as member of the Supervisory Board for a five years term.

Ms. Mahalakshmi holds the following positions as a partner or member of an administrative, management or supervisory body or a partner of any enterprise outside Tuff Group:

Enterprise	Positon
Clayworth Engineering, Australia	Director

Apart from the above, Ms. Mahalakshmi has not had a position in the last five years as a partner or member of an administrative, management or supervisory body or a partner of any enterprise outside the companies of the Tuff Group.

Govindarajan Paulraj

On 16 September 2018 and by resolution of the shareholders meeting, Govind Paulraj has been elected as member of the Supervisory Board for a five years term.

Govind Paulraj is a lawyer practicing in India in the field of criminal law. He has served as a state attorney and prosecutor.

In the last five years, Mr Godvind Paulraj has not had a position as a partner or member of an administrative, management or supervisory body or a partner of any enterprise outside the companies of the Tuff Group.

In the last five years, no member of the Supervisory Board has been convicted of a fraudulent crime. Nor have any public accusations and/or sanctions been made against current members of the Supervisory Board by the authorities or the regulatory authorities (including certain professional associations). In the last five years, no member of the Supervisory Board has been affected by insolvencies, insolvency administrations or liquidations in the course of his activities as a member of an administrative, management or supervisory body or in senior management. No member of the Supervisory Board has ever been deemed unfit by a court to hold office in the administrative, management or supervisory bodies of a company or to act in the management or conduct of the business of an issuer.

The company has neither granted loans to members of the Supervisory Board nor assumed any guarantees or warranties for them. The members of the Supervisory Board were and are not involved in transactions outside the company's business activities or in other transactions of an unusual form or substance during the current and the preceding financial year or in such unusual transactions which have not yet been finally concluded in previous financial years.

The Company has not entered into any consulting, licensing or other agreements with the other members of the Supervisory Board.

Some of the members of the Supervisory Board work for other associated companies; this could result in conflicts of interest between the Supervisory Board and Tuff. The members of the Supervisory Board of the company have committed themselves in the rules of procedure of the Supervisory Board to disclose existing conflicts of interest with regard to their private interests or other obligations in relation to obligations to Tuff. A disadvantage is therefore not to be expected for the Company, since possible conflicts of interest are disclosed to the management and existing activities were reported in advance. On the contrary, it is positive to assume Tuff through network and know-how. There are no family relationships between the members of the Supervisory Board or between members of the Supervisory Board and members of the Management Board. The members of the Supervisory Board can be reached via the company's business address.

Potential conflicts of interest may arise from any situation, development, fact or circumstance in the future which results in a lack of alignment of interest between the members of the Supervisory Board and the Management Board who are at the same time members of the Paulraj family.

16.4. Committees of the Supervisory Board

The Company's Supervisory Board has neither an audit committee nor a remuneration committee.

16.5. General meeting of the shareholders

16.5.1. General information

The Annual General Meeting is the body in which shareholders can exercise their rights within the company. The Annual General Meeting takes place within the first eight months of each financial year. In addition, the General Meeting shall be convened in accordance with the German Stock Corporation Act if the interests of the Company so require. The General Meeting may be convened by the Management Board or, in legally prescribed cases, by the Supervisory Board. In addition, shareholders whose combined holdings represent at least 5 % of the Company's share capital may request that the General Meeting be convened or, under certain conditions, be authorized by the competent court to convene the General Meeting independently. The Annual General Meeting resolves in particular on:

- the appointment of the Supervisory Board;
- approval of the annual financial statements (if this is not done by the Management Board and Supervisory Board);
- the appropriation of the balance sheet profit;
- the approval of the actions of the members of the Management Board and the Supervisory Board;
- the appointment of the auditor;
- capital procurement and capital reduction measures and
- amendments to the Articles of Association.

In cases where the law requires a majority of the share capital represented when the resolution is adopted, a simple majority of the share capital represented is sufficient, unless a larger majority is required by law. In the case of certain resolutions of fundamental importance, the law requires a majority of at least three-quarters of the share capital represented at the passing of the resolution in addition to the majority of votes cast. These decisions include in particular:

- capital increases excluding subscription rights;
- capital reductions;
- creation of authorised or conditional capital;
- liquidation of the company;
- measures under conversion law such as mergers, splits and changes of legal form;
- transfer of all assets of the company;
- integration of a company; and
- conclusion and amendment of inter-company agreements (in particular control and profit and loss transfer agreements).

Neither the German Stock Corporation Act (*Aktiengesetz*) nor the Articles of Association provide for a minimum participation in the quorum of the Annual General Meeting.

16.6. Provisions of the Articles of Association

In accordance with the Company's Articles of Association, the General Meeting is generally convened by the Management Board or, in the cases prescribed by law, by the Supervisory Board, without prejudice to the statutory right of other persons to convene the General Meeting.

The Annual General Meeting shall be held at the registered office of the Company or at a German stock exchange. The Annual General Meeting shall be convened in the form provided for by law, stating the agenda and must be convened at least 30 days before the day by which the shareholders must register to attend the Annual General Meeting. The day on which the meeting is convened and the day by the end of which shareholders must register shall not be included in the calculation of the time limit. Shareholders must register in text form (section 126b BGB) in German or English by the end of the seventh day prior to the date of the Annual General Meeting at the latest. The day on which the meeting is convened and the day by the end of which shareholders must register before the meeting shall not be included in the calculation of the period.

Shareholders must also provide evidence of their entitlement to attend the Annual General Meeting and exercise their voting rights. For this purpose, the custodian bank must submit a certificate of share ownership in text form (section 126 b BGB) in German or English. The certificate must refer to the beginning of the twenty-first day before the General Meeting. The certificate, as well as the registration, must be received by the company no later than the sixth day before the meeting.

Each share entitles the holder to one vote at the Annual General Meeting.

The Annual General Meeting is chaired by the Chairman of the Supervisory Board or another Supervisory Board member to be determined by the Supervisory Board. If neither the Chairman nor another member of the Supervisory Board appointed by the Chairman nor another member of the Supervisory Board appointed by the Chairman for this purpose is present, the chairman of the General Meeting shall be elected by the shareholders’ Supervisory Board members who are present.

Voting rights are exercised according to the number of shares.

Resolutions of the Annual General Meeting are passed by a simple majority of the shares present and entitled to vote, unless a larger majority of votes is required by mandatory statutory provisions. Abstentions shall not be deemed to be votes if a simple majority of votes is cast in the first ballot.

16.7. German corporate governance codex

The German Corporate Governance Code ("**Code**"), which was passed in February 2002 by the Government Commission on the Corporate Governance Code (*Regierungskommission Deutscher Corporate Governance Kodex*) and last amended on February 07, 2017, contains recommendations and suggestions for the management and supervision of German companies listed on the stock exchange. The Code incorporates nationally and internationally recognized standards of good and responsible corporate governance. The purpose of the Code is to make the German system of corporate governance and supervision transparent for investors. The Code includes recommendations and suggestions for management and supervision with regard to Shareholders and Shareholders' Meetings, Management and Supervisory Boards, transparency, accounting and auditing.

There is no obligation to comply with the recommendations or suggestions of the Code. However, the German Stock Corporation Act (*Aktiengesetz*) requires that the Management Board and Supervisory Board of a German listed company declare, every year, either that the recommendations have been or will be applied, or which recommendations have not been or will not be applied and explain why the Management Board and the Supervisory Board do not/will not apply such recommendations that have not been or will not be applied. This declaration is to be made permanently accessible to shareholders. However, deviations from the suggestions contained in the Code need not be disclosed.

> Having taken due account of the provisions of the Code, the Management Board and the Supervisory Board of the Company adopted the following declaration of compliance according to section 161 Ger- man Stock Corporation Act (*Aktiengesetz*) on 16 January 2019:"Tuff Group AG's Management and Supervisory Boards welcome and support the German Corporate Governance Code (GCGC) and the objectives it pursues. Tuff Group AG follows the recommendations of the GCGC in the version dated 7 February 2017 and will continue to do so in future with the following exceptions for the reasons below:
>
> ***D&O insurance***
>
> The D&O insurance concluded for the Management and Supervisory Boards does not include a deductible for members of the Supervisory Board (ltem 3.8 GCGC). The Company is of the opinion that the inclusion of a deductible is not necessary to urge the members of the supervisory board to a responsible behavior as they are already obliged to a responsible behavior in the best interest of the company qua their office and that an inclusion of a deductible may prevent potential suitable candidates from assuming the office as members of the supervisory board.

Age limit for members of the Management and Supervisory Board

There is no age limit for members of the Managing and Supervisory Board (ltems 5.1.2 and 5.4.1 GCGC). The Company is of the opinion that the determination of an age limit is not appropriate as the Company shall also benefit from the knowledge and experience of older persons in the work of the Managing and Supervisory Boards.

Committees

In view of its low number of members, the Supervisory Board has not formed any committees (ltem 5.3 GCGC).

Constitution of the Supervisory Board

According to the supervisory board it currently does not contain any independent member (ltem 5.4.2 GCGC) as the supervisory currently on/y consists of three members. However, the articles of association of the Company demand a supervisory board with four members. Thus, an independent member of the supervisory board according to the GCGC shall soon be appointed by the shareholders' meeting of the Company.

Frankfurt, January 2019

Tuff Group AG

The Management Board The Supervisory Board"

17. Taxation

The following section contains a brief summary of some important German taxation principles that are or may become significant in connection with the acquisition, holding or transfer of shares. However, this is not a comprehensive and complete presentation of all tax aspects that may be relevant to shareholders. This summary is based on German national tax law (statutory regulations, the opinion of the tax authorities and tax court rulings) and the provisions of the double taxation agreements currently concluded between the Federal Republic of Germany and other countries. In both areas, regulations or legal opinions may change - under certain circumstances also retroactively. Different taxation rules may apply to shareholders other than those discussed below. Potential purchasers of shares are advised to consult their tax advisors regarding the tax consequences of buying, holding, selling or transferring shares free of charge and the procedure to be followed in the event of a possible refund of German withholding tax (capital gains tax). They are also in a position to take into account the special tax situation of the individual shareholder. Only within the framework of individual tax advice can the tax-relevant particularities of the respective shareholder be sufficiently taken into account. The tax part of this Prospectus does not replace the individual advice of the investor by a tax advisor. The explanations in this chapter describe the legal situation valid on January 1, 2018 for the 2018 assessment period. A possible burden of church tax for natural persons is not discussed in detail.

17.1. Income taxes

17.1.1. Current taxation

Company taxation

Corporations domiciled in Germany are generally subject to corporation tax on their taxable income. The current corporate income tax rate is 15% and applies regardless of whether the profits are distributed or retained. The solidarity surcharge of 5.5% is currently levied on corporate income tax (withholding tax). The burden from corporation tax and solidarity surcharge on taxable income thus currently amounts to 15.825 %.

Dividends and other profit shares which the corporation receives from both domestic and foreign corporations are generally not included in the calculation of the issuer's income if the participation at the beginning of the calendar year directly amounted to at least 10 % of the share capital or nominal capital. If no share capital or nominal capital is available, the participation in the assets, in the case of cooperatives the participation in the sum of the business assets, is decisive. The acquisition of a participation of at least 10 % is deemed to have taken place at the beginning of the calendar year. Participating interests via joint venture are to be allocated proportionately to the issuer. However, if dividends or other profit shares are not recognised, 5 % of the respective income is regarded as non-deductible operating expenses and thus increases the income of the issuer. The same applies to gains of the issuer from the sale of shares in a domestic or foreign corporation. However, the 10 % minimum participation does not apply to capital gains, in this respect the profits as a whole are not recognised, whereby 5 % of the respective income is also regarded as non-deductible operating expenses and thus increase the income of the issuer. Losses from the sale of such shares are not tax-deductible.

In addition, German corporations are subject to trade tax on the trade income they generate in their domestic branches. There is no uniform nationwide trade tax rate. Rather, the trade tax rate is largely determined by the so-called "assessment rate" to be determined by the municipality in which the respective permanent establishment is located. The trade tax amount calculated by applying the so-called trade tax rate of 3.5 % to trade income is multiplied by this assessment rate. This results in the trade tax burden. The trade tax expense cannot be deducted from the tax base for corporation and trade tax as a business expense. The effective trade tax rates are thus regularly between 7 % (at an assessment rate of 200 %) and 17.5 % (at an assessment rate of 500 %). At the registered office of the Company in Frankfurt/Main, the trade tax rate as of the date of this Prospectus is 460 %.

In terms of trade tax, dividends and other profit shares which the company receives from domestic or foreign corporations are also 95 % exempt as a result. However, this only applies if the corporation holds at least 15 % (or in the case of non-German EU companies at least 10 %) of the subscribed capital in the relevant domestic corporation at the beginning of the relevant survey period (reporting date analysis) and in the corresponding foreign corporation without interruption (period analysis) under certain other conditions since the beginning of the relevant survey period ("Schachtelprivileg"). Additional restrictions apply to profit shares originating from foreign corporations.

Current losses of the company can initially - for corporate tax purposes only - be offset up to an amount of EUR 1 million against the taxable income of the previous year (so-called "loss carryback"). Losses remaining thereafter are generally carried forward for an indefinite period. Losses incurred by the corporation in previous years for corporate tax and trade tax purposes must be offset without restriction against the relevant current profit up to an amount of EUR 1 million. In addition, they can only be offset against 60 % of the relevant current profit. Remaining losses of the company must be carried forward again and can be deducted from future taxable income and trade earnings within the scope of the regulation described. However, under certain circumstances, loss carryforwards may be lost.

Due to the so-called interest barrier (*Zinsschranke*), net interest expenses (balance of interest expenses and interest income for the corresponding fiscal year) of more than EUR 3 million can only be deducted in the amount of 30 % of the tax EBITDA when calculating the taxable profit, provided no exceptions apply. Additional regulations apply to the transfer of outside capital by shareholders. Non-deductible interest expenses must be carried forward and increase the interest expenses in the following financial years (interest carryforward). Unused interest deduction potential up to the 30 percent limit of EBITDA can be used in a so-called EBITDA carryforward.

If more than 50 % of the subscribed capital, membership rights, participation rights or voting rights in the company are transferred directly or indirectly to an acquirer or a related party within five years or if a comparable situation exists (so-called harmful acquisition), interest carryforwards, unused losses and an unused EBITDA carryforward are completely lost. In the event of a harmful acquisition of an interest during the year, any loss achieved up to this point in time is also subject to the statutory loss deduction restriction. However, any profit generated up to the time of the harmful acquisition of the investment may be offset against unused losses. The decisive factor is the total amount of income generated up to this point in time. Transfers of more than 25 % up to 50 % eliminate interest carryforwards and unused losses on a pro rata basis. A capital increase is tantamount to the acquisition of a harmful shareholding if it leads to a change in the proportion of the corporation's capital held. To the extent that harmful equity investments are acquired, an unused loss may be deducted provided that it does not exceed the proportionate (for transfers of more than 25 % up to 50 %) or total (for transfers of more than 50 %) undisclosed reserves (*stille Reserven*) of the corporation's operating assets that are taxable in Germany at the time of the harmful acquisition of the equity investment. In the case of acquisitions of equity interests, there is no harmful acquisition of equity interests if the acquirer holds a 100 % direct or indirect interest in the transferring entity and the acquirer is a natural or legal person or a commercial partnership, if the acquirer holds a 100 % direct or indirect interest in the transferring entity and the transferor is a natural or legal person or a commercial partnership, or if the transferring entity and the acquiring entity each hold a 100 % direct or indirect interest in the transferring entity or the same natural or legal person or commercial partnership. In these cases, the loss carryforwards do not cease to exist.

Taxation of shareholders

German corporations must generally withhold a capital gains tax of - as a rule - 25% and a solidarity surcharge on the capital gains tax of 5.5% and, in the case of natural persons, also church tax of 8% or 9% of the capital gains tax for the account of the shareholders and pay it to the responsible tax office. The basis of assessment for capital gains tax is the dividend resolved by the Annual General Meeting. Capital gains tax is generally deducted irrespective of whether and to what extent the distribution of profits is exempt from tax at shareholder level and whether the shareholder is resident in Germany or abroad.

However, Tuff Group AG does not assume responsibility for withholding the capital gains tax. Since 1 January 2012, the capital gains tax deduction for dividends of German stock corporations whose shares are held in a German collective custody account within the meaning of section 5 of the German Custody Accounts Act or in special custody pursuant to section 2 of the German Custody Accounts Act has been transferred by the legislator to the (German) bank or financial services provider paying out the dividend. For this purpose, the paying agent receives the full amount of the dividend from the distributing corporation, withholds the tax for the shareholder and pays the remaining net amount to the shareholder. This rule also allows the personal circumstances of the respective shareholder to be taken into account when calculating the capital gains tax deduction by the paying agent. Upon application, two fifths of the withheld and paid capital gains tax on dividends will be refunded to foreign corporations. Dividends paid to a company domiciled in a member state of the European Union within the meaning of Annex 2 to the Income Tax Act (EStG) in conjunction with § 43b EStG and the so-called "Parent-Subsidiary Directive" (Council Directive No. 90/435/EEC of 23 June 2004 on income tax) are subject to a tax liability. If further conditions are met and an application is made for a distribution of profits, the withholding of capital gains tax may also be waived in whole or in part on application to a corporation domiciled in a country with which the Federal Republic of Germany has concluded a double taxation agreement.

For shareholders who are subject to unlimited tax liability in the Federal Republic of Germany and for shareholders who are resident abroad and hold their shares as business assets of a German permanent establishment or fixed establishment in Germany or as business assets for which a permanent representative in Germany has been appointed, the withheld and paid capital gains tax is offset against the income or corporation tax liability and refunded in the amount of any excess. The same applies to the solidarity surcharge.

Furthermore, the following applies to distributions to shareholders domiciled abroad: If the Federal Republic of Germany has concluded a double taxation agreement with the shareholder's country of residence and the shareholder does not hold his shares either in the assets of a permanent establishment or institution in Germany or in business assets for which a permanent representative in Germany has been appointed, who is dependent within the meaning of the applicable double taxation agreement, the capital yields tax rate may be reduced in accordance with the applicable double taxation agreement. In principle, the reduction in capital gains tax is granted in such a way that the difference between the total amount withheld, including the solidarity surcharge, and the capital gains tax actually owed under application of the relevant double taxation agreement (as a rule 15%) is refunded by the German tax authorities upon application. Forms for the refund procedure are available from the Federal Central Tax Office, An der Küppe 1, 53225 Bonn, and the German embassies and consulates and can be downloaded from the website of the Federal Central Tax Office at www.bzst.bund.de

Taxation of domestic shareholders

In the case of shares held as private assets by natural persons subject to unlimited tax liability, dividends and capital gains are subject to withholding tax in full, irrespective of the holding period of the shares, i.e. the income tax liability of the shareholder is deemed to have been settled upon withholding the tax. The income generated is therefore not taken into account in the shareholder's tax assessment procedure (i.e. in his tax return). The withholding tax is withheld and paid by the company or the bank paying out the dividend or carrying out the sale by way of capital gains tax deduction for the account of the shareholder. The withholding tax rate is 25 % (plus 5.5 % solidarity surcharge, in total 26.375 %) of the relevant gross income. For all income from capital assets, a lump sum of EUR 801.00 (EUR 1,602.00 for married couples assessed together) is granted as a deduction for income-related expenses. However, the deduction of actual advertising costs is excluded. Losses from capital assets may not be offset or used in any other way with income from other types of income. However, the losses reduce the taxpayer's future income from capital assets. At the shareholder's request, investment income is taxed at the individual income tax rate if this results in a lower tax burden for the shareholder. However, in this case, too, a deduction of income-related expenses in excess of the saver's lump sum is ex-cluded. If there is a participation of more than 25 % or a participation of at least 1 % and if the shareholder is professionally active for the company, the investment income is taken into account upon application as part of the assessment procedure. In this case, 60 % of the income is subject to taxation, in the amount of 60 % the deduction of income-related expenses is possible ("partial income procedure"). Losses can be offset against other income. Dividends on shares held as business assets are not compensated. If the shares are to be allocated to the business assets of the shareholder, taxation depends rather on whether the shareholder is a corporation, a natural person or a partnership (co-entrepreneurship):

(i) If the shareholder is a German corporation, dividends paid - subject to certain exceptions, for example for credit institutions, financial services institutions, financial enterprises, pension funds, life and health insurance undertakings - are generally exempt from corporation tax and the solidarity surcharge. This only applies insofar as there is a direct participation of 10 % in the share capital of the company. The dividends received are also exempt from trade tax if the corporation held at least 15 % of the company's share capital at the beginning of the relevant survey period. However, in any case 5% of dividends received tax-free are considered non-deductible operating expenses, so that 5% of dividends are effectively subject to corporation tax (plus solidarity surcharge) and trade tax. Any additional expenses in connection with the investment are fully tax-deductible. The dividends received are fully subject to trade tax if the German corporation did not hold at least 15 % of the company's share capital at the beginning of the relevant survey period.

(ii) In the case of shares held as business assets by natural persons, dividends and profits from the sale or withdrawal of shares are 40 % tax-exempt (partial income method). Accordingly, only 60 % of expenses related to dividends or gains on the sale or withdrawal of shares may be deducted. The dividends are subject to trade tax in full unless the taxpayer held at least 15 % of the company's share capital at the beginning of the relevant collection period. If these conditions are met, the 40 % exemption of the dividend from income tax for trade tax applies accordingly. However, under certain circumstances, trade tax can be fully or partially offset against the personal income tax liability of the shareholder by means of a lump-sum credit procedure.

(iii) If the shareholder is a partnership, the dividend is included in the uniform and separate profit determination and is allocated pro rata to the shareholders. Taxation for Est/KSt purposes takes place at shareholder level and depends on whether the shareholder in question is an individual (then income tax) or a corporation (then corporation tax). For shareholders subject to corporate income tax, the taxation of dividends corresponds to the principles set out under item (i). For partners subject to income tax (natural persons), the principles set out under point (ii) apply. If the shares are allocated to a domestic place of business of the partnership, the dividends are additionally subject to full trade tax at the level of the partnership, unless the partnership held at least 15 % of the share capital of the partnership at the beginning of the relevant survey period. In this case, only 5 % of the dividend payments are subject to trade tax if corporations hold an interest in the partnership. In this case, only 60 % of the dividends are subject to trade tax if natural persons hold an interest in the company. The trade tax incurred at the level of the partnership is credited in full or in part against the income tax of natural persons by means of a lump-sum imputation procedure.

Taxation of foreign shareholders

In the case of shareholders with limited tax liability in the Federal Republic of Germany who do not hold their shares as business assets of a German permanent establishment or permanent establishment in Germany or as business assets for which a permanent representative in Germany has been appointed, the German tax liability shall be deemed to have been settled with the withholding tax (possibly reduced in accordance with a double taxation agreement or the Parent-Subsidiary Directive). If the shareholder is a natural person and the shares belong to business assets of a German permanent establishment or fixed establishment in Germany or to business assets for which a permanent representative has been appointed in Germany in accordance with the applicable double taxation agreements, 60 % of the dividends are subject to German income tax plus 5.5 % solidarity surcharge thereon. If the shares are part of commercial business assets, the dividends received are subject to trade tax after deduction of the business expenses associated with them, unless the shareholder held at least 15 % of the company's share capital at the beginning of the relevant survey period. However, under certain circumstances, trade tax can be partially or completely offset against the personal income tax of the shareholder by means of a lump-sum credit procedure. Subject to certain exceptions, e.g. for banks, financial services institutions, financial companies, pension funds, life and health insurance companies, dividend distributions to foreign corporations are currently generally exempt from corporation tax and the solidarity surcharge if the shares can be allocated to a permanent establishment in Germany or are held by a permanent representative in Germany. This only applies if there is a minimum participation of 10 % in the share capital of the company. If the shares belong to a commercial establishment in Germany, the dividends received are subject to trade tax, unless the participation amounted to at least 15 % of the company's share capital at the beginning of the relevant survey period. Even if the dividend is exempt from corporation tax and trade tax, 5% of the dividends are treated as non-deductible operating expenses, so that 5% of the dividends are effectively subject to corporation tax (plus solidarity surcharge) and trade tax. In addition, expenses actually incurred in connection with the investment can be deducted in full as operating expenses for corporate and trade tax purposes. If the creditor of the in-vestment income is a corporation with limited tax liability in Germany, 2/5 of the investment income tax will be refunded on application. The application must be submitted to the Federal Central Tax Office. Further exemption or reimbursement under an agreement to avoid double taxation or § 43b EStG (national implementation of the EU Parent-Subsidiary Directive) remains unaffected.

17.1.2. Taxation on disposal

Taxation of domestic shareholders

Gains from the sale of shares held as private assets of a natural person resident in Germany and acquired after 31 December 2008 are subject to income tax and solidarity surcharge irrespective of the holding period of the shares. As capital income, they are subject to the withholding tax of 25 % (plus 5.5 % solidarity surcharge). The withholding tax is withheld and paid by the bank carrying out the sale by way of capital gains tax deduction for the account of the shareholder. A deduction of income-related expenses in excess of the saver's lump sum is not permitted. If a loss on disposal arises, this can only be offset against gains on disposal of shares. If this is not possible in the assessment period in which the losses were incurred, the losses reduce the taxable person's income from the sale of shares in the following assessment periods.

However, 60 % of gains from the sale of shares held as private assets of a shareholder resident in Germany are taxable in the partial income procedure if the shareholder - or in the case of a free acquisition of his legal predecessor(s) - directly or indirectly held at least 1 % of the share capital of the company at any time during a five-year period preceding the sale. In this case, 60% of the profits from the sale of a subscription right are also subject to income tax and the solidarity surcharge. Only 60 % of losses from the sale of shares or subscription rights and expenses in connection with the sale are deductible. The taxation of profits from the sale of shares held as business assets by a shareholder resident in Germany depends on whether the shareholder is a corporation, a natural person or a partnership (co-entrepreneurship):

(i) If the shareholder is a German corporation, profits from the sale of shares - subject to certain exceptions, for example for banks, financial services institutions, financial enterprises, pension funds, life and health insurance undertakings - are generally exempt from trade and corporation tax including solidarity surcharge. However, 5 % of profits are treated as non-deductible operating expenses, so that 5 % of profits are effectively subject to corporation tax (plus solidarity surcharge) and trade tax. Actual expenses incurred in connection with the investment can be deducted as business expenses for corporation tax and trade tax purposes. By contrast, losses from the sale or write-down of shares and other profit reductions in connection with the shares are not tax-deductible. It is possible that the tax exemption from capital gains from corporation tax described above will in future require a minimum participation (e.g. of 10 %) in the share capital of the Company.

(ii) If the shares are held as business assets of a sole proprietor, 60 % of the capital gains are subject to progressive income tax plus 5.5 % solidarity surcharge on income tax. Only 60 % of expenses and losses on disposals related to such disposals, as well as losses from the write-down of shares, are tax-deductible. If the shares are part of commercial business assets, 60% of the capital gains are also subject to trade tax. However, under certain circumstances, trade tax can be partially or completely offset against the personal income tax of the shareholder by means of a flat-rate credit procedure. Gains from the sale of shares can currently be deducted in whole or in part from the acquisition costs of certain other assets acquired simultaneously or later or transferred to a temporary reinvestment reserve under certain conditions up to a maximum amount of EUR 500,000.00.

(iii) If the shareholder is a partnership, income or corporation tax is only levied at the level of the respective shareholder of this partnership, but not at the level of the partnership. Taxation depends on whether the shareholder is a corporation or a natural person. If the shareholder is a corporation, the taxation of capital gains corresponds to the principles set out under item (i). If the shareholder is a natural person, the principles set out under point (ii) apply in principle, subject to certain exceptions for companies in the financial and insurance sectors. In addition, 60 % of the gains from the sale of shares are subject to trade tax at the level of the partnership, provided that natural persons hold an interest in the partnership, and 5 %, provided that corporations hold an interest. Losses on disposal and other profit reductions in connection with the shares sold are not taken into account for trade tax purposes if they are attributable to a corporation as shareholder and are only taken into account in the amount of 60 % if they are attributable to a natural person as shareholder. If the shareholder is a natural person, the trade tax paid by the partnership on his share is generally credited in full or in part to his personal income tax according to a lump-sum procedure.

Taxation of foreign shareholders

If the shares are sold by a foreign natural person who (i) holds the shares in a permanent establishment, institution or business assets for which a permanent representative is appointed in Germany, or (ii) who himself - or, in the case of the acquisition of his legal predecessor free of charge, at any time within the last five years prior to the sale of the shares - directly or indirectly held at least 1 % of the company's capital, the capital gains achieved in Germany are subject to 60 % income tax (plus 5.5 % solidarity surcharge). If the shares are allocated to a domestic branch of a commercial enterprise, 60 % of the capital gains are also subject to trade tax. Most double taxation agreements provide for an unrestricted exemption from German taxation, provided that the shares are not held in the assets of a domestic permanent establishment or permanent establishment or by a domestic permanent representative who is dependent within the meaning of the applicable double taxation agreement.

Subject to certain exceptions, e.g. for banks, financial services institutions, financial companies, pension funds, life and health insurance companies, capital gains generated by a corporation not domiciled in Germany are currently exempt from German trade tax and German corporate income tax. 5 % of the profits are treated as non-deductible business expenses, so that 5 % of the profits are effectively subject to corporation tax (plus solidarity surcharge) if (i) the shares are held through a permanent establishment or are part of business assets for which a permanent representative is appointed in Germany, which is dependent within the meaning of the applicable double taxation agreement, or (ii) subject to the application of a double taxation agreement, at any time within the last five years prior to the sale of the shares, the foreign corporation directly or indirectly held at least 1% of the capital of the company. If the shares belong to a domestic commercial establishment of the corporation, 5% of the capital gain is also subject to trade tax. In the case of tax liability in Germany, expenses actually incurred in con-nection with the investment can be deducted as business expenses for corporate and trade tax purposes. Losses from the sale or write-down of shares and other profit reductions in connection with the shares sold, however, are not tax-deductible.

17.1.3. Special features for certain companies

Insofar as credit institutions and financial services institutions hold or sell shares which, pursuant to section 1a of the German Banking Act (KWG) in conjunction with Articles 102 to 106 of Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 646/2012 (OJ L 176, 27 June 2013, p. 1) or directly attributable to the trading book pursuant to Articles 102 to 106 of Regulation (EU) No 575/2013, dividends and capital gains are not subject to the partial income procedure or exemption from corporation tax and, where applicable, trade tax. The same applies to shares held by financial companies within the meaning of the KWG in which credit institutions or financial services institutions directly or indirectly hold more than 50 % and which are to be reported as current assets at the time of addition to business assets. This also applies to credit institutions, financial services institutions and financial undertakings domiciled in another member state of the European

Community or another signatory state to the EEA Agreement, insofar as they are liable for tax on dividends and capital gains in accordance with the above general explanations in the Federal Republic of Germany.

Dividend income and gains from the sale of shares attributable to investments in life and health insurance companies are - subject to further conditions - fully subject to corporation and trade tax. The same applies to pension funds. In addition, other special tax regulations apply to life and health insurance companies and pension funds. Dividends are generally exempt from trade tax if the shareholder held at least 15 % of the company's share capital at the beginning of the relevant survey period.

17.2. Inheritance and gift tax

The transfer of shares to another person by way of gift or death is subject to German inheritance or gift tax, in particular if

(i) the testator, donor, heir, donee or other acquirer was domiciled or habitually resident, managed or domiciled in Germany at the time of the transfer of assets, or, as a German national, has not been permanently resident abroad for more than five - in certain cases ten - years without domicile in Germany, or

(ii) the shares belonged to business assets with the testator or donor for which a permanent establishment was maintained or a permanent representative was appointed in Germany, or

(iii) the testator or donor had a direct or indirect interest of at least 10% in the share capital of the Company at the time of the succession or the gift, either alone or together with other persons closely associated with him within the meaning of section 1 (2) of the Foreign Tax Act (Außensteuergesetz, AstG).

The few German inheritance tax double taxation agreements currently in force generally provide that German inheritance or gift tax can only be levied on shares in the case of the first item and with restrictions in the case of the second item. Special provisions apply to German nationals who are not resident or habitually resident in Germany and have an employment relationship with a domestic legal person under public law and for this purpose receive salary from a domestic public fund, as well as to nationals belonging to their household who are German nationals and to former German nationals.

The share assets of foundations or associations with management or registered office in Germany, which are established essentially in the interest of a family or certain families, are regularly - at intervals of 30 years - subject to inheritance tax ("inheritance tax").

17.3. Other taxes

No German capital transfer tax, value added tax, stamp duty or similar tax is payable on the purchase, sale or other disposal of shares. Under certain conditions, however, it is possible for companies to opt to pay VAT on the otherwise tax-free sales. The sale or transfer of shares or subscription rights is not currently subject to stock exchange turnover tax in Germany. However, eleven EU member states have agreed to introduce a common financial transaction tax system through the "enhanced cooperation" procedure. Estonia is no longer pursuing the plans. Against this background, the European Commission published a proposal for a Directive introducing a Financial Transaction Tax on 14 February 2013. Under this proposal, participating Member States may impose an EU financial transaction tax on all financial transactions where (i) at least one party to the transaction is resident in a participating Member State and (ii) a financial institution resident in the territory of a participating Member State is a party to the transaction and acts either on its own account or on behalf of another person or on behalf of a party to the transaction. The proposed Directive is very broad and may also apply to transactions by financial institutions in non-participating countries if none of the parties is considered to be resident in a participating member state but the financial instrument in question was issued by a body resident in a participating member state. In such a case, both parties should be considered as resident in the participating Member State. Income from securities may be affected by the application of this tax if the above points apply. The tax rate shall be at least 0.01% of the face value of financial transactions relating to derivative contracts and at least 0.1% of the consideration or market price of all other taxable financial transactions and shall be deducted by the financial institutions. On 11 October 2016, Germany and nine other EU countries agreed on "principles" for a financial transaction tax. In 2017, however, France asked for the plans to be postponed in order to better assess the consequences of the ”brexit”. It cannot be ruled out that other Member States will decide to introduce the Financial Transaction Tax in the future.

Wealth tax is currently not levied in Germany.

The transfer or joining of at least 95 % of the shares may trigger real estate transfer tax if the company or companies in which the company directly or indirectly holds an interest have domestic real estate.

18. Recent developments and outlook

There were no significant developments and measures recorded after 30 June 2018, with exemption of the following.

18.1. Real estate property purchase

On 31 July 2018, Tuff Offshore purchase office space property at 3791 Jalan Bukit Merah E-Centre at Redhill, Singapore, 159471.Starting 12 Octber 2018, Tuff Offshore uses its purchased premises for its office and headquarter.

18.2. Dividends and loan repayment

On 1 October 2018, Tuff Offshore declared a dividend pay-out of USD 5mn (*unaudited*) and balanced for that amount, which is partially used by Mr Ganesh Paulraj to repay his loan to a director by set-off (*compare section 14, related party transactions*).

18.3. Share capital increase

On 4 February 2019, the share capital increase with the acquisition of Tuff Offshore has been registered in the commercial register of the local court of Frankfurt.

18.4. Subcontractor's civil law claim

On 12 February 2019, a subcontractor of Tuff Offshore Engineering Pte Ltd for the Maafaru Airport Project filed a civil claim suit in the civil court of the Maldives against Tuff Offshore and a related party for purchase orders owed. Tuff Offshore states that the subcontractors work was unsatisfactory, that the subcontractor charges unsubstantiated invoices and repeatedly breach its contract. Tuff Offshore has agreed to discuss a settlement and is otherwise of the opinion that the law suit can be dismissed (*compare section 8.11, litigation or administrative proceedings*). Tuff Offshore accrued USD 1.298mn (*unaudited*), the amount the subcontractor claims, in the financial year 2018.

18.5. Shareholders meeting

On 20 Februar 2019, the Company held a Shareholders' Meeting to resolve upon on an authorised capital of up to 20mn and contingent capital of up to 18mn.

Historical financial information ("F-Pages")

Historical financial information for Tuff Group AG

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nach IFRS

zum
31. Dezember 2015

Aktiengesellschaft "Ad acta" 182. Vermögensverwaltung
Verwaltung eigenen Vemögens
Burchardstraße 24

20095 Hamburg

	EUR
Sonstige Aufwendungen	450,00
Betriebsergebnis	450,00-
Verlust vor Steuern	450,00
Verlust aus der gewöhnlichen Geschäftstätigkeit nach Steuern	450,00
Jahresfehlbetrag	450,00
Gesamtergebnis	450,00-

BILANZ
nach IFRS
zum 31. Dezember 2015

Aktiengesellschaft "Ad acta" 182. Vermögensverwaltung

AKTIVA		PASSIVA		
	EUR		EUR	EUR
Kurzfristige Vermögenswerte		Eigenkapital		
Zahlungsmittel und Zahlungsmitteläquivalente	12.500,00	Gezeichnetes Kapital	50.000,00	
		Ausstehende Einlagen	37.500,00-	12.500,00
Summe kurzfristige Vermögenswerte	12.500,00	Sonstige Rücklagen		
		Gewinnrücklagen		450,00-
		SUMME Eigenkapital		12.050,00
		Schulden		
		Kurzfristige Schulden		
		Verbindlichkeiten aus Lieferungen und Leistungen		450,00
		Summe kurzfristige Schulden		450,00
		SUMME Schulden		450,00
Bilanzsumme	12.500,00	Bilanzsumme		12.500,00

Eigenkapitalveränderungsrechnung nach IFRS

vom 14.07.2015 bis 31.12.2015

Aktiengesellschaft "Ad acta" 182. Vermögensverwaltung

	Gezeichnetes Kapital	Gewinnrücklagen	Gesamt
	EUR	EUR	EUR
Saldo zum 14.07.2015	12.500,00		12.500,00
Gesamtergebnis		450,00-	450,00-
Saldo zum 31.12.2015	12.500,00	450,00-	12.050,00

	EUR
Cashflow aus der laufenden Geschäftstätigkeit	0,00
Cashflow aus der Finanzierungstätigkeit	0,00
+ Finanzmittelfonds am Anfang der Periode	12.500,00
Finanzmittelfonds am Ende der Periode	12.500,00

Anhang für das Geschäftsjahr vom 14. Juli 2015 bis 31. Dezember 2015

I Allgemeine Angaben

1 Unternehmensangaben

Die Aktiengesellschaft "Ad acta" 182. Vermögensverwaltung (im Folgenden: "Gesellschaft") wurde im Geschäftsjahr 2015 als Vorratsgesellschaft gegründet und hat außerhalb der Verwaltung eigenen Vermögens keine wirtschaftlichen Tätigkeiten im Geschäftsjahr 2015 ausgeführt.

Die Gesellschaft hat Ihren Sitz in 20095 Hamburg, Burchardstraße 24, Bundesrepublik Deutschland und ist dort beim Amtsgericht unter HRB 137321 eingetragen.

Die Berichtswährung ist Euro (EUR). Bilanzstichtag ist der 31. Dezember 2015.

2 Übereinstimmung mit IFRS

Der Jahresabschluss der Gesellschaft wurde in Übereinstimmung mit den International Financial Reporting Standards (IFRS), wie sie vom International Accounting Standards Board (IASB) veröffentlicht wurden und in der Europäischen Union (EU) anzuwenden sind, aufgestellt. Die Anforderungen aller Standards und Interpretationen, die von der EU übernommen wurden und zum Bilanzstichtag verpflichtend anzuwenden waren, wurden ausnahmslos erfüllt.

Standards und Interpretationen, die zum 31. Dezember 2015 verabschiedet, aber in der Berichtsperiode noch nicht verpflichtend anzuwenden waren, wurden im Geschäftsjahr 2015 nicht auf freiwilliger Basis vorzeitig angewandt. Hinsichtlich dieser neuen, aber noch nicht verpflichtend anzuwendenden Standards wird auf den Abschnitt „Neue und geänderte Standards und Interpretationen" verwiesen.

3 Zusammenfassung wesentlicher Rechnungslegungsmethoden

3.1 Aufwendungen

Aufwendungen werden periodengerecht erfasst.

3.2 Klassifizierung in kurzfristig und langfristig

Die Gesellschaft gliedert ihre Vermögenswerte und Schulden in der Bilanz in kurz- und langfristige Vermögenswerte bzw. Schulden.

Ein Vermögenswert ist als kurzfristig einzustufen, wenn es sich um Zahlungsmittel oder Zahlungsmitteläquivalente handelt, es sei denn, der Tausch oder die Nutzung des Vermögenswerts zur Erfüllung einer Verpflichtung ist für einen Zeitraum von mindestens zwölf Monaten nach dem Abschlussstichtag eingeschränkt.

Alle anderen Vermögenswerte werden als langfristig eingestuft.

Eine Schuld ist als kurzfristig einzustufen, wenn die Erfüllung der Schuld innerhalb von zwölf Monaten nach dem Abschlussstichtag erwartet wird oder das Unternehmen kein uneingeschränktes Recht zur Verschiebung der Erfüllung der Schuld um mindestens zwölf Monate nach dem Abschlussstichtag hat.

Alle anderen Schulden werden als langfristig eingestuft.

3.3 Finanzinstrumente - Finanzielle Verbindlichkeiten

Die finanziellen Verbindlichkeiten der Gesellschaft umfassen Verbindlichkeiten aus Lieferungen und Leistungen.

Finanzielle Verbindlichkeiten werden bei der erstmaligen Erfassung mit dem beizulegenden Zeitwert der erhaltenen Gegenleistung abzüglich der mit der Kreditaufnahme verbundenen Transaktionskosten bewertet.

Eine finanzielle Verbindlichkeit wird ausgebucht, wenn die dieser Verbindlichkeit zugrunde liegende Verpflichtung erfüllt, aufgehoben oder erloschen ist.

3.4 Zahlungsmittel und Zahlungsmitteläquivalente

Die Zahlungsmittel und Zahlungsmitteläquivalente bestehen aus Bankguthaben.

4 Änderung der Rechnungslegungsmethoden

4.1 Neue und geänderte Standards und Interpretationen

Im Geschäftsjahr 2015 waren folgende durch das IASB geänderte bzw. neu herausgegebene Standards und Interpretationen verpflichtend anzuwenden:

- Jährliches Änderungsverfahren 2011-2013

Die geänderten bzw. neuen Standards hatten keine Auswirkungen auf den Jahresabschluss.

4.2 Bereits veröffentlichte, aber noch nicht anzuwendende Rechnungslegungsstandards

Neben den vorgenannten, verpflichtend anzuwendenen IFRS wurden vom IASB noch weitere IFRS und IFRIC veröffentlicht, die das Endorsement der EU bereits teilweise durchlaufen haben, aber erst zu einem späteren Zeitpunkt verpflichtend anzuwenden sind. Die Gesellschaft wird diese Standards voraussichtlich erst zum Zeitpunkt der verpflichtenden Anwendung im Jahresabschluss umsetzen sofern diese einschlägig sind.

Standard		Anwendungspflicht für Geschäftsjahre beginnend ab	Übernahme durch EU Kommission
IFRS 9	Finanzinstrumente (Standard und weitere Ergänzungen)	01.01.2018	Nein
IFRS 12	Angaben zu Beteiligungen an anderen Unternehmen (Änderungen)	01.01.2016	Nein

IFRS 14	Regulatorische Abgrenzungsposten	01.01.2016	Nein
IFRS 15	Erlöse aus Verträgen mit Kunden	01.01.2018	Nein
IFRS 16	Leasingverhältnisse	01.01.2019	Nein
IAS 1	Darstellung des Abschlusses (Änderungen)	01.01.2016	Ja
IAS 16	Sachanlagen (Änderungen)	01.01.2016	Ja
IAS 19	Leistungsorientierte Pläne: Arbeitsnehmerbeiträge (Änderungen)	01.07.2014	Ja, ab 01.02.2015
IAS 27	Separate Abschlüsse	01.01.2016	Ja
IAS 28	Anteile an assoziierten Unternehmen und Joint Ventures (Änderungen)	01.01.2016	Nein
IAS 38	Immaterielle Vermögenswerte (Änderungen)	01.01.2016	Ja
diverse	Jährliches Änderungsverfahren 2010-2012	01.07.2014	Ja, ab 01.02.2015
diverse	Jährliches Änderungsverfahren 2012-2014	01.01.2016	Ja

Da die Gesellschaft keine wirtschaftliche Geschäftstätigkeit ausübt und kein Bilanzierungssachverhalt identifiziert wurde, auf den Änderungen der vorstehende IAS/IFRS Einfluss hat, werden durch die Änderungen der IFRS keine Auswirkungen erwartet.

5 Wesentliche Ermessensentscheidungen und Schätzungen

Bei der Erstellung des Jahresabschlusses der Gesellschaft werden keine wesentlichen Ermessensentscheidungen, Schätzungen und Annahmen vom Management getroffen, die sich auf die Höhe der zum Stichtag ausgewiesenen Erträge, Aufwendungen, Vermögenswerte und Schulden sowie den Ausweis von Eventualschulden auswirken.

I.I ERLÄUTERUNG DER ABSCHLUSSPOSTEN

ERLÄUTERUNG DER GESAMTERGEBNISRECHNUNG

6 Sonstige Aufwendungen

Die sonstige Aufwendungen beinhalten Aufwendungen für Abschluss- und Offenlegungsarbeiten.

ERLÄUTERUNG DER BILANZ

7 Gezeichnetes Kapital

Das nicht voll eingezahlte Grundkapital betrug zum Bilanzstichtag EUR 50.000, eingeteilt in 50.000 auf den Namen lautende Stückaktien mit einem rechnerischen Anteil am Grundkapital von EUR 1.

8 Zusätzliche Angaben zu den Finanzinstrumenten

Die folgende Tabelle weist die Buchwerte jeder Kategorie von finanziellen Vermögenswerten und Verbindlichkeiten für das Geschäftsjahr 2015 aus:

		Wertansatz nach IAS 39		
in EUR	Bewertungskategorie nach IAS 39	Buchwert per 31.12.2015	Fortgeführte Anschaffungskosten	Fair Value per 31.12.2015
Finanzielle Vermögenswerte				
Zahlungsmittel und Zahlungsmitteläquivalente	lar	12.500	12.500	12.500
Finanzielle Verbindlichkeiten				
Verbindlichkeiten aus Lieferungen und Leistungen	flac	450	450	450
Davon aggregiert nach Bewertungskategorien:				
Loans and receivables (lar)	lar	12.500	12.500	12.500
Financial liabilities measured at amortised costs (flac)	flac	450	450	450

Zahlungsmittel und Zahlungsmitteläquivalente haben kurze Restlaufzeiten. Daher entsprechen deren Buchwerte zum Abschlussstichtag näherungsweise dem beizulegenden Zeitwert.

Verbindlichkeiten aus Lieferungen und Leistungen haben kurze Restlaufzeiten; die bilanzierten Werte stellen näherungsweise den beizulegenden Zeitwert dar.

Die Nettoergebnisse für die einzelnen Kategorien von Finanzinstrumenten nach IAS 39 im Geschäftsjahr 2015 betragen für die Bewertungskategorie Loans and receivables (lar) EUR 0 sowie für Financial liabilities measured at amortised cost (flac) EUR 0.

Der beizulegende Zeitwert der finanziellen Vermögenswerte und finanziellen Verbindlichkeiten ist mit dem Betrag angegeben, zu dem das betreffende Instrument in einer gegenwärtigen Transaktion (ausgenommen erzwungene Veräußerung oder Liquidation) zwischen vertragswilligen Geschäftspartnern getauscht werden könnte.

Die zur Ermittlung der beizulegenden Zeitwerte angewandten Methoden und Annahmen stellen sich wie folgt dar:

Zahlungsmittel und kurzfristige Einlagen sowie Verbindlichkeiten aus Lieferungen und Leistungen kommen hauptsächlich auf Grund der kurzen Laufzeiten dieser Instrumente ihrem Buchwert sehr nah.

9 Angaben über Beziehungen zu nahe stehenden Unternehmen und Personen

Als nahe stehende Personen im Sinne von IAS 24 gelten Personen und Unternehmen, wenn eine der Parteien über die Möglichkeit verfügt, die andere Partei zu beherrschen oder einen maßgeblichen Einfluss auszuüben.

Als nahestehende Personen kommen darüber hinaus grundsätzlich die Mitglieder des Vorstands sowie die Mitglieder des Aufsichtsrats der Gesellschaft in Betracht.

Alleinige Gesellschafterin der Gesellschaft ist die AD ACTA Deutschland GmbH, Hamburg.

AD ACTA Deutschland GmbH, Hamburg ist wiederum eine Tochtergesellschaft der Gerber + Kollegen Steuerberatungsgesellschaft mbH, Hamburg. Die Anteile an der Gerber + Kollegen Steuerberatungsgesellschaft mbH, Hamburg werden vollständig von der NORDDEUTSCHE AG Steuerberatungsgesellschaft mbH, Hamburg gehalten.

Das oberste beherrschende Mutterunternehmen
NORDDEUTSCHE AG Steuerberatungsgesellschaft mbH, Hamburg

Während des Geschäftsjahres gab es keine Geschäftsvorfälle zwischen der Gesellschaft und der NORDDEUTSCHE AG Steuerberatungsgesellschaft mbH, Hamburg.

Mutterunternehmen
Gerber + Kollegen Steuerberatungsgesellschaft mbH, Hamburg

Während des Geschäftsjahres gab es keine Geschäftsvorfälle zwischen der Gesellschaft und der Gerber + Kollegen Steuerberatungsgesellschaft mbH, Hamburg.

Mutterunternehmen
AD ACTA Deutschland GmbH, Hamburg

Während des Geschäftsjahres gab es keine Geschäftsvorfälle zwischen der Gesellschaft und der AD ACTA Deutschland GmbH, Hamburg.

Vergütung der Personen in Schlüsselpositionen

Dem Vorstand der Gesellschaft gehörten im Geschäftsjahr 2015 Frau Hella Döhle, Hamburg an. Die Bezüge für Personen in Schlüsselpositionen für das Geschäftsjahr 2015 belaufen sich insgesamt auf EUR 0.

Dem Aufsichtsrat der Gesellschaft gehörten im Geschäftsjahr 2015

- Frau Heike Matzen, Hamburg,
- Frau Roswitha Hoyer, Hamburg sowie
- Frau Ann-Cathrin Lutz, Hamburg

an.

Für die Tätigkeit der Aufsichtsratsmitglieder fielen im Berichtszeitraum keine Vergütungen und kein Aufwendungsersatz an.

Vergütung der Personen in Schlüsselpositionen

Es fanden im Geschäftsjahr keine Transaktionen mit nahestehenden Unternehmen und Personen statt.

10 Ereignisse nach dem Bilanzstichtag

Zum Aufstellungszeitpunkt gibt es keine weiteren Vorgänge von besonderer Bedeutung, die nach dem Schluss des Geschäftsjahres bekannt wurden.

11 Finanzrisikomanagement

Die Gesellschaft unterliegt neben gesellschaftsrechtlichen Bestimmungen (AktG) keinen weiteren Verpflichtungen zum Kapitalerhalt.

Da die Gründung der Gesellschaft als Vorratsgesellschaft erfolgte und diese keine wirtschaftliche Geschäftstätigkeit entfaltet, werden keine erfolgsorientierten Größen als Steuerungsgrößen eingesetzt.

Die Evaluierung von potenziellen Risiken erfolgt durch den Vorstand, der seinerseits eine Überwachung durch den Aufsichtsrat erfährt.

12 Vorschlag zur Ergebnisverwendung

Der zu verwendende Jahresfehlbetrag beträgt EUR 450.

Auf neue Rechnung werden EUR 450 vorgetragen.

Unterschrift der Geschäftsführung

Ort, Datum Unterschrift

D. WIEDERGABE DES BESTÄTIGUNGSVERMERKS UND SCHLUSSBEMERKUNG

Nach dem abschließenden Ergebnis unserer Prüfung haben wir dem Einzelabschluss zum 31. Dezember 2015 (Anlagen 1 bis 5) der Tuff Offshore AG (vormals: Aktiengesellschaft „Ad acta“ 182. Vermögensverwaltung), Hamburg, unter dem Datum vom 31. August 2018 den folgenden uneingeschränkten Bestätigungsvermerk erteilt, der hier wiedergegeben wird.

„Bestätigungsvermerk des Abschlussprüfers

An die Tuff Group AG

Wir haben den von der Tuff Group AG, Hamburg, aufgestellten Einzelabschluss - bestehend aus Gesamtergebnisrechnung, Bilanz, Eigenkapitalveränderungsrechnung, Kapitalflussrechnung und Anhang - unter Einbeziehung der Buchführung für das Rumpfgeschäftsjahr vom 14. Juli 2015 bis 31. Dezember 2015 geprüft. Die Aufstellung des Einzelabschlusses nach den IFRS, wie sie in der EU anzuwenden sind, liegt in der Verantwortung der gesetzlichen Vertreter der Gesellschaft. Unsere Aufgabe ist es, auf der Grundlage der von uns durchgeführten Prüfung eine Beurteilung über den Einzelabschluss abzugeben.

Wir haben unsere Einzelabschlussprüfung nach § 317 HGB unter Beachtung der vom Institut der Wirtschaftsprüfer (IDW) festgestellten deutschen Grundsätze ordnungsmäßiger Abschlussprüfung vorgenommen. Danach ist die Prüfung so zu planen und durchzuführen, dass Unrichtigkeiten und Verstöße, die sich auf die Darstellung des durch den Einzelabschluss unter Beachtung der anzuwendenden Rechnungslegungsvorschriften vermittelten Bildes der Vermögens-, Finanz- und Ertragslage wesentlich auswirken, mit hinreichender Sicherheit erkannt werden. Bei der Festlegung der Prüfungshandlungen werden die Kenntnisse über die Geschäftstätigkeit und über das wirtschaftliche und rechtliche Umfeld der Gesellschaft sowie die Erwartungen über mögliche Fehler berücksichtigt. Im Rahmen der Prüfung werden die Wirksamkeit des rechnungslegungsbezogenen internen Kontrollsystems sowie Nachweise für die Angaben in Buchführung und Einzelabschluss überwiegend auf der Basis von Stichproben beurteilt. Die Prüfung umfasst die Beurteilung der angewandten Bilanzierungsgrundsätze und der wesentlichen Einschätzungen der gesetzlichen Vertreter sowie die Würdigung der Gesamtdarstellung des Einzelabschlusses. Wir sind der Auffassung, dass unsere Prüfung eine hinreichend sichere Grundlage für unsere Beurteilung bildet.

Unsere Prüfung hat zu keinen Einwendungen geführt.

Nach unserer Beurteilung aufgrund der bei der Prüfung gewonnenen Erkenntnisse entspricht der Einzelabschluss den IFRS, wie sie in der EU anzuwenden sind und vermittelt unter Beachtung dieser Vorschriften ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens-, Finanz- und Ertragslage der Gesellschaft."

Den vorstehenden Prüfungsbericht erstatten wir in Übereinstimmung mit den gesetzlichen Vorschriften und den Grundsätzen ordnungsmäßiger Berichterstattung bei Abschlussprüfungen (IDW PS 450).

Eine Verwendung des oben wiedergegebenen Bestätigungsvermerks außerhalb dieses Prüfberichts bedarf unserer vorherigen Zustimmung. Bei Veröffentlichung oder Weitergabe des Einzelabschlusses in einer von der bestätigten Fassung abweichenden Form bedarf es zuvor unserer erneuten Stellungnahme, sofern hierbei unser Bestätigungsvermerk zitiert oder auf unsere Prüfung hingewiesen wird; auf § 328 HGB wird verwiesen.

Berlin, den 31. Oktober 2018

bdp Revision und Treuhand GmbH Wirtschaftsprüfungsgesellschaft
WIRTSCHAFTS-PRÜFUNGS-GESELLSCHAFT
SIEGEL
Berlin

bdp
Revision und Treuhand GmbH
Wirtschaftsprüfungsgesellschaft

Jörg Wiegand
Wirtschaftsprüfer

JAHRESABSCHLUSS
nach IFRS

zum
31. Dezember 2016

Aktiengesellschaft “Ad acta” 182. Vermögensverwaltung
Verwaltung eigenen Vemögens
Burchardstraße 24

20095 Hamburg

	Geschäftsjahr EUR	Vorjahr EUR
Sonstige Aufwendungen	450,00	450,00
Betriebsergebnis	450,00-	450,00-
Verlust vor Steuern	450,00	450,00
Verlust aus der gewöhnlichen Geschäftstätigkeit nach Steuern	450,00	450,00
Jahresfehlbetrag	450,00	450,00
Gesamtergebnis	450,00-	450,00-

BILANZ
nach IFRS
zum 31. Dezember 2016
Aktiengesellschaft "Ad acta" 182. Vermögensverwaltung

AKTIVA

	31.12.2016 EUR	31.12.2015 EUR
Kurzfristige Vermögenswerte		
Zahlungsmittel und Zahlungsmitteläquivalente	12.500,00	12.500,00
Summe kurzfristige Vermögenswerte	12.500,00	12.500,00
Bilanzsumme	12.500,00	12.500,00

PASSIVA

	EUR	31.12.2016 EUR	31.12.2015 EUR
Eigenkapital			
Gezeichnetes Kapital	50.000,00		50.000,00
Ausstehende Einlagen	37.500,00-	12.500,00	37.500,00-
Sonstige Rücklagen			
Gewinnrücklagen		900,00-	450,00-
SUMME Eigenkapital		11.600,00	12.050,00
Schulden			
Kurzfristige Schulden			
Verbindlichkeiten aus Lieferungen und Leistungen		900,00	450,00
Summe kurzfristige Schulden		900,00	450,00
SUMME Schulden		900,00	450,00
Bilanzsumme		12.500,00	12.500,00

Eigenkapitalveränderungsrechnung nach IFRS

vom 01.01.2016 bis 31.12.2016

Aktiengesellschaft "Ad acta" 182. Vermögensverwaltung

	Gezeichnetes Kapital	Gewinnrücklagen	Gesamt
	EUR	EUR	EUR
Saldo zum 14.07.2015	12.500,00		12.500,00
Gesamtergebnis		450,00-	450,00-
Saldo zum 31.12.2015	12.500,00	450,00-	12.050,00
Gesamtergebnis		450,00-	450,00-
Saldo zum 31.12.2016	12.500,00	900,00-	11.600,00

	Geschäftsjahr EUR	Vorjahr EUR
Cashflow aus der laufenden Geschäftstätigkeit	0,00	0,00
Cashflow aus der Finanzierungstätigkeit	0,00	0,00
+ Finanzmittelfonds am Anfang der Periode	12.500,00	12.500,00
Finanzmittelfonds am Ende der Periode	12.500,00	12.500,00

Anhang für das Geschäftsjahr vom 1. Januar 2016 bis 31. Dezember 2016

I Allgemeine Angaben

1 Unternehmensangaben

Die Aktiengesellschaft "Ad acta" 182. Vermögensverwaltung (im Folgenden: "Gesellschaft") wurde im Geschäftsjahr 2015 als Vorratsgesellschaft gegründet und hat außerhalb der Verwaltung eigenen Vermögens keine wirtschaftlichen Tätigkeiten im Geschäftsjahr 2016 ausgeführt.

Die Gesellschaft hat Ihren Sitz in 20095 Hamburg, Burchardstraße 24, Bundesrepublik Deutschland und ist dort beim Amtsgericht unter HRB 137321 eingetragen.

Die Berichtswährung ist Euro (EUR). Bilanzstichtag ist der 31. Dezember 2016.

2 Übereinstimmung mit IFRS

Der Jahresabschluss der Gesellschaft wurde in Übereinstimmung mit den International Financial Reporting Standards (IFRS), wie sie vom International Accounting Standards Board (IASB) veröffentlicht wurden und in der Europäischen Union (EU) anzuwenden sind, aufgestellt. Die Anforderungen aller Standards und Interpretationen, die von der EU übernommen wurden und zum Bilanzstichtag verpflichtend anzuwenden waren, wurden ausnahmslos erfüllt.

Standards und Interpretationen, die zum 31. Dezember 2016 verabschiedet, aber in der Berichtsperiode noch nicht verpflichtend anzuwenden waren, wurden im Geschäftsjahr 2016 nicht auf freiwilliger Basis vorzeitig angewandt. Hinsichtlich dieser neuen, aber noch nicht verpflichtend anzuwendenden Standards wird auf den Abschnitt „Neue und geänderte Standards und Interpretationen" verwiesen.

3 Zusammenfassung wesentlicher Rechnungslegungsmethoden

3.1 Aufwendungen

Aufwendungen werden periodengerecht erfasst.

3.2 Klassifizierung in kurzfristig und langfristig

Die Gesellschaft gliedert ihre Vermögenswerte und Schulden in der Bilanz in kurz- und langfristige Vermögenswerte bzw. Schulden.

Ein Vermögenswert ist als kurzfristig einzustufen, wenn es sich um Zahlungsmittel oder Zahlungsmitteläquivalente handelt, es sei denn, der Tausch oder die Nutzung des Vermögenswerts zur Erfüllung einer Verpflichtung ist für einen Zeitraum von mindestens zwölf Monaten nach dem Abschlussstichtag eingeschränkt.

Alle anderen Vermögenswerte werden als langfristig eingestuft.

Eine Schuld ist als kurzfristig einzustufen, wenn die Erfüllung der Schuld innerhalb von zwölf Monaten nach dem Abschlussstichtag erwartet wird oder das Unternehmen kein uneingeschränktes Recht zur Verschiebung der Erfüllung der Schuld um mindestens zwölf Monate nach dem Abschlussstichtag hat.

Alle anderen Schulden werden als langfristig eingestuft.

3.3 Finanzinstrumente - Finanzielle Verbindlichkeiten

Die finanziellen Verbindlichkeiten der Gesellschaft umfassen Verbindlichkeiten aus Lieferungen und Leistungen.

Finanzielle Verbindlichkeiten werden bei der erstmaligen Erfassung mit dem beizulegenden Zeitwert der erhaltenen Gegenleistung abzüglich der mit der Kreditaufnahme verbundenen Transaktionskosten bewertet.

Eine finanzielle Verbindlichkeit wird ausgebucht, wenn die dieser Verbindlichkeit zugrunde liegende Verpflichtung erfüllt, aufgehoben oder erloschen ist.

3.4 Zahlungsmittel und Zahlungsmitteläquivalente

Die Zahlungsmittel und Zahlungsmitteläquivalente bestehen aus Bankguthaben.

4 Änderung der Rechnungslegungsmethoden

4.1 Neue und geänderte Standards und Interpretationen

Im Geschäftsjahr 2016 waren folgende durch das IASB geänderte bzw. neu herausgegebene Standards und Interpretationen verpflichtend anzuwenden:

- Jährliches Änderungsverfahren 2012-2014

Die geänderten bzw. neuen Standards hatten keine Auswirkungen auf den Jahresabschluss.

4.2 Bereits veröffentlichte, aber noch nicht anzuwendende Rechnungslegungsstandards

Neben den vorgenannten, verpflichtend anzuwendenen IFRS wurden vom IASB noch weitere IFRS und IFRIC veröffentlicht, die das Endorsement der EU bereits teilweise durchlaufen haben, aber erst zu einem späteren Zeitpunkt verpflichtend anzuwenden sind. Die Gesellschaft wird diese Standards voraussichtlich erst zum Zeitpunkt der verpflichtenden Anwendung im Jahresabschluss umsetzen sofern diese einschlägig sind.

Standard		Anwendungspflicht für Geschäftsjahre beginnend ab	Übernahme durch EU Kommission
IFRS 2	Klassifizierung und Bewertung von anteilsbasierten Vergütungsvereinbarungen	01.01.2018	Nein

IFRS 9	Finanzinstrumente (Standard und weitere Ergänzungen)	01.01.2018	Ja
IFRS 15	Erlöse aus Verträgen mit Kunden	01.01.2018	Ja
IFRS 15	Klarstellung zu IFRS 15 Erlöse aus Verträgen mit Kunden	01.01.2018	Nein
IFRS 16	Leasingverhältnisse	01.01.2019	Nein
IAS 7	Offenlegungsinitiative	01.01.2017	Nein
IAS 12	Erfassung latenter Steueransprüche für nicht realisierte Verluste	01.01.2017	Nein
IFRS 10 / IAS 28	Veräußerung oder Einbringung von Vermögenswerten eines Investors an bzw. in ein assoziiertes Unternehmen oder Gemeinschaftsunternehmen	Bis auf Weiteres verschoben	

Da die Gesellschaft keine wirtschaftliche Geschäftstätigkeit ausübt und kein Bilanzierungssachverhalt identifiziert wurde, auf den Änderungen der vorstehende IAS/IFRS Einfluss hat, werden durch die Änderungen der IFRS keine Auswirkungen erwartet.

5 Wesentliche Ermessensentscheidungen und Schätzungen

Bei der Erstellung des Jahresabschlusses der Gesellschaft werden keine wesentlichen Ermessensentscheidungen, Schätzungen und Annahmen vom Management getroffen, die sich auf die Höhe der zum Stichtag ausgewiesenen Erträge, Aufwendungen, Vermögenswerte und Schulden sowie den Ausweis von Eventualschulden auswirken.

I.I ERLÄUTERUNG DER ABSCHLUSSPOSTEN

ERLÄUTERUNG DER GESAMTERGEBNISRECHNUNG

6 Sonstige Aufwendungen

Die sonstige Aufwendungen beinhalten Aufwendungen für Abschluss- und Offenlegungsarbeiten.

ERLÄUTERUNG DER BILANZ

7 Gezeichnetes Kapital

Das nicht voll eingezahlte Grundkapital betrug zum Bilanzstichtag EUR 50.000, eingeteilt in 50.000 auf den Namen lautende Stückaktien mit einem rechnerischen Anteil am Grundkapital von EUR 1.

8 Zusätzliche Angaben zu den Finanzinstrumenten

Die folgende Tabelle weist die Buchwerte jeder Kategorie von finanziellen Vermögenswerten und Verbindlichkeiten für das Geschäftsjahr 2016 aus:

in EUR	Bewertungskategorie nach IAS 39	Wertansatz nach IAS 39 Buchwert per 31.12.2016	Fortgeführte Anschaffungskosten	Fair Value per 31.12.2016
Finanzielle Vermögenswerte				
Zahlungsmittel und Zahlungsmitteläquivalente	lar	12.500	12.500	12.500
Finanzielle Verbindlichkeiten				
Verbindlichkeiten aus Lieferungen und Leistungen	flac	900	900	900
Davon aggregiert nach Bewertungskategorien:				
Loans and receivables (lar)	lar	12.500	12.500	12.500
Financial liabilities measured at amortised costs (flac)	flac	900	900	900

Die folgende Tabelle weist die Buchwerte jeder Kategorie von finanziellen Vermögenswerten und Verbindlichkeiten für das Vorjahr aus:

in EUR	Bewertungskategorie nach IAS 39	Wertansatz nach IAS 39 Buchwert per 31.12.2015	Fortgeführte Anschaffungskosten	Fair Value per 31.12.2015
Finanzielle Vermögenswerte				
Zahlungsmittel und Zahlungsmitteläquivalente	lar	12.500	12.500	12.500
Finanzielle Verbindlichkeiten				
Verbindlichkeiten aus Lieferungen und Leistungen	flac	450	450	450
Davon aggregiert nach Bewertungskategorien:				
Loans and receivables (lar)	lar	12.500	12.500	12.500
Financial liabilities measured at amortised costs (flac)	flac	450	450	450

Zahlungsmittel und Zahlungsmitteläquivalente haben kurze Restlaufzeiten. Daher entsprechen deren Buchwerte zum Abschlussstichtag näherungsweise dem beizulegenden Zeitwert.

Verbindlichkeiten aus Lieferungen und Leistungen haben kurze Restlaufzeiten; die bilanzierten Werte stellen näherungsweise den beizulegenden Zeitwert dar.

Die Nettoergebnisse für die einzelnen Kategorien von Finanzinstrumenten nach IAS 39 im Geschäftsjahr 2016 betragen für die Bewertungskategorie Loans and receivables (lar) EUR 0 (Vorjahr: EUR 0) sowie für Financial liabilities measured at amortised cost (flac) EUR 0 (Vorjahr: EUR 0).

Der beizulegende Zeitwert der finanziellen Vermögenswerte und finanziellen Verbindlichkeiten ist mit dem Betrag angegeben, zu dem das betreffende Instrument in einer gegenwärtigen Transaktion (ausgenommen erzwungene Veräußerung oder Liquidation) zwischen vertragswilligen Geschäftspartnern getauscht werden könnte.

Die zur Ermittlung der beizulegenden Zeitwerte angewandten Methoden und Annahmen stellen sich wie folgt dar:

Zahlungsmittel und kurzfristige Einlagen sowie Verbindlichkeiten aus Lieferungen und Leistungen kommen hauptsächlich auf Grund der kurzen Laufzeiten dieser Instrumente ihrem Buchwert sehr nah.

9 Angaben über Beziehungen zu nahe stehenden Unternehmen und Personen

Als nahe stehende Personen im Sinne von IAS 24 gelten Personen und Unternehmen, wenn eine der Parteien über die Möglichkeit verfügt, die andere Partei zu beherrschen oder einen maßgeblichen Einfluss auszuüben.

Als nahestehende Personen kommen darüber hinaus grundsätzlich die Mitglieder des Vorstands sowie die Mitglieder des Aufsichtsrats der Gesellschaft in Betracht.

Alleinige Gesellschafterin der Gesellschaft ist die AD ACTA Deutschland GmbH, Hamburg.

AD ACTA Deutschland GmbH, Hamburg ist wiederum eine Tochtergesellschaft der Gerber + Kollegen Steuerberatungsgesellschaft mbH, Hamburg. Die Anteile an der Gerber + Kollegen Steuerberatungsgesellschaft mbH, Hamburg werden vollständig von der NORDDEUTSCHE AG Steuerberatungsgesellschaft mbH, Hamburg gehalten.

Das oberste beherrschende Mutterunternehmen
NORDDEUTSCHE AG Steuerberatungsgesellschaft mbH, Hamburg

Während des Geschäftsjahres und des Vorjahres gab es keine Geschäftsvorfälle zwischen der Gesellschaft und der NORDDEUTSCHE AG Steuerberatungsgesellschaft mbH, Hamburg.

Mutterunternehmen
Gerber + Kollegen Steuerberatungsgesellschaft mbH, Hamburg

Während des Geschäftsjahres und des Vorjahres gab es keine Geschäftsvorfälle zwischen der Gesellschaft und der Gerber + Kollegen Steuerberatungsgesellschaft mbH, Hamburg.

Mutterunternehmen
AD ACTA Deutschland GmbH, Hamburg

Während des Geschäftsjahres und des Vorjahres gab es keine Geschäftsvorfälle zwischen der Gesellschaft und der AD ACTA Deutschland GmbH, Hamburg.

Vergütung der Personen in Schlüsselpositionen

Dem Vorstand der Gesellschaft gehörten im Geschäftsjahr 2016 Frau Hella Döhle, Hamburg an. Die Bezüge für Personen in Schlüsselpositionen für das Geschäftsjahr 2016 belaufen sich insgesamt auf EUR 0 (Vorjahr: EUR 0).

Dem Aufsichtsrat der Gesellschaft gehörten im Geschäftsjahr 2016

- Frau Heike Matzen, Hamburg,
- Frau Roswitha Hoyer, Hamburg sowie
- Frau Ann-Cathrin Lutz, Hamburg

an.

Für die Tätigkeit der Aufsichtsratsmitglieder fielen im Berichtszeitraum und im Vorjahr keine Vergütungen und kein Aufwendungsersatz an.

Vergütung der Personen in Schlüsselpositionen

Es fanden im Geschäftsjahr sowie im Vorjahr keine Transaktionen mit nahestehenden Unternehmen und Personen statt.

10 Ereignisse nach dem Bilanzstichtag

Zum Aufstellungszeitpunkt gibt es keine weiteren Vorgänge von besonderer Bedeutung, die nach dem Schluss des Geschäftsjahres bekannt wurden.

11 Finanzrisikomanagement

Die Gesellschaft unterliegt neben gesellschaftsrechtlichen Bestimmungen (AktG) keinen weiteren Verpflichtungen zum Kapitalerhalt.

Da die Gründung der Gesellschaft als Vorratsgesellschaft erfolgte und diese keine wirtschaftliche Geschäftstätigkeit entfaltet, werden keine erfolgsorientierten Größen als Steuerungsgrößen eingesetzt.

Die Evaluierung von potenziellen Risiken erfolgt durch den Vorstand, der seinerseits eine Überwachung durch den Aufsichtsrat erfährt.

12 Vorschlag zur Ergebnisverwendung

Der zu verwendende Jahresfehlbetrag beträgt EUR 450.

Auf neue Rechnung werden EUR 900 vorgetragen.

Unterschrift der Geschäftsführung

Ort, Datum Unterschrift

D. WIEDERGABE DES BESTÄTIGUNGSVERMERKS UND SCHLUSSBEMERKUNG

Nach dem abschließenden Ergebnis unserer Prüfung haben wir dem Einzelabschluss zum 31. Dezember 2016 (Anlagen 1 bis 5) der Tuff Offshore AG (vormals: Aktiengesellschaft „Ad acta“ 182. Vermögensverwaltung), Hamburg, unter dem Datum vom 31. August 2018 den folgenden uneingeschränkten Bestätigungsvermerk erteilt, der hier wiedergegeben wird.

„Bestätigungsvermerk des Abschlussprüfers

An die Tuff Group AG

Wir haben den von der Tuff Group AG, Hamburg, aufgestellten Einzelabschluss - bestehend aus Gesamtergebnisrechnung, Bilanz, Eigenkapitalveränderungsrechnung, Kapitalflussrechnung und Anhang - unter Einbeziehung der Buchführung für das Geschäftsjahr vom 1. Januar 2016 bis 31. Dezember 2016 geprüft. Die Aufstellung des Einzelabschlusses nach den IFRS, wie sie in der EU anzuwenden sind, liegt in der Verantwortung der gesetzlichen Vertreter der Gesellschaft. Unsere Aufgabe ist es, auf der Grundlage der von uns durchgeführten Prüfung eine Beurteilung über den Einzelabschluss abzugeben.

Wir haben unsere Einzelabschlussprüfung nach § 317 HGB unter Beachtung der vom Institut der Wirtschaftsprüfer (IDW) festgestellten deutschen Grundsätze ordnungsmäßiger Abschlussprüfung vorgenommen. Danach ist die Prüfung so zu planen und durchzuführen, dass Unrichtigkeiten und Verstöße, die sich auf die Darstellung des durch den Einzelabschluss unter Beachtung der anzuwendenden Rechnungslegungsvorschriften vermittelten Bildes der Vermögens-, Finanz- und Ertragslage wesentlich auswirken, mit hinreichender Sicherheit erkannt werden. Bei der Festlegung der Prüfungshandlungen werden die Kenntnisse über die Geschäftstätigkeit und über das wirtschaftliche und rechtliche Umfeld der Gesellschaft sowie die Erwartungen über mögliche Fehler berücksichtigt. Im Rahmen der Prüfung werden die Wirksamkeit des rechnungslegungsbezogenen internen Kontrollsystems sowie Nachweise für die Angaben in Buchführung und Einzelabschluss überwiegend auf der Basis von Stichproben beurteilt. Die Prüfung umfasst die Beurteilung der angewandten Bilanzierungsgrundsätze und der wesentlichen Einschätzungen der gesetzlichen Vertreter sowie die Würdigung der Gesamtdarstellung des Einzelabschlusses. Wir sind der Auffassung, dass unsere Prüfung eine hinreichend sichere Grundlage für unsere Beurteilung bildet.

Unsere Prüfung hat zu keinen Einwendungen geführt.

Nach unserer Beurteilung aufgrund der bei der Prüfung gewonnenen Erkenntnisse entspricht der Einzelabschluss den IFRS, wie sie in der EU anzuwenden sind und vermittelt unter Beachtung dieser Vorschriften ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens-, Finanz- und Ertragslage der Gesellschaft."

Den vorstehenden Prüfungsbericht erstatten wir in Übereinstimmung mit den gesetzlichen Vorschriften und den Grundsätzen ordnungsmäßiger Berichterstattung bei Abschlussprüfungen (IDW PS 450).

Eine Verwendung des oben wiedergegebenen Bestätigungsvermerks außerhalb dieses Prüfberichts bedarf unserer vorherigen Zustimmung. Bei Veröffentlichung oder Weitergabe des Einzelabschlusses in einer von der bestätigten Fassung abweichenden Form bedarf es zuvor unserer erneuten Stellungnahme, sofern hierbei unser Bestätigungsvermerk zitiert oder auf unsere Prüfung hingewiesen wird; auf § 328 HGB wird verwiesen.

Berlin, den 31. Oktober 2018

bdp Revision und Treuhand GmbH Wirtschaftsprüfungsgesellschaft
WIRTSCHAFTS-
PRÜFUNGS-
GESELLSCHAFT
SIEGEL
Berlin

bdp
Revision und Treuhand GmbH
Wirtschaftsprüfungsgesellschaft

Jörg Wiegand
Wirtschaftsprüfer

JAHRESABSCHLUSS
nach IFRS

zum
31. Dezember 2017

Aktiengesellschaft “Ad acta” 182. Vermögensverwaltung
Verwaltung eigenen Vemögens
Burchardstraße 24

20095 Hamburg

	Geschäftsjahr EUR	Vorjahr EUR
Sonstige Aufwendungen	450,00	450,00
Betriebsergebnis	450,00-	450,00-
Verlust vor Steuern	450,00	450,00
Verlust aus der gewöhnlichen Geschäftstätigkeit nach Steuern	450,00	450,00
Jahresfehlbetrag	450,00	450,00
Gesamtergebnis	450,00-	450,00-

BILANZ
nach IFRS
zum 31. Dezember 2017
Aktiengesellschaft "Ad acta" 182. Vermögensverwaltung

AKTIVA

	31.12.2017 EUR	31.12.2016 EUR
Kurzfristige Vermögenswerte		
Zahlungsmittel und Zahlungsmitteläquivalente	12.500,00	12.500,00
Summe kurzfristige Vermögenswerte	12.500,00	12.500,00
Bilanzsumme	12.500,00	12.500,00

PASSIVA

	EUR	31.12.2017 EUR	31.12.2016 EUR
Eigenkapital			
Gezeichnetes Kapital	50.000,00		50.000,00
Ausstehende Einlagen	37.500,00-	12.500,00	37.500,00-
Sonstige Rücklagen			
Gewinnrücklagen		1.350,00-	900,00-
SUMME Eigenkapital		11.150,00	11.600,00
Schulden			
Kurzfristige Schulden			
Verbindlichkeiten aus Lieferungen und Leistungen		1.350,00	900,00
Summe kurzfristige Schulden		1.350,00	900,00
SUMME Schulden		1.350,00	900,00
Bilanzsumme		12.500,00	12.500,00

Eigenkapitalveränderungsrechnung nach IFRS
vom 01.01.2017 bis 31.12.2017
Aktiengesellschaft "Ad acta" 182. Vermögensverwaltung

	Gezeichnetes Kapital	Gewinnrücklagen	Gesamt
	EUR	EUR	EUR
Saldo zum 01.01.2016	12.500,00	450,00-	12.050,00
Gesamtergebnis		450,00-	450,00-
Saldo zum 31.12.2016	12.500,00	900,00-	11.600,00
Gesamtergebnis		450,00-	450,00-
Saldo zum 31.12.2017	12.500,00	1.350,00-	11.150,00

	Geschäftsjahr EUR	Vorjahr EUR
Cashflow aus der laufenden Geschäftstätigkeit	0,00	0,00
Cashflow aus der Finanzierungstätigkeit	0,00	0,00
+ Finanzmittelfonds am Anfang der Periode	12.500,00	12.500,00
Finanzmittelfonds am Ende der Periode	12.500,00	12.500,00

Anhang für das Geschäftsjahr vom 1. Januar 2017 bis 31. Dezember 2017

I Allgemeine Angaben

1 Unternehmensangaben

Die Aktiengesellschaft "Ad acta" 182. Vermögensverwaltung (im Folgenden: "Gesellschaft") wurde im Geschäftsjahr 2015 als Vorratsgesellschaft gegründet und hat außerhalb der Verwaltung eigenen Vermögens keine wirtschaftlichen Tätigkeiten im Geschäftsjahr 2017 ausgeführt.

Die Gesellschaft hat Ihren Sitz in 20095 Hamburg, Burchardstraße 24, Bundesrepublik Deutschland und ist dort beim Amtsgericht unter HRB 137321 eingetragen.

Die Berichtswährung ist Euro (EUR). Bilanzstichtag ist der 31. Dezember 2017.

2 Übereinstimmung mit IFRS

Der Jahresabschluss der Gesellschaft wurde in Übereinstimmung mit den International Financial Reporting Standards (IFRS), wie sie vom International Accounting Standards Board (IASB) veröffentlicht wurden und in der Europäischen Union (EU) anzuwenden sind, aufgestellt. Die Anforderungen aller Standards und Interpretationen, die von der EU übernommen wurden und zum Bilanzstichtag verpflichtend anzuwenden waren, wurden ausnahmslos erfüllt.

Standards und Interpretationen, die zum 31. Dezember 2017 verabschiedet, aber in der Berichtsperiode noch nicht verpflichtend anzuwenden waren, wurden im Geschäftsjahr 2017 nicht auf freiwilliger Basis vorzeitig angewandt. Hinsichtlich dieser neuen, aber noch nicht verpflichtend anzuwendenden Standards wird auf den Abschnitt „Neue und geänderte Standards und Interpretationen" verwiesen.

3 Zusammenfassung wesentlicher Rechnungslegungsmethoden

3.1 Aufwendungen

Aufwendungen werden periodengerecht erfasst.

3.2 Klassifizierung in kurzfristig und langfristig

Die Gesellschaft gliedert ihre Vermögenswerte und Schulden in der Bilanz in kurz- und langfristige Vermögenswerte bzw. Schulden.

Ein Vermögenswert ist als kurzfristig einzustufen, wenn es sich um Zahlungsmittel oder Zahlungsmitteläquivalente handelt, es sei denn, der Tausch oder die Nutzung des Vermögenswerts zur Erfüllung einer Verpflichtung ist für einen Zeitraum von mindestens zwölf Monaten nach dem Abschlussstichtag eingeschränkt.

Alle anderen Vermögenswerte werden als langfristig eingestuft.

Eine Schuld ist als kurzfristig einzustufen, wenn die Erfüllung der Schuld innerhalb von zwölf Monaten nach dem Abschlussstichtag erwartet wird oder das Unternehmen kein uneingeschränktes Recht zur Verschiebung der Erfüllung der Schuld um mindestens zwölf Monate nach dem Abschlussstichtag hat.

Alle anderen Schulden werden als langfristig eingestuft.

3.3 Finanzinstrumente - Finanzielle Verbindlichkeiten

Die finanziellen Verbindlichkeiten der Gesellschaft umfassen Verbindlichkeiten aus Lieferungen und Leistungen.

Finanzielle Verbindlichkeiten werden bei der erstmaligen Erfassung mit dem beizulegenden Zeitwert der erhaltenen Gegenleistung abzüglich der mit der Kreditaufnahme verbundenen Transaktionskosten bewertet.

Eine finanzielle Verbindlichkeit wird ausgebucht, wenn die dieser Verbindlichkeit zugrunde liegende Verpflichtung erfüllt, aufgehoben oder erloschen ist.

3.4 Zahlungsmittel und Zahlungsmitteläquivalente

Die Zahlungsmittel und Zahlungsmitteläquivalente bestehen aus Bankguthaben.

4 Änderung der Rechnungslegungsmethoden

4.1 Neue und geänderte Standards und Interpretationen

Im Geschäftsjahr 2017 waren folgende durch das IASB geänderte bzw. neu herausgegebene Standards und Interpretationen verpflichtend anzuwenden:

- Jährliches Änderungsverfahren 2012-2014

Die geänderten bzw. neuen Standards hatten keine Auswirkungen auf den Jahresabschluss.

4.2 Bereits veröffentlichte, aber noch nicht anzuwendende Rechnungslegungsstandards

Neben den vorgenannten, verpflichtend anzuwendenen IFRS wurden vom IASB noch weitere IFRS und IFRIC veröffentlicht, die das Endorsement der EU bereits teilweise durchlaufen haben, aber erst zu einem späteren Zeitpunkt verpflichtend anzuwenden sind. Die Gesellschaft wird diese Standards voraussichtlich erst zum Zeitpunkt der verpflichtenden Anwendung im Jahresabschluss umsetzen sofern diese einschlägig sind.

Standard		Anwendungspflicht für Geschäftsjahre beginnend ab	Übernahme durch EU Kommission
IFRS 2	Klassifizierung und Bewertung von anteilsbasierten Vergütungsvereinbarungen	01.01.2018	Nein
IFRS 9	Finanzinstrumente	01.01.2018	Ja

IFRS 9	Änderung: Prepayments Features with Negative Compensation	01.01.2019	Nein
IFRS 15	Erlöse aus Verträgen mit Kunden (sowie Änderung des erstmaligen Anwendungszeitpunkts)	01.01.2018	Ja
IFRS 15	KLarstellung zu IFRS 15 Erlöse aus Verträgen mit Kunden	01.01.2018	Ja
IFRS 16	Leasingverhältnisse	01.01.2019	Ja
IFRS 1 / IAS 28	Jährliches Änderungsverfahren 2014-2016	01.01.2018	Nein
IAS 12 / IAS 28 / IFRS 3	Jährliches Änderungsverfahren 2015-2017	01.01.2019	Nein
IAS 28	Klarstellung zu IAS 28 Langfristige Beteiligungen an assoziierten Unternehmen und Joint Ventures	01.01.2019	Nein
IFRIC 22	Transkation in fremder Währung und im Voraus gezahlte Gegenleistung	01.01.2018	Nein
IFRIC 23	Unsicherheit bezüglich der ertragsteuerlichen Behandlung	01.01.2019	Nein
IFRS 10 / IAS 28	Veräußerung oder Einbringung von Vermögenswerten eines Investors an bzw. in ein assoziiertes Unternehmen oder Gemeinschaftsunternehmen	Bis auf Weiteres verschoben	

Da die Gesellschaft keine wirtschaftliche Geschäftstätigkeit ausübt und kein Bilanzierungssachverhalt identifiziert wurde, auf den Änderungen der vorstehende IAS/IFRS Einfluss hat, werden durch die Änderungen der IFRS keine Auswirkungen erwartet.

5 Wesentliche Ermessensentscheidungen und Schätzungen

Bei der Erstellung des Jahresabschlusses der Gesellschaft werden keine wesentlichen Ermessensentscheidungen, Schätzungen und Annahmen vom Management getroffen, die sich auf die Höhe der zum Stichtag ausgewiesenen Erträge, Aufwendungen, Vermögenswerte und Schulden sowie den Ausweis von Eventualschulden auswirken.

I.I ERLÄUTERUNG DER ABSCHLUSSPOSTEN

ERLÄUTERUNG DER GESAMTERGEBNISRECHNUNG

6 Sonstige Aufwendungen

Die sonstige Aufwendungen beinhalten Aufwendungen für Abschluss- und Offenlegungsarbeiten.

ERLÄUTERUNG DER BILANZ

7 Gezeichnetes Kapital

Das nicht voll eingezahlte Grundkapital betrug zum Bilanzstichtag EUR 50.000, eingeteilt in 50.000 auf den Namen lautende Stückaktien mit einem rechnerischen Anteil am Grundkapital von EUR 1.

8 Zusätzliche Angaben zu den Finanzinstrumenten

Die folgende Tabelle weist die Buchwerte jeder Kategorie von finanziellen Vermögenswerten und Verbindlichkeiten für das Geschäftsjahr 2017 aus:

		Wertansatz nach IAS 39		
in EUR	Bewertungskategorie nach IAS 39	Buchwert per 31.12.2017	Fortgeführte Anschaffungskosten	Fair Value per 31.12.2017
Finanzielle Vermögenswerte				
Zahlungsmittel und Zahlungsmitteläquivalente	lar	12.500	12.500	12.500
Finanzielle Verbindlichkeiten				
Verbindlichkeiten aus Lieferungen und Leistungen	flac	1.350	1.350	1.350
Davon aggregiert nach Bewertungskategorien:				
Loans and receivables (lar)	lar	12.500	12.500	12.500
Financial liabilities measured at amortised costs (flac)	flac	1.350	1.350	1.350

Die folgende Tabelle weist die Buchwerte jeder Kategorie von finanziellen Vermögenswerten und Verbindlichkeiten für das Vorjahr aus:

		Wertansatz nach IAS 39		
in EUR	Bewertungskategorie nach IAS 39	Buchwert per 31.12.2016	Fortgeführte Anschaffungskosten	Fair Value per 31.12.2016
Finanzielle Vermögenswerte				
Zahlungsmittel und Zahlungsmitteläquivalente	lar	12.500	12.500	12.500
Finanzielle Verbindlichkeiten				
Verbindlichkeiten aus Lieferungen und Leistungen	flac	900	900	900
Davon aggregiert nach Bewertungskategorien:				
Loans and receivables (lar)	lar	12.500	12.500	12.500
Financial liabilities measured at amortised costs (flac)	flac	900	900	900

Zahlungsmittel und Zahlungsmitteläquivalente haben kurze Restlaufzeiten. Daher entsprechen deren Buchwerte zum Abschlussstichtag näherungsweise dem beizulegenden Zeitwert.

Verbindlichkeiten aus Lieferungen und Leistungen haben kurze Restlaufzeiten; die bilanzierten Werte stellen näherungsweise den beizulegenden Zeitwert dar.

Die Nettoergebnisse für die einzelnen Kategorien von Finanzinstrumenten nach IAS 39 im Geschäftsjahr 2017 betragen für die Bewertungskategorie Loans and receivables (lar) EUR 0 (Vorjahr: EUR 0) sowie für Financial liabilities measured at amortised cost (flac) EUR 0 (Vorjahr: EUR 0).

Der beizulegende Zeitwert der finanziellen Vermögenswerte und finanziellen Verbindlichkeiten ist mit dem Betrag angegeben, zu dem das betreffende Instrument in einer gegenwärtigen Transaktion (ausgenommen erzwungene Veräußerung oder Liquidation) zwischen vertragswilligen Geschäftspartnern getauscht werden könnte.

Die zur Ermittlung der beizulegenden Zeitwerte angewandten Methoden und Annahmen stellen sich wie folgt dar:

Zahlungsmittel und kurzfristige Einlagen sowie Verbindlichkeiten aus Lieferungen und Leistungen kommen hauptsächlich auf Grund der kurzen Laufzeiten dieser Instrumente ihrem Buchwert sehr nah.

9 Angaben über Beziehungen zu nahe stehenden Unternehmen und Personen

Als nahe stehende Personen im Sinne von IAS 24 gelten Personen und Unternehmen, wenn eine der Parteien über die Möglichkeit verfügt, die andere Partei zu beherrschen oder einen maßgeblichen Einfluss auszuüben.

Als nahestehende Personen kommen darüber hinaus grundsätzlich die Mitglieder des Vorstands sowie die Mitglieder des Aufsichtsrats der Gesellschaft in Betracht.

Alleinige Gesellschafterin der Gesellschaft ist die AD ACTA Deutschland GmbH, Hamburg.

AD ACTA Deutschland GmbH, Hamburg ist wiederum eine Tochtergesellschaft der Gerber + Kollegen Steuerberatungsgesellschaft mbH, Hamburg. Die Anteile an der Gerber + Kollegen Steuerberatungsgesellschaft mbH, Hamburg werden vollständig von der NORDDEUTSCHE AG Steuerberatungsgesellschaft mbH, Hamburg gehalten.

Das oberste beherrschende Mutterunternehmen
NORDDEUTSCHE AG Steuerberatungsgesellschaft mbH, Hamburg

Während des Geschäftsjahres und des Vorjahres gab es keine Geschäftsvorfälle zwischen der Gesellschaft und der NORDDEUTSCHE AG Steuerberatungsgesellschaft mbH, Hamburg.

Mutterunternehmen
Gerber + Kollegen Steuerberatungsgesellschaft mbH, Hamburg

Während des Geschäftsjahres und des Vorjahres gab es keine Geschäftsvorfälle zwischen der Gesellschaft und der Gerber + Kollegen Steuerberatungsgesellschaft mbH, Hamburg.

Mutterunternehmen
AD ACTA Deutschland GmbH, Hamburg

Während des Geschäftsjahres und des Vorjahres gab es keine Geschäftsvorfälle zwischen der Gesellschaft und der AD ACTA Deutschland GmbH, Hamburg.

Vergütung der Personen in Schlüsselpositionen

Dem Vorstand der Gesellschaft gehörten im Geschäftsjahr 2017 Frau Hella Döhle, Hamburg an. Die Bezüge für Personen in Schlüsselpositionen für das Geschäftsjahr 2017 belaufen sich insgesamt auf EUR 0 (Vorjahr: EUR 0).

Dem Aufsichtsrat der Gesellschaft gehörten im Geschäftsjahr 2017

- Frau Heike Matzen, Hamburg,
- Frau Roswitha Hoyer, Hamburg sowie
- Frau Ann-Cathrin Lutz, Hamburg

an.

Für die Tätigkeit der Aufsichtsratsmitglieder fielen im Berichtszeitraum und im Vorjahr keine Vergütungen und kein Aufwendungsersatz an.

Vergütung der Personen in Schlüsselpositionen

Es fanden im Geschäftsjahr sowie im Vorjahr keine Transaktionen mit nahestehenden Unternehmen und Personen statt.

10 Ereignisse nach dem Bilanzstichtag

Mit Kaufvertrag vom 16. Juli 2018 hat die Muttergesellschaft AD ACTA Deutschland GmbH, Hamburg sämtliche gehaltenen Anteile an der Aktiengesellschaft "Ad acta" 182. Vermögensverwaltung an Herrn Ganesh Paulraj, Singapur veräußert.

Durch Beschluss der Hauptversammlung vom 16. Juli 2018 wurde der Aufsichtsrat, bestehend aus Frau Heike Matzen, Frau Roswitha Hoyer sowie Frau Ann-Cathrin Lutz, alle Hamburg nach Enlastung abberufen. Neu berufen wurden die Herren Carlo Arachi, Köln, Natarajan Paulraj, Singapur sowie Muhammad Shiyaam, London. In diesem Zuge wurde die Firmierung der Gesellschaft in Tuff Group AG geändert und der Gesellschaftssitz nach Frankfurt am Main verlegt.

Beschlossen wurde zudem, das Grundkapital der Gesellschaft von EUR 50.000 um mindestens EUR 10.000.000, höchstens jedoch bis zu EUR 39.950.000 auf bis zu EUR 40.000.000 durch Ausgabe von mindestens 10.000, höchstens jedoch um bis zu 39.950.000 neuen, nennwertlosen, auf den Inhaber lautenden Stückaktien mit einem rechnerischen Anteil am Grundkapital von EUR 1 je Aktie gegen Sacheinlagen zu erhöhen. Auf die hiernach gezeichneten Aktien hat Herr Ganesh Paulraj Sacheinlagen in der Gestalt zu erbringen, dass er die von ihm gehaltenen sämtlichen Geschäftsanteile an der Tuff Offshore Engeneering Services Pte. Ltd., Singapur auf die Gesellschaft überträgt.

In der ersten Sitzung des neu konstituierten Aufsichtsrats am 16. Juli 2018 wurde Herr Ganesh Paulraj zum Vorstand der Gesellschaft berufen und Frau Hella Döhle abberufen.

Finanzielle Auswirkungen ergeben sich hierdurch für das Geschäftsjahr 2017 nicht.

11 Finanzrisikomanagement

Die Gesellschaft unterliegt neben gesellschaftsrechtlichen Bestimmungen (AktG) keinen weiteren Verpflichtungen zum Kapitalerhalt.

Da die Gründung der Gesellschaft als Vorratsgesellschaft erfolgte und diese keine wirtschaftliche Geschäftstätigkeit entfaltet, werden keine erfolgsorientierten Größen als Steuerungsgrößen eingesetzt.

Die Evaluierung von potenziellen Risiken erfolgt durch den Vorstand, der seinerseits eine Überwachung durch den Aufsichtsrat erfährt.

12 Vorschlag zur Ergebnisverwendung

Der zu verwendende Jahresfehlbetrag beträgt EUR 450.

Auf neue Rechnung werden EUR 1.350 vorgetragen.

Unterschrift der Geschäftsführung

Ort, Datum Unterschrift

D. WIEDERGABE DES BESTÄTIGUNGSVERMERKS UND SCHLUSSBEMERKUNG

Nach dem abschließenden Ergebnis unserer Prüfung haben wir dem Einzelabschluss zum 31. Dezember 2017 (Anlagen 1 bis 5) der Tuff Offshore AG (vormals: Aktiengesellschaft „Ad acta" 182. Vermögensverwaltung), Hamburg, unter dem Datum vom 31. August 2018 den folgenden uneingeschränkten Bestätigungsvermerk erteilt, der hier wiedergegeben wird.

„Bestätigungsvermerk des Abschlussprüfers

An die Tuff Group AG

Wir haben den von der Tuff Group AG, Hamburg, aufgestellten Einzelabschluss - bestehend aus Gesamtergebnisrechnung, Bilanz, Eigenkapitalveränderungsrechnung, Kapitalflussrechnung und Anhang - unter Einbeziehung der Buchführung für das Geschäftsjahr vom 1. Januar 2017 bis 31. Dezember 2017 geprüft. Die Aufstellung des Einzelabschlusses nach den IFRS, wie sie in der EU anzuwenden sind, liegt in der Verantwortung der gesetzlichen Vertreter der Gesellschaft. Unsere Aufgabe ist es, auf der Grundlage der von uns durchgeführten Prüfung eine Beurteilung über den Einzelabschluss abzugeben.

Wir haben unsere Einzelabschlussprüfung nach § 317 HGB unter Beachtung der vom Institut der Wirtschaftsprüfer (IDW) festgestellten deutschen Grundsätze ordnungsmäßiger Abschlussprüfung vorgenommen. Danach ist die Prüfung so zu planen und durchzuführen, dass Unrichtigkeiten und Verstöße, die sich auf die Darstellung des durch den Einzelabschluss unter Beachtung der anzuwendenden Rechnungslegungsvorschriften vermittelten Bildes der Vermögens-, Finanz- und Ertragslage wesentlich auswirken, mit hinreichender Sicherheit erkannt werden. Bei der Festlegung der Prüfungshandlungen werden die Kenntnisse über die Geschäftstätigkeit und über das wirtschaftliche und rechtliche Umfeld der Gesellschaft sowie die Erwartungen über mögliche Fehler berücksichtigt. Im Rahmen der Prüfung werden die Wirksamkeit des rechnungslegungsbezogenen internen Kontrollsystems sowie Nachweise für die Angaben in Buchführung und Einzelabschluss überwiegend auf der Basis von Stichproben beurteilt. Die Prüfung umfasst die Beurteilung der angewandten Bilanzierungsgrundsätze und der wesentlichen Einschätzungen der gesetzlichen Vertreter sowie die Würdigung der Gesamtdarstellung des Einzelabschlusses. Wir sind der Auffassung, dass unsere Prüfung eine hinreichend sichere Grundlage für unsere Beurteilung bildet.

Unsere Prüfung hat zu keinen Einwendungen geführt.

Nach unserer Beurteilung aufgrund der bei der Prüfung gewonnenen Erkenntnisse entspricht der Einzelabschluss den IFRS, wie sie in der EU anzuwenden sind und vermittelt unter Beachtung dieser Vorschriften ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens-, Finanz- und Ertragslage der Gesellschaft."

Den vorstehenden Prüfungsbericht erstatten wir in Übereinstimmung mit den gesetzlichen Vorschriften und den Grundsätzen ordnungsmäßiger Berichterstattung bei Abschlussprüfungen (IDW PS 450).

Eine Verwendung des oben wiedergegebenen Bestätigungsvermerks außerhalb dieses Prüfberichts bedarf unserer vorherigen Zustimmung. Bei Veröffentlichung oder Weitergabe des Einzelabschlusses in einer von der bestätigten Fassung abweichenden Form bedarf es zuvor unserer erneuten Stellungnahme, sofern hierbei unser Bestätigungsvermerk zitiert oder auf unsere Prüfung hingewiesen wird; auf § 328 HGB wird verwiesen.

Berlin, den 31. Oktober 2018

bdp Revision und Treuhand GmbH Wirtschaftsprüfungsgesellschaft
WIRTSCHAFTS-
PRÜFUNGS-
GESELLSCHAFT
SIEGEL
Berlin

bdp
Revision und Treuhand GmbH
Wirtschaftsprüfungsgesellschaft

Jörg Wiegand
Wirtschaftsprüfer

ZWISCHENABSCHLUSS
nach IFRS

zum

30. Juni 2018

Aktiengesellschaft „Ad acta“ 182. Vermögensverwaltung
Verwaltung eigenen Vermögens
Burchardstraße 24
20095 Hamburg

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Anhang für den Sechsmonatszeitraum vom 01.01.2018 bis 30.06.2018 6

	01.01.2018- 30.06.2018 EUR	01.01.2017 30.06.2017 EUR
Sonstige Aufwendungen	225,00	225,00
Betriebergebnis	225,00-	225,00-
Verlust vor Steuern	225,00	225,00
Verlust aus der gewöhnlichen Geschäftstätigkeit nach Steuern	225,00-	225,00-
Periodenfehlbetrag	225,00	225,00
Gesamtergebnis	225,00-	225,00-

Blatt 3
Zwischenbilanz nach IFRS
zum 30.06.2018
Aktiengesellschaft „Ad acta" 182. Vermögensverwaltung

AKTIVA	30.06.2018 EUR	31.12.2017 EUR	PASSIVA		30.06.2018 EUR	31.12.2017 EUR
Kurzfristige Vermögenswerte			Eigenkapital			
Zahlungsmittel und Zahlungsmitteläquivalente	12.500,00	12.500,00	Gezeichnetes Kapital	50.000,00		50.000,00
Summe kurzfristige Vermögenswerte	12.500,00	12.500,00	Ausstehende Einlagen	37.500,00-	12.500,0	37.500,00
			Sonstige Rücklagen			
			Gewinnrücklagen		1.575,00-	1.350,00-
			SUMME Eigenkapital		10.925,00	11.150,00
			Schulden			
			Kurzfristige Schulden			
			Verbindlichkeiten aus Lieferungen und Leistungen		1.575,00	1.350,00
			Summe kurzfristige Schulden		1.575,00	1.350,00
			SUMME Schulden		1.575,00	1.350,00
Bilanzsumme	12.500,00	12.500,00	Bilanzsumme		12.500,00	12.500,00

Blatt 4
Eigenkapitalveränderungsrechnung nach IFRS
vom 01.01.2018 bis 30.06.2018
Aktiengesellschaft „Ad acta“ 182. Vermögensverwaltung

	Gezeichnetes Kapital EUR	Gewinnrücklagen EUR	Gesamt EUR
Saldo zum 01.01.2017	12.500,00	450,00-	11.150,00
Gesamtergebnis		450,00-	450,00-
Saldo zum 31.12.2017	12.500,00	1.350,00	10.700,00
Gesamtergebnis		225,00-	225,00
Saldo zum 30.06.2018	12.500,00	1.125,00	10.925,00

	01.01.2018- 30.06.2018 EUR	01.01.2017- 30.06.2017 EUR
Cashflow aus der laufenden Geschäftstätigkeit	0,00	0,00
Cashflow aus der Finanzierungstätigkeit	0,00	0,00
+ Finanzmittelfonds am Anfang der Periode	12.500,00	12.500,00
Finanzmittelfonds am Ende der Periode	12.500,00	12.500,00

Anhang für das Geschäftsjahr vom 1. Januar 2018 bis 30. June 2018

I Allgemeine Angaben

1 Unternehmensangaben

Die Aktiengesellschaft "Ad acta" 182. Vermögensverwaltung (im Folgenden: "Gesellschaft") wurde im Geschäftsjahr 2015 als Vorratsgesellschaft gegründet und hat außerhalb der Verwaltung eigenen Vermögens keine wirtschaftlichen Tätigkeiten im 1. Halbjahr 2018 ausgeführt.

Die Gesellschaft hat Ihren Sitz in 20095 Hamburg, Burchardstraße 24, Bundesrepublik Deutschland und ist dort beim Amtsgericht unter HRB 137321 eingetragen.

Die Berichtswährung ist Euro (EUR). Bilanzstichtag ist der 30. Juni 2018.

2 Übereinstimmung mit IFRS

Der Jahresabschluss der Gesellschaft wurde in Übereinstimmung mit den International Financial Reporting Standards (IFRS), wie sie vom International Accounting Standards Board (IASB) veröffentlicht wurden und in der Europäischen Union (EU) anzuwenden sind, aufgestellt. Die Anforderungen aller Standards und Interpretationen, die von der EU übernommen wurden und zum Bilanzstichtag verpflichtend anzuwenden waren, wurden ausnahmslos erfüllt.

Standards und Interpretationen, die zum 30. June 2018 verabschiedet, aber in der Berichtsperiode noch nicht verpflichtend anzuwenden waren, wurden im Geschäftsjahr 2018 nicht auf freiwilliger Basis vorzeitig angewandt. Hinsichtlich dieser neuen, aber noch nicht verpflichtend anzuwendenden Standards wird auf den Abschnitt „Neue und geänderte Standards und Interpretationen" verwiesen.

3 Zusammenfassung wesentlicher Rechnungslegungsmethoden

3.1 Aufwendungen

Aufwendungen werden periodengerecht erfasst.

3.2 Klassifizierung in kurzfristig und langfristig

Die Gesellschaft gliedert ihre Vermögenswerte und Schulden in der Bilanz in kurz- und langfristige Vermögenswerte bzw. Schulden.

Ein Vermögenswert ist als kurzfristig einzustufen, wenn es sich um Zahlungsmittel oder Zahlungsmitteläquivalente handelt, es sei denn, der Tausch oder die Nutzung des Vermögenswerts zur Erfüllung einer Verpflichtung ist für einen Zeitraum von mindestens zwölf Monaten nach dem Abschlussstichtag eingeschränkt.

Alle anderen Vermögenswerte werden als langfristig eingestuft.

Eine Schuld ist als kurzfristig einzustufen, wenn die Erfüllung der Schuld innerhalb von zwölf Monaten nach dem Abschlussstichtag erwartet wird oder das Unternehmen kein uneingeschränktes Recht zur Verschiebung der Erfüllung der Schuld um mindestens zwölf Monate nach dem Abschlussstichtag hat.

Alle anderen Schulden werden als langfristig eingestuft.

3.3 Finanzinstrumente - Finanzielle Verbindlichkeiten

Die finanziellen Verbindlichkeiten der Gesellschaft umfassen Verbindlichkeiten aus Lieferungen und Leistungen.

Finanzielle Verbindlichkeiten werden bei der erstmaligen Erfassung mit dem beizulegenden Zeitwert der erhaltenen Gegenleistung abzüglich der mit der Kreditaufnahme verbundenen Transaktionskosten bewertet.

Eine finanzielle Verbindlichkeit wird ausgebucht, wenn die dieser Verbindlichkeit zugrunde liegende Verpflichtung erfüllt, aufgehoben oder erloschen ist.

3.4 Finanzinstrumente – Finanzielle Vermögenswerte

Die finanziellen Vermögenswerte sind ausschließlich Zahlungsmittel und Zahlungsmitteläquivalente in Form von Bankguthaben.

Finanzielle Vermögenswerte werden bei der erstmaligen Erfassung mit dem beizulegenden Zeitwert der erhaltenen Gegenleistung zuzüglich der direkt zurechenbaren Transaktionskosten bewertet. Die Folgebewertung erfolgt zu fortgeführten Anschaffungskosten.

4 Änderungen der Rechnungslegungsmethoden

4.1 Neue und geänderte Standards und Interpretationen

Im Geschäftsjahr 2018 waren folgende durch das IASB geänderte bzw. neu herausgegebene Standards und Interpretationen verpflichtend anzuwenden:

- Jährliches Änderungsverfahren 2012-2014
- IFRS 9 Finanzinstrumente
- IFRS 15 Erlöse aus Verträgen mit Kunden (sowie Änderung des erstmaligen Anwendungszeitpunkts)
- IFRS 15 Klarstellung zu IFRS 15 Erlöse aus Verträgen mit Kunden

Die geänderten bzw. neuen Standards hatten keine Auswirkungen auf den Jahresabschluss.

4.2 Bereits veröffentlichte, aber noch nicht anzuwendende Rechnungslegungsstandards

Neben den vorgenannten, verpflichtend anzuwendenen IFRS wurden vom IASB noch weitere IFRS und IFRIC veröffentlicht, die das Endorsement der EU bereits teilweise durchlaufen haben, aber erst zu einem späteren Zeitpunkt verpflichtend anzuwenden sind. Die Gesellschaft wird diese Standards voraussichtlich erst zum Zeitpunkt der verpflichtenden Anwendung im Jahresabschluss umsetzen sofern diese einschlägig sind.

Standard		beginnend ab	Übernahme durch EU Kommission
IFRS 9	Änderung: Prepayments Features with Negative Compensation	01.01.2019	Nein
IFRS 16	Leasingverhältnisse	01.01.2019	Ja

IAS 28	Klarstellung zu IAS 28 Langfristige Beteiligungen an assoziierten Unternehmen und Joint Ventures	01.01.2019	Nein
IFRIC 22	Transaktion in fremder Währung und im Voraus gezahlte Gegenleistung	01.01.2018	Nein
IFRIC 23	Unsicherheit bezüglich ertragsteuerlichen Behandlung	01.01.2019	Nein
IFRS 10 / IAS 28	Veräußerung oder Einbringung von Vermögenswerten eines Investors an bzw. in ein assoziiertes Unternehmen oder Gemeinschaftsunternehmen	Bis auf Weiteres verschoben	

Da die Gesellschaft keine wirtschaftliche Geschäftstätigkeit ausübt und kein Bilanzierungssachverhalt identifiziert wurde, auf den eine Änderungen der vorstehende IAS/IFRS einenEinfluss hat, werden durch die Änderungen der IFRS keine Auswirkungen erwartet.

5 Wesentliche Ermessensentscheidungen und Schätzungen

Bei der Erstellung des Jahresabschlusses der Gesellschaft werden keine wesentlichen Ermessensentscheidungen, Schätzungen und Annahmen vom Management getroffen, die sich auf die Höhe der zum Stichtag ausgewiesenen Erträge, Aufwendungen, Vermögenswerte und Schulden sowie den Ausweis von Eventualschulden auswirken.

II ERLÄUTERUNG DER ABSCHLUSSPOSTEN

ERLÄUTERUNG DER GESAMTERGEBNISRECHNUNG

6 Sonstige Aufwendungen

Die sonstigen Aufwendungen beinhalten Aufwendungen für Abschluss- und Offenlegungsarbeiten.

ERLÄUTERUNG DER BILANZ

7 Gezeichnetes Kapital

Das nicht voll eingezahlte Grundkapital betrug zum Bilanzstichtag EUR 50.000, eingeteilt in 50.000 auf den Namen lautende Stückaktien mit einem rechnerischen Anteil am Grundkapital von EUR 1.

8. Kapital-Management

Da die Gesellschaft keine operative Tätigkeit ausübt, gibt es keine Strategie – bspw. eine Mindest-Eigenkapitalquote, Minimum-Return on Investment oder Net Debt Ratio – in Bezug auf die Kapitalstruktur der Gesellschaft.

9 Zusätzliche Angaben zu den Finanzinstrumenten

Die folgende Tabelle weist die Buchwerte jeder Kategorie von finanziellen Vermögenswerten und Verbindlichkeiten für den Sechsmonatszeitraum vom 01.01.2018 bis 30.06.2018 aus:

in EUR	Bewertungskategorie nach IAS 39	Buchwert per 30.06.2018	Fortgeführte Anschaffungskosten	Fair Value per 30.06.2018
Finanzielle Vermögenswerte				
Zahlungsmittel und Zahlungsmitteläquivalente	lar	12.500	12.500	12.500
Finanzielle Verbindlichkeiten				
Verbindlichkeiten aus Lieferungen und Leistungen	flac	1.575	1.575	1.575
Davon aggregiert nach Bewertungskategorien				
Loans and receivables (lar)	lar	12.500	12.500	12.500
Financial liabilities measured at amortised costs (flac)	flac	1.575	1.575	1.575

Die folgende Tabelle weist die Buchwerte jeder Kategorie von finanziellen Vermögenswerten und Verbindlichkeiten für das Geschäftsjahr 2017 aus:

in EUR	Bewertungskategorie nach IAS 39	Buchwert per 31.12.2017	Fortgeführte Anschaffungskosten	Fair Value per 31.12.2017
Finanzielle Vermögenswerte				
Zahlungsmittel und Zahlungsmitteläquivalente	lar	12.500	12.500	12.500
Finanzielle Verbindlichkeiten				
Verbindlichkeiten aus Lieferungen und Leistungen	flac	1.350	1.350	1.350
Davon aggregiert nach Bewertungskategorien				
Loans and receivables (lar)	lar	12.500	12.500	12.500
Financial liabilities measured at amortised costs (flac)	flac	1.350	1.350	1.350

Verbindlichkeiten aus Lieferungen und Leistungen haben kurze Restlaufzeiten; die bilanzierten Werte stellen näherungsweise den beizulegenden Zeitwert dar.

Die Nettoergebnisse für die einzelnen Kategorien von Finanzinstrumenten nach IAS 39 im Sechsmonatszeitraum vom 01.01.2018 bis 30.06.2018 betragen für die Bewertungskategorie Loans and receivables (lar) EUR 0 (Vorjahr: EUR 0) sowie für Financial liabilities measured at amortised cost (flac) EUR 0 (Vorjahr: EUR 0).

Der beizulegende Zeitwert der finanziellen Vermögenswerte und finanziellen Verbindlichkeiten ist mit dem Betrag angegeben, zu dem das betreffende Instrument in einer gegenwärtigen Transaktion (ausgenommen erzwungene Veräußerung oder Liquidation) zwischen vertragswilligen Geschäftspartnern getauscht werden könnte.

Die zur Ermittlung der beizulegenden Zeitwerte angewandten Methoden und Annahmen stellen sich wie folgt dar:

Zahlungsmittel und kurzfristige Einlagen sowie Verbindlichkeiten aus Lieferungen und Leistungen kommen hauptsächlich auf Grund der kurzen Laufzeiten dieser Instrumente ihrem Buchwert sehr nah.

10 Finanzrisikomanagement

Die Evaluierung von potenziellen Finanzrisiken erfolgt durch den Vorstand, der seinerseits eine Überwachung durch den Aufsichtsrat erfährt. Da die Gesellschaft keinen operativen Geschäftsbetrieb unterhält, in dem regelmäßig wesentliche Verbindlichkeiten begründet werden, besteht auch kein aktives Cash-Management zur Steuerung des Liquiditätsrisikos.

11 Angaben über Beziehungen zu nahe stehenden Unternehmen und Personen

Als nahe stehende Personen im Sinne von IAS 24 gelten Personen und Unternehmen, wenn eine der Parteien über die Möglichkeit verfügt, die andere Partei zu beherrschen oder einen maßgeblichen Einfluss auszuüben. Hierzu gehören auch mittelbare Einflussverhältnisse.

Als nahestehende Personen kommen darüber hinaus grundsätzlich die Mitglieder des Vorstands sowie die Mitglieder des Aufsichtsrats der Gesellschaft in Betracht. Zu den nahestehenden Personen gehören auch Angehörige dieser Personen.

Alleinige Gesellschafterin der Gesellschaft ist die AD ACTA Deutschland GmbH, Hamburg.

AD ACTA Deutschland GmbH, Hamburg ist wiederum eine Tochtergesellschaft der Gerber + Kollegen Steuerberatungsgesellschaft mbH, Hamburg. Die Anteile an der Gerber + Kollegen Steuerberatungsgesellschaft mbH, Hamburg werden vollständig von der NORDDEUTSCHE AG Steuerberatungsgesellschaft mbH, Hamburg gehalten.

Oberstes beherrschendes Mutterunternehmen
NORDDEUTSCHE AG Steuerberatungsgesellschaft mbH, Hamburg

Während des Berichtszeitraums gab es keine Geschäftsvorfälle zwischen der Gesellschaft und der NORDDEUTSCHE AG Steuerberatungsgesellschaft mbH, Hamburg.

Mutterunternehmen
Gerber + Kollegen Steuerberatungsgesellschaft mbH, Hamburg

Während des Berichtszeitraums gab es keine Geschäftsvorfälle zwischen der Gesellschaft und der Gerber + Kollegen Steuerberatungsgesellschaft mbH, Hamburg.

Mutterunternehmen
AD ACTA Deutschland GmbH, Hamburg

Während des Berichtszeitraums gab es keine Geschäftsvorfälle zwischen der Gesellschaft und der AD ACTA Deutschland GmbH, Hamburg.

Vergütung der Personen in Schlüsselpositionen

Dem Vorstand der Gesellschaft gehörte im Berichtszeitraum Frau Hella Döhle, Hamburg an. Die Bezüge für Personen in Schlüsselpositionen für den Berichtszeitraum belaufen sich insgesamt auf EUR 0 (Vorjahr: EUR 0).

Dem Aufsichtsrat der Gesellschaft gehörten im Berichtszeitraums

- Frau Heike Matzen, Hamburg,
- Frau Roswitha Hoyer, Hamburg sowie
- Frau Ann-Cathrin Lutz, Hamburg

an.

Für die Tätigkeit der Aufsichtsratsmitglieder fielen im Berichtszeitraum keine Vergütungen und kein Aufwendungsersatz an.

Vergütung der Personen in Schlüsselpositionen

Es fanden im Berichtszeitraum keine Transaktionen mit nahestehenden Unternehmen und Personen statt.

12 Ereignisse nach dem Bilanzstichtag

Mit Kaufvertrag vom 16. Juli 2018 hat die Muttergesellschaft AD ACTA Deutschland GmbH, Hamburg sämtliche gehaltenen Anteile an der Aktiengesellschaft "Ad acta" 182. Vermögensverwaltung an Herrn Ganesh Paulraj, Singapur veräußert.

Durch Beschluss der Hauptversammlung vom 16. Juli 2018 wurde der Aufsichtsrat, bestehend aus Frau Heike Matzen, Frau Roswitha Hoyer sowie Frau Ann-Cathrin Lutz, alle Hamburg nach Entlastung abberufen. Neu berufen wurden die Herren Carlo Arachi, Köln, Natarajan Paulraj, Singapur sowie Muhammad Shiyaam, London. In diesem Zuge wurde die Firmierung der Gesellschaft in Tuff Group AG geändert und der Gesellschaftssitz nach Frankfurt am Main verlegt.

Beschlossen wurde zudem, das Grundkapital der Gesellschaft von EUR 50.000 um mindestens EUR 10.000.000, höchstens jedoch bis zu EUR 39.950.000 auf bis zu EUR 40.000.000 durch Ausgabe von mindestens 10.000, höchstens jedoch um bis zu 39.950.000 neuen, nennwertlosen, auf den Inhaber lautenden Stückaktien mit einem rechnerischen Anteil am Grundkapital von EUR 1 je Aktie gegen Sacheinlagen zu erhöhen. Auf die hiernach gezeichneten Aktien hat Herr Ganesh Paulraj Sacheinlagen in der Gestalt zu erbringen, dass er die von ihm gehaltenen sämtlichen Geschäftsanteile an der Tuff Offshore Engeneering Services Pte. Ltd., Singapur auf die Gesellschaft überträgt.

In der ersten Sitzung des neu konstituierten Aufsichtsrats am 16. Juli 2018 wurde Herr Ganesh Paulraj zum Vorstand der Gesellschaft berufen und Frau Hella Döhle abberufen.

Finanzielle Auswirkungen ergeben sich hierdurch für den Berichtszeitraum nicht.

Unterschrift der Geschäftsführung

Ort, Datum Unterschrift

BERICHT

über den

JAHRESABSCHLUSS

zum

31. Dezember 2017

Aktiengesellschaft "Ad acta" 182. Vermögensverwaltung
Verwaltung eigenen Vermögens
Burchardstraße 24

20095 Hamburg

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BILANZ
zum 31. Dezember 2017
Aktiengesellschaft "Ad acta" 182. Vermögensverwaltung

AKTIVA		PASSIVA		
	EUR		EUR	EUR
A. Umlaufvermögen		A. Eigenkapital		
Kassenbestand, Bundesbankguthaben, Guthaben bei Kreditinstituten und Schecks	12.500,00	I. Gezeichnetes Kapital	50.000,00	
		nicht eingeforderte ausstehende Einlagen	37.500,00-	
		eingefordertes Kapital		12.500,00
		II. Bilanzverlust		1.350,00-
		B. Rückstellungen		
		sonstige Rückstellungen		1.350,00
	12.500,00			12.500,00

	EUR
1. sonstige betriebliche Aufwendungen	450,00
2. Ergebnis nach Steuern	450,00-
3. Jahresfehlbetrag	450,00
4. Verlustvortrag aus dem Vorjahr	900,00
5. Bilanzverlust	1.350,00

Anhang

Allgemeine Angaben zum Jahresabschluss

Die Aktiengesellschaft "Ad acta" 182. Vermögensverwaltung hat als sogenannte Vorratsgesellschaft außerhalb der Verwaltung eigenen Vermögens keine wirtschaftlichen Tätigkeiten im Geschäftsjahr 2017 ausgeführt.

Die Gesellschaft ist nach den Umschreibungen der Größenklassen des § 267 i.V.m. § 267a HGB eine "Kleinstkapitalgesellschaft" im Sinne des § 267a Abs. 1 HGB.

Die Bilanz ist nach den Vorschriften des § 266 HGB gegliedert. Für die Gliederung der Gewinn- und Verlustrechnung wurde das Gesamtkostenverfahren gewählt. Die Gliederung entspricht § 275 HGB.

Der Anhang wurde unter Berücksichtigung der größenabhängigen Erleichterungen des § 288 HGB aufgestellt.

Angaben zur Identifikation der Gesellschaft laut Registergericht

Firmenname laut Registergericht:	Aktiengesellschaft "Ad acta" 182. Vermögensverwaltung
Firmensitz laut Registergericht:	Hamburg
Registereintrag:	Handelsregister
Registergericht:	Hamburg
Register-Nr.:	HRB 137321

Angaben zu Bilanzierungs- und Bewertungsmethoden

Bilanzierungs- und Bewertungsgrundsätze

Die sonstigen Rückstellungen wurden für alle weiteren ungewissen Verbindlichkeiten gebildet. Dabei wurden alle erkennbaren Risiken berücksichtigt.

Gegenüber dem Vorjahr abweichende Bilanzierungs- und Bewertungsmethoden

Beim Jahresabschluss konnten die bisher angewandten Bilanzierungs- und Bewertungsmethoden im Wesentlichen übernommen werden.

Angaben zur Bilanz

Gewinn-/Verlustvortrag bei teilweiser Ergebnisverwendung

Bei Aufstellung der Bilanz unter Berücksichtigung der teilweisen Ergebnisverwendung wurde im Bilanzverlust ein Verlustvortrag von EUR 900 einbezogen.

Sonstige Angaben

Durchschnittliche Zahl der während des Geschäftsjahres beschäftigten Arbeitnehmer

Die Gesellschaft beschäftigte im Geschäftsjahr keine Arbeitnehmer.

Vorschlag zur Ergebnisverwendung

Die Geschäftsführung schlägt in Übereinstimmung mit der Aktionärin die folgende Ergebnisverwendung vor:

Der zu verwendende Jahresfehlbetrag beträgt EUR 450.

Auf neue Rechnung werden EUR 1.350 vorgetragen.

Unterschrift der Geschäftsführung

Ort, Datum Unterschrift

Bescheinigung des Wirtschaftsprüfers über die Erstellung

An den Vorstand der Aktiengesellschaft "Ad acta" 182. Vermögensverwaltung

Ich habe auftragsgemäß den vorstehenden Jahresabschluss – bestehend aus Bilanz und Gewinn- und Verlustrechnung – der Aktiengesellschaft "Ad acta" 182. Vermögensverwaltung für das Geschäftsjahr vom 1. Januar 2017 bis 31. Dezember 2017 unter Beachtung der deutschen handelsrechtlichen Vorschriften erstellt.

Grundlage für die Erstellung waren die von mir geführten Bücher und die mir darüber hinaus vorgelegten Belege und Bestandsnachweise, die ich auftragsgemäß nicht geprüft habe, sowie die mir erteilten Auskünfte.

Die Buchführung sowie die Aufstellung des Inventars und des Jahresabschlusses nach den deutschen handelsrechtlichen Vorschriften liegen in der Verantwortung der gesetzlichen Vertreter der Gesellschaft.

Ich habe meinen Auftrag unter Beachtung des IDW Standards: Grundsätze für die Erstellung von Jahresabschlüssen (IDW S 7) durchgeführt. Dieser umfasst die Entwicklung der Bilanz und der Gewinn- und Verlustrechnung auf Grundlage der Buchführung und des Inventars sowie der Vorgaben zu den anzuwendenden Bilanzierungs- und Bewertungsmethoden.

Hofheim am Taunus, 23. August 2018

Dipl.-Kfm. Patrick Sauer
Wirtschaftsprüfer
Steuerberater

FINANCIAL STATEMENTS
according to IFRS

for the year ended
31 December 2015

Tuff Offshore Engineering Services Pte Ltd
(Company Registration No.201130686R)

Singapore

Tuff Offshore Engineering Services Pte. Ltd.
Statement of Financial Position
As at 31 December 2015

	Note	31.12.2015	31.12.2014	1.1.2014
		€	€	€
Assets				
Non-current assets				
Property, plant and equipment	4	116,308	-	-
		116,308	-	-
Current assets				
Trade and other receivables	5	417,281	32,057	71,618
Prepayment		559	-	-
Cash at banks	7	341,055	9,707	3,864
		758,895	41,764	75,482
Total assets		875,203	41,764	75,482
Equity and liabilities				
Equity				
Share capital	8	64,697	64,697	64,697
Reserves	9	(2,103)	-	-
Retained earnings/(accumulated losses)		117,155	(22,933)	10,785
Total equity		179,749	41,764	75,482
Current liabilities				
Trade and other payables	10	682,515	-	-
Amount due to related parties	11	12,939	-	-
		695,454	-	-
Total liabilities		695,454	-	-
Total equity and liabilities		875,203	41,764	75,482

The accompanying notes form an integral part of these financial statements.

Tuff Offshore Engineering Services Pte. Ltd.
Statement of Comprehensive Income
For the financial year ended 31 December 2015

	Note	2015	2014
		€	€
Revenue	12	2,672,151	68,813
Other items of income			
Other income	13	5,463	-
Items of expense			
Depreciation of property, plant and equipment	4	(13,477)	-
Employee benefits expense	14	(1,490,654)	(72,168)
Rental on operating expenses		(70,760)	(8,227)
Subcontractor costs		(756,714)	(13,318)
Other operating expenses	15	(205,921)	(8,817)
		(2,537,526)	(102,530)
Profit/(loss) before income tax		140,088	(33,717)
Income tax expense	16	-	
Profit/(loss) after tax		140,088	(33,717)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation		(2,103)	-
		(2,103)	-
Other comprehensive income/(loss) for the year, net of tax		137,985	(33,717)
Total comprehensive income/(loss) for the year		137,985	(33,717)

The accompanying notes form an integral part of these financial statements.

Tuff Offshore Engineering Services Pte. Ltd.
Statement of Changes in Equity
For the financial year ended 31 December 2015

	Share capital	Reserves	Retained earnings	Total
	€	€	€	€
Balance as at 01 January 2014	64,697	-	10,784	75,481
Total comprehensive loss for the year	-	-	(33,717)	(33,717)
Balance as at 31 December 2014	64,697	-	(22,933)	41,764
Total comprehensive income for the year	-	(2,103)	140,088	137,985
Balance as at 31 December 2015	64,697	(2,103)	117,155	179,749

The accompanying notes form an integral part of these financial statements.

Tuff Offshore Engineering Services Pte. Ltd.
Statement of Cash Flows
For the financial year ended 31 December 2015

	2015	2014
	€	€
Cash flows from operating activities		
Profit before income tax	140,088	(33,717)
Adjustments for:		
Depreciation of property, plant and equipment	13,477	-
Operating cash flow before working capital changes	153,565	(33,717)
Changes in working capital:		
Trade and other receivables	(385,225)	39,561
Prepayments	(559)	-
Trade and other payables	682,515	-
Cash generated from operating activities	450,296	5,844
Income tax paid	-	-
Net cash generated from operating activities	450,296	5,844
Cash flows from investing activities		
Purchase of property, plant and equipment	(129,584)	-
Net cash used in investing activities	(129,584)	-
Cash flows from financing activities		
Amount due to related parties	12,939	-
Net cash generated from financing activities	12,939	-
Net increase in cash and cash equivalents	333,651	5,844
Cash at banks at the beginning of financial year	9,708	3,863
Effects of currency translation on cash at banks	(2,304)	-
Cash at banks at the end of financial year (Note 7)	341,055	9,707

The accompanying notes form an integral part of these financial statements.

These notes form an integral part and should be read in conjunction with the accompanying financial statements.

1. General

Tuff Offshore Engineering Services Pte. Ltd. (the "Company") is incorporated and domiciled in Singapore with its registered office and principal place of business at 3791 Jalan Bukit Merah #06-19-21 E-Centre @ Redhill Singapore 159471.

The principal activities of the Company are to provide offshore engineering services and oil and gas engineering services.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been drawn up in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

These financial statements are the Company´s first financial statements prepared in accordance with IFRS and IFRS 1 First-time-Adoption of International Financial Reporting Standards has been applied.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and in preparing the opening IFRS statement of financial position as at 1 January 2014 for the purpose of the transition to IFRS, unless otherwise indicated.

The financial statements are presented in Euro (€) and the Company's functional currency in Singapore Dollars (SGD). Due to the fact, that the contracts entered into by the Company were denominated in SGD, consequently, the majority of its sales and purchases were denominated in SGD. As a result, the Company has determined SGD as its functional currency to comply with IAS 21.

The Company presented its financial statements in Euro (€) for the purpose on preparing the Company's prospectus for IPO in Germany.

2.2 Adoption of new and revised standards

In the current year, the Company has applied the amendments to IFRSs issued by the International Accounting Standards Board (IASB) and adopted by the EU that are mandatorily effective in EU for an accounting period that begins on or after 1 January 2015. The following newly issued or amended standards and interpretations were required to be applied:

- IFRIC Interpretation 21: Levies
- Amendments IAS 19: Defined Benefit Plans: Employee Contributions
- Annual Improvements to IFRSs 2010 – 2012 Cycle
- Annual Improvements to IFRSs 2011 – 2013 Cycle

The company does not expect any significant changes in the accounting from these newly or amended standards or interpretations.

2. Summary of significant accounting policies (continued)

2.3 Standards issued but not yet effective

The Company has not adopted the following standards that have been issued but not yet effective:

Description	*Effective for annual periods beginning on or after*
Amendments IAS 1: Disclosure Initiative	1 Jan 2016
Amendments IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortization	1 Jan 2016
Amendments IAS 16 and IAS 41: Bearer Plants	1 Jan 2016
Annual Improvements to IFRSs 2012 – 2014 Cycle	1 Jan 2016
IFRS 9 Financial Instruments	1 Jan 2018
IFRS 15 Revenue from Contracts with Customers	1 Jan 2018
IFRS 16 Leases	1 Jan 2019

The nature of the impending changes in accounting policy on adoption of IFRS 9, 15 and 16 are described below.

<u>IFRS 9 Financial Instruments</u>

IFRS 9 introduces new requirements for classification and measurement of financial assets, impairment of financial assets and hedge accounting, and is effective for annual periods beginning on or after 1 January 2018. Financial assets are classified according to their contractual cash flow characteristics and the business model under which they are held. The impairment requirements in IFRS 9 are based on an expected credit loss model and replace the IAS 39 incurred loss model.

The Company plans to adopt the new standard on the required effective date without restating prior periods' information and recognises any difference between the previous carrying amount and the carrying amount at the beginning of the annual reporting period at the date of initial application in the opening retained earnings.

The Company has performed a preliminary impact assessment of adopting IFRS 9 based on currently available information. This assessment may be subject to changes arising from ongoing analysis, until the Company adopts IFRS 9 in 2018.

Impairment

IFRS 9 requires the Company to record expected credit losses on all of its loans and trade receivables either on a 12-month or lifetime basis. The Company expects to apply the simplified approach and record lifetime expected losses on all trade receivables. The Company had no impairment losses for the year.

<u>IFRS 15 Revenue from Contracts with Customers</u>

IFRS 15 establishes a five-step model that will apply to revenue arising from contracts with customers and introduces new contract cost guidance. Under IFRS 15, revenue is recognised at an amount that reflects the consideration which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard is effective for annual periods beginning on or after 1 January 2018.

The Company has performed a preliminary assessment of adopting IFRS 15 based on currently available information. This assessment may be subject to changes arising from ongoing analysis until the Company adopts IFRS 15 in 2018.

3. Summary of significant accounting policies (continued)

2.3 Standards issued but not yet effective (continued)

IFRS 15 Revenue from Contracts with Customers (continued)

Rendering Services

The company is involved in managing huge projects, as well as performing related services. If the services under a single arrangement are rendered in different reporting periods, then the consideration is allocated on a relative fair value basis between the different services. Revenue is currently recognized using the stage-of-completion method.

Under IFRS 15, the total consideration in the service contracts will be allocated to all services based on their stand-alone selling prices. The stand-alone selling prices will be determined based on the list prices at which the company sells the services in separate transactions.

Based on the companies assessment, the fair value and the stand-alone selling prices of the services are broadly similar. Therefore, the company does not expect the application of IFRS 15 to result in significant differences in the timing of revenue recognition for these services.

Construction Contracts

Contract revenue currently includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they will result in revenue and can be measured reliably. When a claim or variation is recognized, the measure of contract progress or contract price is revised and the cumulative contract position is reassessed at each reporting date.

Under IFRS, claims and variations will be included in the contract accounting when they are approved.

Based on its assessment, the company does not expect the application of IFRS 15 to have a significant impact on its separate financial statements.

IFRS 16 Leases

IFRS 16 requires lessees to recognise most leases on statement of financial position to reflect the rights to use the leased assets and the associated obligations for lease payments as well as the corresponding interest expense and depreciation charges. The standard includes two recognition exemptions for lessees – leases of 'low value' assets and short-term leases. The new leases standard is effective for annual periods beginning on or after 1 January 2019.

The Company plans o adopt the new standard on the required effective date by applying IFRS 16 retrospectively with the cumulative effect of initial application as an adjustment to the opening balance of retained earnings as at 1 January 2019.

2.4 Foreign currency transactions and balances

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

2. Summary of significant accounting policies (continued)

2.4 Foreign currency transactions and balances (continued)

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting period are recognised in profit or loss.

2.5 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	Years
Furniture and fittings	5
Office equipment	3
Computers & peripherals	5
Renovation	5

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de- recognition of the asset is included in profit or loss in the year the asset is derecognised.

2.6 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2. Summary of significant accounting policies (continued)

2.7 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, directly attributable transaction costs.

Subsequent measurement

Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit and loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Loans and receivables comprise trade and other receivables and cash at banks.

De-recognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised in other comprehensive income is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Such financial liabilities comprise trade and other payables.

2. Summary of significant accounting policies (continued)

2.7 Financial instruments (continued)

(b) Financial liabilities (continued)

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.8 Impairment of financial assets

The Company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying amount of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

2.9 Cash at banks

Cash at banks are subject to an insignificant risk of changes in value.

2. Summary of significant accounting policies (continued)

2.10 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

Rendering of services

Revenue from rendering of services is recognised when the services have been performed and rendered.

2.11 Employee benefits

Defined contribution plans

The Company makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

2.12 Operating lease as lessee

Finance leases which transfer to the Company substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

2.13 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rate and tax law used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2. Summary of significant accounting policies (continued)

2.13 Taxes (continued)

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.14 Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

3. Significant accounting judgments and estimates

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgments made in applying accounting policies

The management is of the opinion that there are no significant judgments made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3.2 Key sources of estimation of uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

3. Significant accounting judgments and estimates

3.2 Key sources of estimation of uncertainty (continued)

Useful lives of property, plant and equipment

The useful life of an item of property, plant and equipment is estimated at the time the asset is acquired and is based on historical experience with similar assets and takes into account anticipated technological or other changes. If changes occur more rapidly than anticipated or the asset experiences unexpected level of wear and tear, the useful life will be adjusted accordingly. The carrying amount of the Company's property, plant and equipment as at 31 December 2015 was €116,308 (2014: Nil).

Impairment of loans and receivables

The impairment of trade and other receivables is based on the ageing analysis and management's continuous evaluation of the recoverability of the outstanding receivables. In assessing the ultimate realisation of these receivables, management considers, among other factors, the creditworthiness and the past collection history of each customer. If the financial conditions of these customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required. The carrying amounts of the Company's trade and other receivables as at 31 December 2015 were €417,281 (2014: €32,057).

4. Property, plant and equipment

	Furniture and fittings	Office equipment	Computers & peripherals	Renovation	Total
	€	€	€	€	€
Cost					
At 1 January 2014 and 31 December 2014	-	-	-	-	-
Additions	6,374	17,789	97,360	8,061	129,584
At 31 December 2015	6,374	17,789	97,360	8,061	129,584
Accumulated depreciation					
At 1 January 2014 and 31 December 2014	-	-	-	-	-
Depreciation charge for the year	778	3,494	8,796	409	13,477
Exchange differences	(11)	(53)	(131)	(6)	(201)
At 31 December 2015	767	3,441	8,665	403	13,276
Carrying amount					
At 31 December 2014	-	-	-	-	-
At 31 December 2015	5,607	14,348	88,695	7,658	116,308

5. Trade and other receivables

	2015	2014
	€	€
Trade receivables - third parties	367,900	-
Deposits	22,699	5,532
Other receivables	26,035	26,525
Amount due from related party (Note 6)	647	-
	417,281	32,057

Trade receivables are unsecured, non-interest bearing and are generally on 30 days terms.

There is no other class of financial assets that is past due and/or impaired except for trade receivables.

Trade and other receivables are denominated in Singapore Dollars.

Receivables that were past due but not impaired

The Company had trade receivables amounting to €367,900 (2014: Nil) that were past due at the reporting date but not impaired. These receivables were unsecured and the analysis of their aging at the reporting date was as follows:

	2015	2014
	€	€
Trade receivables past due but not impaired:		
Lesser than 30 days	186,752	-
31 to 60 days	181,148	-
	367,900	-

Receivables that were past due and impaired

There were no trade receivables that were past due and impaired.

6. Amount due from a related company

Amount due from a related company is unsecured, non-interest bearing, repayable on demand and are to be settled in cash.

7. Cash at banks

Cash at banks are denominated in the following currencies:

	2015	2014
	€	€
United States Dollars	174,100	-
Singapore Dollars	166,955	9,707
	341,055	9,707

8. Share capital

	2015		2014	
	Number of shares	Amount	Number of shares	Amount
		€		€
Issued and fully paid:				
At beginning and end of financial year	100,002	64,697	100,002	64,697

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

9. Other reserves

The other reserves represent exchange differences arising from the translation of the financial statements of the Company from functional currency of SGD (2014: SGD) to its presentation currency of EUR.

10. Trade and other payables

	2015	2014
	€	€
Trade payables - third parties	125,535	-
Accrued expenses	204,303	-
Other payables	352,677	-
	682,515	-

Trade payables are non-interest bearing and are normally settled on 30 days terms.

Trade and other payables are denominated in the following currencies:

	2015	2014
	€	€
United States Dollar	351,463	-
Singapore Dollars	331,052	-
	682,515	-

11. Amount due to related parties

Amount due to related parties are unsecured, non-interest bearing, repayable on demand and are to be settled in cash.

12. Revenue

	2015	2014
	€	€
Consultancy services	2,672,151	68,813

13. Other income

The following items have been included in arriving at other income:

	2015	2014
	€	€
Foreign exchange gain	5,463	-

14. Employee benefits expense

	2015	2014
	€	€
Directors' remuneration		
Salaries	71,691	-
CPF contribution	6,141	-
	77,832	-
Staff and related costs		
Salaries and bonus	1,317,869	56,596
CPF, FWL and SDL	91,860	15,572
Medical fee	975	-
Staff welfare	2,118	-
	1,412,822	72,168
	1,490,654	72,168

CPF means payments to the Central Provident Fund Board, which are defined as payments to a Defined Contribution plan

15. Other operating expenses

The following items have been included in arriving at other operating expenses:

	2015	2014
	€	€
Travel and accommodation expenses	161,701	193

16. Income tax expense

The major components of income tax expense recognised in profit or loss for the years ended 31 December 2015 and 2014 were:

	2015	2014
	€	€
Current income tax:		
- Current year	-	-
Income tax expense recognised in profit or loss	-	-

Relationship between tax expense and accounting profit/(loss)

A reconciliation between tax expense and the product of accounting profit/(loss) multiplied by the applicable corporate tax rate for the financial years ended 31 December 2015 and 2014 were as follows:

	2015	2014
	€	€
Profit/(loss) before tax	140,088	(33,717)
Income tax using the statutory tax rate of 17% (2014: 17%)	23,815	(5,732)
Tax effects of:		
Non-deductible expenses	1,544	-
Productivity and innovation credit	(27,261)	-
Unutilised capital allowances brought forward utilised	12,225	5,732
Deferred tax arising in the year not recognised	(10,323)	-
Income tax expense recognised in profit or loss	-	-

The Singapore Government has announced that for Years of Assessment ("YA") 2016 and 2015, all companies will receive a 50% (2014: 30%) Corporate Income Tax ("CIT") Rebate that is subject to a cap of S$20,000 per YA (YA 2015: cap of S$30,000 per YA).

17. Significant related party transactions

Apart from the related party information disclosed elsewhere in the financial statements, there have been no transactions with related parties during the financial year.

Compensation of key management personnel

There is no other key management personnel in the Company other than the directors and the directors' remuneration are disclosed in Note 14.

18. Operating lease commitments

The future minimum rental payable under non-cancellable operating leases contracted for at the reporting date but not recognised as assets, are as follows:

	2015	2014
	€	€
Within one year	91,339	23,290
Later than one year but within 5 years	27,119	-
	118,458	23,290

Minimum lease payments recognised as an expense in profit or loss for the financial year ended 31 December 2015 amounted to €70,760 (2014: €8,227).

19. Financial risk management

The Company's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk, liquidity risk and market risk (including foreign currency risk).

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The maximum exposure to credit risk in the event that the counterparties fail to perform their obligations as at the end of the financial year in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the statement of financial position.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Exposure to credit risk

At the reporting date, there no material exposure to credit risk. The Company has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

19. Financial risk management (continued)

Credit risk (continued)

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Company. Cash and cash equivalents are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 5.

Liquidity risk

Liquidity risk refers to the risk that the Company will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Company's objective is to maintain a balance between continuity of funding and flexibility financed mainly through equity. The directors are satisfied that funds are available to finance the operations of the Company.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Company's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Carrying amount	Contractual cash flows	One year or less
	€	€	€
2015			
Financial assets:			
Trade and other receivables	417,281	417,281	417,281
Cash at banks	341,055	341,055	341,055
Total undiscounted financial assets	758,336	758,336	758,336
Financial liabilities:			
Trade and other payables	682,515	682,515	682,515
Total undiscounted financial liabilities	682,515	682,515	682,515
Net undiscounted financial assets	75,821	75,821	75,821
2014			
Financial assets:			
Trade and other receivables	32,057	32,057	32,057
Cash at banks	9,707	9,707	9,707
Total undiscounted financial assets	41,764	41,764	41,764
Financial liabilities:			
Trade and other payables	-	-	-
Total undiscounted financial liabilities	-	-	-
Net undiscounted financial assets	41,764	41,764	41,764

19. Financial risk management (continued)

Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Foreign currency risk

The Company's foreign exchange risk results mainly from cash flows from transactions denominated in foreign currencies. At present, the Company does not have any formal policy for hedging against currency risk. The Company ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates, where necessary, to address short term imbalances.

The Company has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the functional currency of the Company, primarily Singapore Dollars (SGD).

The Company does not expect any significant effect on the Company's profit or loss arising from the effects on the foreign currency.

20. Fair values

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value.

Cash at banks, other receivables, other payables and amount due to related parties

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

Trade receivables and trade payables

The carrying amounts of these receivables and payables approximate their fair values as they are subject to normal trade credit terms.

21. Financial instruments by category

At the reporting date, the aggregate carrying amounts of loans and receivables and financial liabilities at amortised cost were as follows:

	2015	2014
	€	€
Loans and receivables		
Trade and other receivables (Note 5)	417,281	32,057
Cash at banks (Note 7)	341,055	9,707
Total loans and receivables	758,336	41,764
Financial liabilities measured at amortised cost		
Trade and other payables (Note 10)	682,515	-
Amount due to related parties (Note 11)	12,939	-
Total financial liabilities measured at amortised cost	695,454	-

22. Capital management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and net current asset position in order to support its business and maximise shareholder value. The capital structure of the Company comprises issued share capital and retained earnings.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes during the financial year ended 31 December 2015 and 31 December 2014.

The Company's overall strategy remains unchanged from 2014.

23. Authorisation of financial statements for issue

The financial statements for the financial year ended 31 December 2015 were authorised for issue by the Board of Directors on the date of the Directors' Statement.

D. WIEDERGABE DES BESTÄTIGUNGSVERMERKS UND SCHLUSSBEMERKUNG

Nach dem abschließenden Ergebnis unserer Prüfung haben wir dem Einzelabschluss zum 31. Dezember 2015 (Anlagen 1 bis 5) der Tuff Offshore Engineering Services PTE. LTD., Singapur, unter dem Datum vom 16. November 2018 den folgenden uneingeschränkten Bestätigungsvermerk erteilt, der hier wiedergegeben wird.

„Bestätigungsvermerk des Abschlussprüfers

An die Tuff Offshore Engineering Services PTE. LTD.

Wir haben den von der Tuff Offshore Engineering Services PTE. LTD., Singapur, aufgestellten Einzelabschluss - bestehend aus Gesamtergebnisrechnung, Bilanz, Eigenkapitalveränderungsrechnung, Kapitalflussrechnung und Anhang - unter Einbeziehung der Buchführung für das Geschäftsjahr vom 1. Januar 2015 bis 31. Dezember 2015 geprüft. Die Aufstellung des Einzelabschlusses nach den IFRS, wie sie in der EU anzuwenden sind, liegt in der Verantwortung der gesetzlichen Vertreter der Gesellschaft. Unsere Aufgabe ist es, auf der Grundlage der von uns durchgeführten Prüfung eine Beurteilung über den Einzelabschluss abzugeben.

Wir haben unsere Einzelabschlussprüfung nach § 317 HGB unter Beachtung der vom Institut der Wirtschaftsprüfer (IDW) festgestellten deutschen Grundsätze ordnungsmäßiger Abschlussprüfung vorgenommen. Danach ist die Prüfung so zu planen und durchzuführen, dass Unrichtigkeiten und Verstöße, die sich auf die Darstellung des durch den Einzelabschluss unter Beachtung der anzuwendenden Rechnungslegungsvorschriften vermittelten Bildes der Vermögens-, Finanz- und Ertragslage wesentlich auswirken, mit hinreichender Sicherheit erkannt werden. Bei der Festlegung der Prüfungshandlungen werden die Kenntnisse über die Geschäftstätigkeit und über das wirtschaftliche und rechtliche Umfeld der Gesellschaft sowie die Erwartungen über mögliche Fehler berücksichtigt. Im Rahmen der Prüfung werden die Wirksamkeit des rechnungslegungsbezogenen internen Kontrollsystems sowie Nachweise für die Angaben in Buchführung und Einzelabschluss überwiegend auf der Basis von Stichproben beurteilt. Die Prüfung umfasst die Beurteilung der angewandten Bilanzierungsgrundsätze und der wesentlichen Einschätzungen der gesetzlichen Vertreter sowie die Würdigung der Gesamtdarstellung des Einzelabschlusses. Wir sind der Auffassung, dass unsere Prüfung eine hinreichend sichere Grundlage für unsere Beurteilung bildet.

Unsere Prüfung hat zu keinen Einwendungen geführt.

Nach unserer Beurteilung aufgrund der bei der Prüfung gewonnenen Erkenntnisse entspricht der Einzelabschluss den IFRS, wie sie in der EU anzuwenden sind und vermittelt unter Beachtung dieser Vorschriften ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens-, Finanz- und Ertragslage der Gesellschaft."

Den vorstehenden Prüfungsbericht erstatten wir in Übereinstimmung mit den gesetzlichen Vorschriften und den Grundsätzen ordnungsmäßiger Berichterstattung bei Abschlussprüfungen (IDW PS 450).

Eine Verwendung des oben wiedergegebenen Bestätigungsvermerks außerhalb dieses Prüfberichts bedarf unserer vorherigen Zustimmung. Bei Veröffentlichung oder Weitergabe des Einzelabschlusses in einer von der bestätigten Fassung abweichenden Form bedarf es zuvor unserer erneuten Stellungnahme, sofern hierbei unser Bestätigungsvermerk zitiert oder auf unsere Prüfung hingewiesen wird; auf § 328 HGB wird verwiesen.

Berlin, den 23. November 2018

bdp Revision und Treuhand GmbH Wirtschaftsprüfungsgesellschaft
WIRTSCHAFTS-PRÜFUNGS-GESELLSCHAFT
SIEGEL
Berlin

bdp
Revision und Treuhand GmbH
Wirtschaftsprüfungsgesellschaft

Jörg Wiegand
Wirtschaftsprüfer

FINANCIAL STATEMENTS
according to IFRS

for the year ended
31 December 2016

Tuff Offshore Engineering Services Pte Ltd
(Company Registration No.201130686R)

Singapore

Tuff Offshore Engineering Services Pte. Ltd.
Statement of Financial Position
As at 31 December 2016

	Note	2016	2015
		€	€
Assets			
Non-current assets			
Property, plant and equipment	4	97,982	116,308
		97,982	116,308
Current assets			
Trade and other receivables	5	6,300,593	417,281
Prepayment		394	559
Cash at banks	7	7,834,333	341,055
		14,135,320	758,895
Total assets		14,233,302	875,203
Equity and liabilities			
Equity			
Share capital	8	64,697	64,697
Reserves	9	39,611	(2,103)
Retained earnings		753,462	117,155
Total equity		857,770	179,749
Current liabilities			
Trade and other payables	10	13,259,839	682,515
Amount due to related parties	11	13,132	12,939
Provision for income tax		102,561	-
		13,375,532	695,454
Total liabilities		13,375,532	695,454
Total equity and liabilities		14,233,302	875,203

The accompanying notes form an integral part of these financial statements.

Tuff Offshore Engineering Services Pte. Ltd.
Statement of Comprehensive Income
For the financial year ended 31 December 2016

	Note	2016	2015
		€	€
Revenue	12	31,051,762	2,672,151
Other items of income			
Other income	13	51,729	5,463
Items of expense			
Depreciation of property, plant and equipment	4	(30,205)	(13,477)
Employee benefits expense	14	(3,340,796)	(1,490,654)
Rental		(68,823)	(70,760)
Subcontractor costs		(26,184,020)	(756,714)
Other operating expenses	15	(740,779)	(205,921)
		(30,364,623)	(2,537,526)
Profit before income tax		738,868	140,088
Income tax benefit/(expense)	16	(102,561)	-
Profit after tax		636,307	140,088
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation		41,714	(2,103)
		41,714	(2,103)
Other comprehensive income for the year, net of tax		678,021	137,985
Total comprehensive income for the year		678,021	137,985

The accompanying notes form an integral part of these financial statements.

Tuff Offshore Engineering Services Pte. Ltd.
Statement of Changes in Equity
For the financial year ended 31 December 2016

	Share capital	Reserves	Retained earnings	Total
	€	€	€	€
Balance as at 01 January 2015	64,697	-	(22,933)	41,764
Total comprehensive income for the year	-	(2,103)	140,088	137,985
Balance as at 31 December 2015	64,697	(2,103)	117,155	179,749
Total comprehensive income for the year	-	41,714	636,307	678,021
Balance as at 31 December 2016	64,697	39,611	753,462	857,770

The accompanying notes form an integral part of these financial statements.

Tuff Offshore Engineering Services Pte. Ltd.
Statement of Cash Flows
For the financial year ended 31 December 2016

	2016	2015
	€	€
Cash flows from operating activities		
Profit before income tax	738,868	140,088
Adjustments for:		
Depreciation of property, plant and equipment	30,205	13,477
Operating cash flow before working capital changes	769,073	153,565
Changes in working capital:		
Trade and other receivables	(5,883,312)	(385,225)
Prepayments	165	(559)
Trade and other payables	12,577,324	682,515
Cash generated from operating activities	7,463,250	450,296
Income tax paid	-	-
Net cash generated from operating activities	7,463,250	450,296
Cash flows from investing activities		
Purchase of property, plant and equipment	(10,177)	(129,584)
Net cash used in investing activities	(10,177)	(129,584)
Cash flows from financing activities		
Amount due to related parties	193	12,939
Net cash generated from financing activities	193	12,939
Net increase in cash and cash equivalents	7,453,266	333,651
Cash at banks at the beginning of financial year	341,055	9,708
Effects of currency translation on cash at banks	40,012	(2,304)
Cash at banks at the end of financial year (Note 7)	7,834,333	341,055

The accompanying notes form an integral part of these financial statements.

These notes form an integral part and should be read in conjunction with the accompanying financial statements.

1. General

Tuff Offshore Engineering Services Pte. Ltd. (the "Company") is incorporated and domiciled in Singapore with its registered office and principal place of business at 3791 Jalan Bukit Merah #06-19-21 E-Centre @ Redhill Singapore 159471.

The principal activities of the Company are to provide offshore engineering services and oil and gas engineering services.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been drawn up in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Euro (€) and the Company's functional currency in United States Dollars (USD).

In 2016, the directors have assessed that its functional currency has changed from SGD to USD, due to the change in the currency of underlying transactions, conditions, and events that the Company has entered into. During the year, the contracts entered into by the Company were denominated in USD, consequently, majority of its sales and purchases were denominated in USD. Such has resulted to significant increase in USD-denominated balances in the Statement of Financial Position. As a result, the Company has changed its functional currency to USD to comply with IAS 21.

The Company presented its financial statements in Euro (€) for the purpose on preparing the Company's prospectus for IPO in Germany.

2.2 Adoption of new and revised standards

In the current year, the Company has applied the amendments to IFRSs issued by the International Accounting Standards Board (IASB) and adopted by the EU that are mandatorily effective in EU for an accounting period that begins on or after 1 January 2016. The following newly issued or amended standards and interpretations were required to be applied:

- Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations
- Amendments IFRS10, IFRS 12 und IAS 28: Investment Entities – Applying the Consolidation Exception
- Amendments IAS 1: Disclosure Initiative
- Amendments to IAS 16 und IAS 38: Clarification of acceptable methods of depreciation and amortization
- Amendments IAS 16 und IAS 41: Bearer Plants
- Amendments IAS 27: Equity Method in Separate Financial Statements
- Annual Improvements to IFRSs 2012 - 2014 Cycle

The company does not expect any significant changes in the accounting from these newly or amended standards or interpretations.

2. Summary of significant accounting policies (continued)

2.3 Standards issued but not yet effective (continued)

The Company has not adopted the following standards that have been issued and adopted by the EU but not yet effective:

Description	*Effective for annual periods beginning on or after*
Amendments to IAS 7: Disclosure Initiative	1 Jan 2017
Amendments to IAS 12: Recognition of Deferred Tax Assets for Unrealized Losses	1 Jan 2017
Amendments to IAS 40: Transfer of Investment Property	1 Jan 2018
Annual Improvement to IFRS 2014 – 2016 Cycle	1 Jan 2017/2018
Amendments to IFRS 2: Classification and Measurement of Share-based Payment Transactions	1 Jan 2018
Amendments to IFRS 4: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts	1 Jan 2018
IFRS 9 Financial Instruments	1 Jan 2018
IFRS 15 Revenue from Contracts with Customers	1 Jan 2018
IFRS 16 Leases	1 Jan 2019

The nature of the impending changes in accounting policy on adoption of IFRS 15, 9 and 16 are described below.

IFRS 9 Financial Instruments

IFRS 9 introduces new requirements for classification and measurement of financial assets, impairment of financial assets and hedge accounting, and is effective for annual periods beginning on or after 1 January 2018. Financial assets are classified according to their contractual cash flow characteristics and the business model under which they are held. The impairment requirements in IFRS 9 are based on an expected credit loss model and replace the IAS 39 incurred loss model.

The Company plans to adopt the new standard on the required effective date without restating prior periods' information and recognises any difference between the previous carrying amount and the carrying amount at the beginning of the annual reporting period at the date of initial application in the opening retained earnings.

The Company has performed a preliminary impact assessment of adopting IFRS 9 based on currently available information. This assessment may be subject to changes arising from ongoing analysis, until the Company adopts IFRS 9 in 2018.

Impairment

IFRS 9 requires the Company to record expected credit losses on all of its loans and trade receivables either on a 12-month or lifetime basis. The Company expects to apply the simplified approach and record lifetime expected losses on all trade receivables. The Company had no impairment losses for the year.

2. Summary of significant accounting policies (continued)

2.3 Standards issued but not yet effective (continued)

<u>IFRS 15 Revenue from Contracts with Customers</u>

IFRS 15 establishes a five-step model that will apply to revenue arising from contracts with customers and introduces new contract cost guidance. Under IFRS 15, revenue is recognised at an amount that reflects the consideration which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard is effective for annual periods beginning on or after 1 January 2018.

The Company has performed a preliminary assessment of adopting IFRS 15 based on currently available information. This assessment may be subject to changes arising from ongoing analysis until the Company adopts IFRS 15 in 2018.

Rendering Services

The company is involved in managing huge projects, as well as performing related services. If the services under a single arrangement are rendered in different reporting periods, then the consideration is allocated on a relative fair value basis between the different services. Revenue is currently recognized using the stage-of-completion method.

Under IFRS 15, the total consideration in the service contracts will be allocated to all services based on their stand-alone selling prices. The stand-alone selling prices will be determined based on the list prices at which the company sells the services in separate transactions.

Based on the Company’s assessment, the fair value and the stand-alone selling prices of the services are broadly similar. Therefore, the company does not expect the application of IFRS 15 to result in significant differences in the timing of revenue recognition for these services.

Construction Contracts

Contract revenue currently includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they will result in revenue and can be measured reliably. When a claim or variation is recognized, the measure of contract progress or contract price is revised and the cumulative contract position is reassessed at each reporting date.
Under IFRS, claims and variations will be included in the contract accounting when they are approved.

Based on its assessment, the company does not expect the application of IFRS 15 to have a significant impact on its separate financial statements.

<u>IFRS 16 Leases</u>

IFRS 16 requires lessees to recognise most leases on statement of financial position to reflect the rights to use the leased assets and the associated obligations for lease payments as well as the corresponding interest expense and depreciation charges. The standard includes two recognition exemptions for lessees – leases of ‘low value’ assets and short-term leases. The new leases standard is effective for annual periods beginning on or after 1 January 2019.

The Company plans o adopt the new standard on the required effective date by applying IFRS 16 retrospectively with the cumulative effect of initial application as an adjustment to the opening balance of retained earnings as at 1 January 2019.

2. Summary of significant accounting policies (continued)

2.4 Foreign currency transactions and balances

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting period are recognised in profit or loss.

2.5 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	Years
Furniture and fittings	5
Office equipment	3
Computers & peripherals	5
Renovation	5

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de- recognition of the asset is included in profit or loss in the year the asset is derecognised.

2.6 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

2. Summary of significant accounting policies (continued)

2.6 Impairment of non-financial assets (continued)

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.7 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, directly attributable transaction costs.

Subsequent measurement

Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit and loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Loans and receivables comprise trade and other receivables and cash at banks.

De-recognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised in other comprehensive income is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus directly attributable transaction costs.

2. Summary of significant accounting policies (continued)

2.7 Financial instruments (continued)

(b) Financial liabilities (continued)

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.
Such financial liabilities comprise trade and other payables.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.8 Impairment of financial assets

The Company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying amount of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

2. Summary of significant accounting policies (continued)

2.9 Cash at banks

Cash at banks are subject to an insignificant risk of changes in value.

2.10 Construction contracts

When the outcome of a construction contract can be estimated reliably, revenue and cost are recognised by reference to the stage of completion of the contract activity at the end of the reporting year as measured by the proportion that contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variation in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered payable. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. When the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as an expense in the period in which they are incurred.

At the end of the reporting year, the aggregated costs incurred plus recognised profit (less recognised loss) on each contract is compared against the progress billings. Where costs incurred plus the recognised profits (less recognised losses) exceed progress billings, the balance is presented as “due from customers for contract works”, within current assets. Where progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is presented as “due to customers for contract works” within current liabilities.

Progress billings not yet paid by customers and retentions are presented as due from customers for contract works within current assets.

At the end of the reporting year 31 December 2016 the Company has completed its construction contracts.

2.11 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

Rendering of services

Revenue from rendering of services is recognised when the services have been performed and rendered.

2.12 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Grants related to income may be presented as a credit in profit or loss, either separately or under a general heading such as “Other income”. Alternatively, they are deducted in reporting that related expenses.

2.13 Employee benefits

Defined contribution plans

The Company makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

2. Summary of significant accounting policies (continued)

2.14 Operating lease as lessee

Finance leases which transfer to the Company substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

2.15 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rate and tax law used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2. Summary of significant accounting policies (continued)

2.16 Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

3. Significant accounting judgments and estimates

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgments made in applying accounting policies

Determination of functional currency

In determining the functional currency of the Company, judgment is used by the Company to determine the currency of the primary economic environment in which the Company operates. Consideration factors include the currency that mainly influences sales prices of goods and services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

3.2 Key sources of estimation of uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Useful lives of property, plant and equipment

The useful life of an item of property, plant and equipment is estimated at the time the asset is acquired and is based on historical experience with similar assets and takes into account anticipated technological or other changes. If changes occur more rapidly than anticipated or the asset experiences unexpected level of wear and tear, the useful life will be adjusted accordingly. The carrying amount of the Company's property, plant and equipment as at 31 December 2016 was €97,982 (2015: €116,308).

Impairment of loans and receivables

The impairment of trade and other receivables is based on the ageing analysis and management's continuous evaluation of the recoverability of the outstanding receivables. In assessing the ultimate realisation of these receivables, management considers, among other factors, the creditworthiness and the past collection history of each customer. If the financial conditions of these customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required. The carrying amounts of the Company's trade and other receivables as at 31 December 2016 were €6,300,593 (2015: €417,281).

4. Property, plant and equipment

	Furniture and fittings	Office equipment	Computers & peripherals	Renovation	Total
	€	€	€	€	€
Cost					
At 01 January 2015	-	-	-	-	-
Additions	6,374	17,789	97,360	8,061	129,584
At 31 December 2015	6,374	17,789	97,360	8,061	129,584
Additions	157	2,589	7,431	-	10,177
Exchange differences	96	269	1,463	120	1,948
At 31 December 2016	6,626	20,648	106,254	8,181	141,709
Accumulated depreciation					
At 01 January 2015	-	-	-	-	-
Depreciation charge for the year	778	3,494	8,796	409	13,477
Exchange differences	(11)	(53)	(131)	(6)	(201)
At 31 December 2015	767	3,441	8,665	403	13,276
Depreciation charge for the year	1,320	6,405	20,846	1,634	30,205
Exchange differences	14	62	162	8	246
At 31 December 2016	2,101	9,908	29,673	2,045	43,727
Carrying amount					
At 31 December 2015	5,607	14,348	88,695	7,658	116,308
At 31 December 2016	4,525	10,740	76,581	6,136	97,982

5. Trade and other receivables

	2016	2015
	€	€
Trade receivables - third parties	6,282,392	367,900
Deposits	17,543	22,699
Other receivables	-	26,035
Amount due from related party (Note 6)	658	647
	6,300,593	417,281

Trade receivables are unsecured, non-interest bearing and are generally on 30 days terms (2015: 30 days).

There is no other class of financial assets that is past due and/or impaired except for trade receivables.

Trade and other receivables are denominated in the following currencies:

	2016	2015
	€	€
United States Dollars	6,284,527	-
Singapore Dollars	16,066	417,281
	6,300,593	417,281

Receivables that were past due but not impaired

The Company had trade receivables amounting to €3,163,322 (2015: €367,900) that were past due at the reporting date but not impaired. These receivables were unsecured and the analysis of their aging at the reporting date was as follows:

	2016	2015
	€	€
Trade receivables past due but not impaired:		
Lesser than 30 days	1,241,288	186,752
31 to 60 days	1,922,034	181,148
	3,163,322	367,900

Receivables that were past due and impaired

There were no trade receivables that were past due and impaired.

6. Amount due from a related company

Amount due from a related company is unsecured, non-interest bearing, repayable on demand and are to be settled in cash.

7. Cash at banks

Cash at banks are denominated in the following currencies:

	2016	2015
	€	€
United States Dollars	7,184,153	174,100
Euro	1,301	-
Singapore Dollars	648,879	166,955
	7,834,333	341,055

8. Share capital

	2016		2015	
	Number of shares	Amount	Number of shares	Amount
		€		€
Issued and fully paid:				
At beginning and end of financial year	100,002	64,697	100,002	64,697

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

9. Reserves

The other reserves represent exchange differences arising from the translation of the financial statements of the Company from functional currency of USD (2015: SGD) to its presentation currency of EUR.

10. Trade and other payables

	2016	2015
	€	€
Trade payables - third parties	12,412,659	125,535
Accrued expenses	383,102	204,303
Other payables	464,078	352,677
	13,259,839	682,515

Trade payables are non-interest bearing and are normally settled on 30 days terms (2015: 30 days).

10. Trade and other payables (continued)

Trade and other payables are denominated in the following currencies:

	2016	2015
	€	€
United States Dollar	12,600,877	351,463
Singapore Dollars	658,962	331,052
	13,259,839	682,515

11. Amount due to related parties

Amount due to related parties are unsecured, non-interest bearing, repayable on demand and are to be settled in cash.

12. Revenue

	2016	2015
	€	€
Construction revenue	18,748,000	-
Consultancy services	12,303,762	2,672,151
	31,051,762	2,672,151

13. Other income

The following items have been included in arriving at other income:

	2016	2015
	€	€
Government grant:		
- Productivity and innovation credit	39,146	-
- Special employment credit	58	-
- Temporary employment credit	11,389	-
- Wage credit scheme	874	-
Foreign exchange gain	-	5,463
Miscellaneous income	262	-
	51,729	5,463

14. Employee benefits expense

	2016	2015
	€	€
Directors' remuneration		
Salaries	76,636	71,691
CPF contribution	6,687	6,141
	83,323	77,832
Staff and related costs		
Salaries and bonus	3,041,346	1,317,869
CPF, FWL and SDL	207,940	91,860
Medical fee	3,645	975
Staff welfare	4,542	2,118
	3,257,473	1,412,822
	3,340,796	1,490,654

CPF means Central Provident Fund and is a defined contribution plan.

15. Other operating expenses

The following items have been included in arriving at other operating expenses:

	2016	2015
	€	€
Foreign exchange loss	124,068	-
Travel and accomodation expenses	386,274	161,701

16. Income tax expense

The major components of income tax expense recognised in profit or loss for the years ended 31 December 2016 and 2015 were:

	2016	2015
	€	€
Current income tax:		
- Current year	102,561	-
Income tax expense recognised in profit or loss	102,561	-

16. Income tax expense (continued)

Relationship between tax expense and accounting profit

A reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the financial years ended 31 December 2016 and 2015 were as follows:

	2016	2015
	€	€
Profit before tax	738,868	140,088
Income tax using the statutory tax rate of 17% (2016: 17%)	125,608	23,815
Tax effects of:		
Non-deductible expenses	3,474	1,544
Income not subject to taxation	(6,655)	-
Productivity and innovation credit	(1,030)	(27,261)
Tax exemption	(16,996)	-
Corporate tax rebate	(6,556)	-
Unutilised capital allowances brought forward utilised	-	12,225
Deferred tax arising in the year not recognised	(15,749)	(10,323)
Other items	20,464	-
Income tax expense recognised in profit or loss	102,561	-

The Singapore Government has announced that for Years of Assessment (“YA”) 2017 and 2016, all companies will receive a 50% Corporate Income Tax (“CIT”) Rebate that is subject to a cap of S$20,000 per YA (YA 2013 to YA 2015: cap of S$30,000 per YA).

17. Significant related party transactions

Apart from the related party information disclosed elsewhere in the financial statements, there have been no transactions with related parties during the financial year.

Compensation of key management personnel

There is no other key management personnel in the Company other than the directors and the directors' remuneration are disclosed in Note 14.

18. Operating lease commitments

The future minimum rental payable under non-cancellable operating leases contracted for at the reporting date but not recognised as assets, are as follows:

	2016	2015
	€	€
Within one year	31,990	91,339
Later than one year but within 5 years	551	27,119
	32,540	118,458

Minimum lease payments recognised as an expense in profit or loss for the financial year ended 31 December 2016 amounted to €68,823 (2015: €70,760).

19. Financial risk management

The Company's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk, liquidity risk and market risk (including foreign currency risk).

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The maximum exposure to credit risk in the event that the counterparties fail to perform their obligations as at the end of the financial year in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the statement of financial position.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Exposure to credit risk

At the reporting date, there no material exposure to credit risk. The Company has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Company. Cash and cash equivalents are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 5.

19. Financial risk management (continued)

Liquidity risk

Liquidity risk refers to the risk that the Company will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Company's objective is to maintain a balance between continuity of funding and flexibility financed mainly through equity. The directors are satisfied that funds are available to finance the operations of the Company.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Company's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Carrying amount	Contractual cash flows	One year or less
	€	€	€
2016			
Financial assets:			
Trade and other receivables	6,300,593	6,300,593	6,300,593
Cash at banks	7,834,333	7,834,333	7,834,333
Total undiscounted financial assets	14,134,926	14,134,926	14,134,926
Financial liabilities:			
Trade and other payables	13,259,839	13,259,839	13,259,839
Total undiscounted financial liabilities	13,259,839	13,259,839	13,259,839
Net undiscounted financial assets	875,087	875,087	875,087
2015			
Financial assets:			
Trade and other receivables	417,281	417,281	417,281
Cash at banks	341,055	341,055	341,055
Total undiscounted financial assets	758,336	758,336	758,336
Financial liabilities:			
Trade and other payables	682,515	682,515	682,515
Total undiscounted financial liabilities	682,515	682,515	682,515
Net undiscounted financial assets	75,821	75,821	75,821

Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

19. Financial risk management (continued)

Foreign currency risk

The Company's foreign exchange risk results mainly from cash flows from transactions denominated in foreign currencies. At present, the Company does not have any formal policy for hedging against currency risk. The Company ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates, where necessary, to address short term imbalances.

The Company has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the functional currency of the Company, primarily Singapore Dollars (SGD).

The Company does not expect any significant effect on the Company's profit or loss arising from the effects on the foreign currency.

20. Fair values

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value.

Cash at banks, other receivables, other payables and amount due to related parties

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

Trade receivables and trade payables

The carrying amounts of these receivables and payables approximate their fair values as they are subject to normal trade credit terms.

21. Financial instruments by category

At the reporting date, the aggregate carrying amounts of loans and receivables and financial liabilities at amortised cost were as follows:

	2016	2015
	€	€
Loans and receivables		
Trade and other receivables (Note 5)	6,300,593	417,281
Cash at banks (Note 7)	7,834,333	341,055
Total loans and receivables	14,134,926	758,336
Financial liabilities measured at amortised cost		
Trade and other payables (Note 10)	13,259,839	682,515
Amount due to related parties (Note 11)	13,132	12,939
Total financial liabilities measured at amortised cost	13,272,971	695,454

22. Capital management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and net current asset position in order to support its business and maximise shareholder value. The capital structure of the Company comprises issued share capital and retained earnings.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes during the financial year ended 31 December 2016 and 31 December 2015.

The Company's overall strategy remains unchanged from 2015.

23. Authorisation of financial statements for issue

The financial statements for the financial year ended 31 December 2016 were authorised for issue by the Board of Directors on the date of the Directors' Statement.

D. WIEDERGABE DES BESTÄTIGUNGSVERMERKS UND SCHLUSSBEMERKUNG

Nach dem abschließenden Ergebnis unserer Prüfung haben wir dem Einzelabschluss zum 31. Dezember 2016 (Anlagen 1 bis 5) der Tuff Offshore Engineering Services PTE. LTD. , Singapur, unter dem Datum vom 16. November 2018 den folgenden uneingeschränkten Bestätigungsvermerk erteilt, der hier wiedergegeben wird.

„Bestätigungsvermerk des Abschlussprüfers

An die Tuff Offshore Engineering Services PTE. LTD.

Wir haben den von der Tuff Offshore Engineering Services PTE. LTD., Singapur, aufgestellten Einzelabschluss - bestehend aus Gesamtergebnisrechnung, Bilanz, Eigenkapitalveränderungsrechnung, Kapitalflussrechnung und Anhang - unter Einbeziehung der Buchführung für das Geschäftsjahr vom 1. Januar 2016 bis 31. Dezember 2016 geprüft. Die Aufstellung des Einzelabschlusses nach den IFRS, wie sie in der EU anzuwenden sind, liegt in der Verantwortung der gesetzlichen Vertreter der Gesellschaft. Unsere Aufgabe ist es, auf der Grundlage der von uns durchgeführten Prüfung eine Beurteilung über den Einzelabschluss abzugeben.

Wir haben unsere Einzelabschlussprüfung nach § 317 HGB unter Beachtung der vom Institut der Wirtschaftsprüfer (IDW) festgestellten deutschen Grundsätze ordnungsmäßiger Abschlussprüfung vorgenommen. Danach ist die Prüfung so zu planen und durchzuführen, dass Unrichtigkeiten und Verstöße, die sich auf die Darstellung des durch den Einzelabschluss unter Beachtung der anzuwendenden Rechnungslegungsvorschriften vermittelten Bildes der Vermögens-, Finanz- und Ertragslage wesentlich auswirken, mit hinreichender Sicherheit erkannt werden. Bei der Festlegung der Prüfungshandlungen werden die Kenntnisse über die Geschäftstätigkeit und über das wirtschaftliche und rechtliche Umfeld der Gesellschaft sowie die Erwartungen über mögliche Fehler berücksichtigt. Im Rahmen der Prüfung werden die Wirksamkeit des rechnungslegungsbezogenen internen Kontrollsystems sowie Nachweise für die Angaben in Buchführung und Einzelabschluss überwiegend auf der Basis von Stichproben beurteilt. Die Prüfung umfasst die Beurteilung der angewandten Bilanzierungsgrundsätze und der wesentlichen Einschätzungen der gesetzlichen Vertreter sowie die Würdigung der Gesamtdarstellung des Einzelabschlusses. Wir sind der Auffassung, dass unsere Prüfung eine hinreichend sichere Grundlage für unsere Beurteilung bildet.

Unsere Prüfung hat zu keinen Einwendungen geführt.

Nach unserer Beurteilung aufgrund der bei der Prüfung gewonnenen Erkenntnisse entspricht der Einzelabschluss den IFRS, wie sie in der EU anzuwenden sind und vermittelt unter Beachtung dieser Vorschriften ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens-, Finanz- und Ertragslage der Gesellschaft."

Den vorstehenden Prüfungsbericht erstatten wir in Übereinstimmung mit den gesetzlichen Vorschriften und den Grundsätzen ordnungsmäßiger Berichterstattung bei Abschlussprüfungen (IDW PS 450).

Eine Verwendung des oben wiedergegebenen Bestätigungsvermerks außerhalb dieses Prüfberichts bedarf unserer vorherigen Zustimmung. Bei Veröffentlichung oder Weitergabe des Einzelabschlusses in einer von der bestätigten Fassung abweichenden Form bedarf es zuvor unserer erneuten Stellungnahme, sofern hierbei unser Bestätigungsvermerk zitiert oder auf unsere Prüfung hingewiesen wird; auf § 328 HGB wird verwiesen.

Berlin, den 23. November 2018

bdp
Revision und Treuhand GmbH
Wirtschaftsprüfungsgesellschaft

Jörg Wiegand
Wirtschaftsprüfer

FINANCIAL STATEMENTS
according to IFRS

for the year ended
31 December 2017

Tuff Offshore Engineering Services Pte Ltd
(Company Registration No.201130686R)

Singapore

Tuff Offshore Engineering Services Pte. Ltd.
Statement of Financial Position
As at 31 December 2017

	Note	2017	2016
		€	€
Assets			
Non-current assets			
Property, plant and equipment	4	75,728	97,982
		75,728	97,982
Current assets			
Trade and other receivables	5	2,307,778	6,300,593
Prepayment		751	394
Cash and cash equivalents	8	1,960,367	7,834,333
		4,268,896	14,135,320
Total assets		4,344,624	14,233,302
Equity and liabilities			
Equity			
Share capital	9	64,697	64,697
Reserves	10	(72,792)	39,611
Retained earnings		794,236	753,462
Total equity		786,141	857,770
Current liabilities			
Trade and other payables	11	3,463,696	13,259,839
Amount due to related parties	12	-	13,132
Provision for income tax		94,787	102,561
		3,558,483	13,375,532
Total liabilities		3,558,483	13,375,532
Total equity and liabilities		4,344,624	14,233,302

The accompanying notes form an integral part of these financial statements.

Tuff Offshore Engineering Services Pte. Ltd.
Statement of Comprehensive Income
For the financial year ended 31 December 2017

	Note	2017	2016
		€	€
Revenue	13	6,520,094	31,051,762
Other items of income			
Other income	14	133,202	51,729
Items of expense			
Depreciation of property, plant and equipment	4	(30,839)	(30,205)
Employee benefits expense	15	(2,524,484)	(3,340,796)
Rental		(59,440)	(68,823)
Subcontractor costs		(2,901,522)	(26,184,020)
Other operating expenses	16	(849,416)	(740,779)
		(6,365,701)	(30,364,623)
Profit before income tax		287,595	738,868
Income tax benefit/(expense)	17	3,070	(102,561)
Profit after tax		290,665	636,307
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation		(112,403)	41,714
		(112,403)	41,714
Other comprehensive income for the year, net of tax		178,262	678,021
Total comprehensive income for the year		178,262	678,021

The accompanying notes form an integral part of these financial statements.

Tuff Offshore Engineering Services Pte. Ltd.
Statement of Changes in Equity
For the financial year ended 31 December 2017

	Share capital	Reserves	Retained earnings	Total
	€	€	€	€
Balance as at 01 January 2016	64,697	(2,103)	117,155	179,749
Total comprehensive income for the year	-	41,714	636,307	678,021
Balance as at 31 December 2016	64,697	39,611	753,462	857,770
Dividend paid (Note 24)	-	-	(249,891)	(249,891)
Total comprehensive income for the year	-	(112,403)	290,665	178,262
Balance as at 31 December 2017	64,697	(72,792)	794,236	786,141

The accompanying notes form an integral part of these financial statements.

Tuff Offshore Engineering Services Pte. Ltd.
Statement of Cash Flows
For the financial year ended 31 December 2017

	2017	2016
	€	€
Cash flows from operating activities		
Profit before income tax	287,595	738,868
Adjustments for:		
Depreciation of property, plant and equipment	30,839	30,205
Operating cash flow before working capital changes	318,434	769,073
Changes in working capital:		
Trade and other receivables	3,992,815	(5,883,313)
Prepayments	(357)	165
Trade and other payables	(9,796,143)	12,577,324
Cash (used in)/generated from operating activities	(5,485,251)	7,463,249
Income tax paid	(4,704)	-
Net cash (used in)/ generated from operating activities	(5,489,955)	7,463,249
Cash flows from investing activities		
Purchase of property, plant and equipment	(12,669)	(10,177)
Net cash used in investing activities	(12,669)	(10,177)
Cash flows from financing activities		
Amount due to related parties	(13,132)	193
Dividends paid (Note 24)	(249,891)	-
Fixed deposit pledged	(837,301)	-
Net cash (used in)/generated from financing activities	(1,100,324)	193
Net (decrease)/increase in cash and cash equivalents	(6,602,948)	7,453,265
Cash and cash equivalents at the beginning of financial year	7,834,333	341,055
Effects of currency translation on cash and cash equivalents	(108,319)	40,013
Cash and cash equivalents at the end of financial year (Note 8)	1,123,066	7,834,333

The accompanying notes form an integral part of these financial statements.

These notes form an integral part and should be read in conjunction with the accompanying financial statements.

1. General

Tuff Offshore Engineering Services Pte. Ltd. (the "Company") is incorporated and domiciled in Singapore with its registered office and principal place of business at 3791 Jalan Bukit Merah #06-19-21 E-Centre @ Redhill Singapore 159471.

The principal activities of the Company are to provide offshore engineering services and oil and gas engineering services.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been drawn up in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Euro (€) and the Company's functional currency in United States Dollars (USD).

The Company presented its financial statements in Euro (€) for the purpose on preparing the Company's prospectus for IPO in Germany.

2.2 Adoption of new and revised standards

In the current year, the Company has applied the amendments to IFRSs issued by the International Accounting Standards Board (IASB) and adopted by the EU that are mandatorily effective in EU for an accounting period that begins on or after 1 January 2017. . The following newly issued or amended standards and interpretations were required to be applied:

- Amendments to IAS 7: Disclosure Initiative
- Amendments to IAS 12: Recognition of Deferred Tax Assets for Unrealised Losses
- Annual Improvements to IFRSs 2014 – 2016 Cycle

The company does not expect any significant changes in the accounting from these newly or amended standards or interpretations.

2.3 Standards issued but not yet effective

The Company has not adopted the following standards that have been issued and adopted by the EU but not yet effective:

Description	*Effective for annual periods beginning on or after*
Amendments to IFRS 2: Classification and Measurement of Share-based Payment Transaction	1 Jan 2018
Amendments to IFRS 4: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts	1 Jan 2018
IFRS 9 Financial Instruments	1 Jan 2018
Amendments to IFRS 9: Prepayment Features with Negative Compensation	1 Jan 2019

2. Summary of significant accounting policies (continued)

2.3 Standards issued but not yet effective (continued)

Description	*Effective for annual periods beginning on or after*
IFRS 15 Revenue from Contracts with Customers	1 Jan 2018
Clarification to IFRS 15 Revenue from Contracts with Customer	1 Jan 2018
IFRS 16 Leases	1 Jan 2019
Amendments to IAS 19: Plan Amendment, Curtailment or settlement	1 Jan 2019
Amendments to IAS 40: Transfer of Investment Property	1 Jan 2018
IFRIC 22: Foreign Currency Transactions and Advance Considerations	1 Jan 2018
IFRIC 23: Uncertainty over Income Tax Treatments	1 Jan 2019
Annual Improvement to IFRSs 2014 – 2016	1 Jan 2018
Annual Improvement to IFRSs 2015 - 2017	1 Jan 2018/2019

The nature of the impending changes in accounting policy on adoption of IFRS 15, 9 and 16 are described below.

IFRS 9 Financial Instruments

IFRS 9 introduces new requirements for classification and measurement of financial assets, impairment of financial assets and hedge accounting, and is effective for annual periods beginning on or after 1 January 2018. Financial assets are classified according to their contractual cash flow characteristics and the business model under which they are held. The impairment requirements in IFRS 9 are based on an expected credit loss model and replace the IAS 39 incurred loss model.

The Company plans to adopt the new standard on the required effective date without restating prior periods' information and recognises any difference between the previous carrying amount and the carrying amount at the beginning of the annual reporting period at the date of initial application in the opening retained earnings.

The Company has performed a preliminary impact assessment of adopting IFRS 9 based on currently available information. This assessment may be subject to changes arising from ongoing analysis, until the Company adopts IFRS 9 in 2018.

Impairment

IFRS 9 requires the Company to record expected credit losses on all of its loans and trade receivables either on a 12-month or lifetime basis. The Company expects to apply the simplified approach and record lifetime expected losses on all trade receivables. The Company had no impairment losses for the year.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 establishes a five-step model that will apply to revenue arising from contracts with customers and introduces new contract cost guidance. Under IFRS 15, revenue is recognised at an amount that reflects the consideration which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard is effective for annual periods beginning on or after 1 January 2018.

The Company has performed a preliminary assessment of adopting IFRS 15 based on currently available information. This assessment may be subject to changes arising from ongoing analysis until the Company adopts IFRS 15 in 2018.

2. Summary of significant accounting policies (continued)

2.3 Standards issued but not yet effective (continued)

IFRS 15 Revenue from Contracts with Customers (continued)

Rendering Services

The company is involved in managing huge projects, as well as performing related services. If the services under a single arrangement are rendered in different reporting periods, then the consideration is allocated on a relative fair value basis between the different services. Revenue is currently recognized using the stage-of-completion method.

Under IFRS 15, the total consideration in the service contracts will be allocated to all services based on their stand-alone selling prices. The stand-alone selling prices will be determined based on the list prices at which the company sells the services in separate transactions.

Based on the Company's assessment, the fair value and the stand-alone selling prices of the services are broadly similar. Therefore, the company does not expect the application of IFRS 15 to result in significant differences in the timing of revenue recognition for these services.

Construction Contracts

Contract revenue currently includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they will result in revenue and can be measured reliably. When a claim or variation is recognized, the measure of contract progress or contract price is revised and the cumulative contract position is reassessed at each reporting date.

Under IFRS, claims and variations will be included in the contract accounting when they are approved.

Based on its assessment, the company does not expect the application of IFRS 15 to have a significant impact on its separate financial statements.

IFRS 16 Leases

IFRS 16 requires lessees to recognise most leases on statement of financial position to reflect the rights to use the leased assets and the associated obligations for lease payments as well as the corresponding interest expense and depreciation charges. The standard includes two recognition exemptions for lessees – leases of 'low value' assets and short-term leases. The new leases standard is effective for annual periods beginning on or after 1 January 2019.

The Company plans o adopt the new standard on the required effective date by applying IFRS 16 retrospectively with the cumulative effect of initial application as an adjustment to the opening balance of retained earnings as at 1 January 2019.

2.4 Foreign currency transactions and balances

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting period are recognised in profit or loss.

2. Summary of significant accounting policies (continued)

2.5 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	Years
Furniture and fittings	5
Office equipment	3
Computers & peripherals	5
Renovation	5

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de- recognition of the asset is included in profit or loss in the year the asset is derecognised.

2.6 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2. Summary of significant accounting policies (continued)

2.7 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, directly attributable transaction costs.

Subsequent measurement

Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit and loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Loans and receivables comprise trade and other receivables and cash and cash equivalents.

Cash and cash equivalents comprise cash at banks and short-term deposits.

De-recognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised in other comprehensive income is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Such financial liabilities comprise trade and other payables.

2. Summary of significant accounting policies (continued)

2.7 Financial instruments (continued)

(b) Financial liabilities (continued)

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.8 Impairment of financial assets

The Company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying amount of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

2.9 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and short-term deposits and are subject to an insignificant risk of changes in value.

2. Summary of significant accounting policies (continued)

2.10 Construction contracts

When the outcome of a construction contract can be estimated reliably, revenue and cost are recognised by reference to the stage of completion of the contract activity at the end of the reporting year as measured by the proportion that contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variation in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered payable.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. When the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as an expense in the period in which they are incurred.

At the end of the reporting year, the aggregated costs incurred plus recognised profit (less recognised loss) on each contract is compared against the progress billings. Where costs incurred plus the recognised profits (less recognised losses) exceed progress billings, the balance is presented as “due from customers for contract works”, within current assets. Where progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is presented as “due to customers for contract works” within current liabilities.

Progress billings not yet paid by customers and retentions are presented as due from customers for contract works within current assets.

At the end of the reporting year 31 December 2016 the Company has completed its construction contracts.

2.11 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

Rendering of services

Revenue from rendering of services is recognised when the services have been performed and rendered.

2.12 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Grants related to income may be presented as a credit in profit or loss, either separately or under a general heading such as “Other income”. Alternatively, they are deducted in reporting that related expenses.

2.13 Employee benefits

Defined contribution plans

The Company makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

2. Summary of significant accounting policies (continued)

2.14 Operating lease as lessee

Finance leases which transfer to the Company substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

2.15 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rate and tax law used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2. Summary of significant accounting policies (continued)

2.16 Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

3. Significant accounting judgments and estimates

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgments made in applying accounting policies

Determination of functional currency

In determining the functional currency of the Company, judgment is used by the Company to determine the currency of the primary economic environment in which the Company operates. Consideration factors include the currency that mainly influences sales prices of goods and services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

3.2 Key sources of estimation of uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Useful lives of property, plant and equipment

The useful life of an item of property, plant and equipment is estimated at the time the asset is acquired and is based on historical experience with similar assets and takes into account anticipated technological or other changes. If changes occur more rapidly than anticipated or the asset experiences unexpected level of wear and tear, the useful life will be adjusted accordingly. The carrying amount of the Company's property, plant and equipment as at 31 December 2017 was €75,728 (2016: €97,982).

b) Impairment of loans and receivables

The impairment of trade and other receivables is based on the ageing analysis and management's continuous evaluation of the recoverability of the outstanding receivables. In assessing the ultimate realisation of these receivables, management considers, among other factors, the creditworthiness and the past collection history of each customer. If the financial conditions of these customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required. The carrying amounts of the Company's trade and other receivables as at 31 December 2017 were €2,307,778 (2016: €6,300,593).

4. Property, plant and equipment

	Furniture and fittings	Office equipment	Computers & peripherals	Renovation	Total
	€	€	€	€	€
Cost					
At 01 January 2016	6,374	17,789	97,360	8,061	129,584
Additions	157	2,589	7,431	-	10,177
Exchange differences	96	269	1,463	120	1,948
At 31 December 2016	6,626	20,648	106,254	8,181	141,709
Additions	1,018	351	11,299	-	12,669
Exchange differences	(327)	(955)	(5,127)	(375)	(6,785)
At 31 December 2017	7,317	20,044	112,426	7,806	147,593
Accumulated depreciation					
At 01 January 2016	767	3,441	8,665	403	13,276
Depreciation charge for the year	1,320	6,405	20,846	1,634	30,205
Exchange differences	14	62	162	8	246
At 31 December 2016	2,101	9,908	29,673	2,045	43,727
Depreciation charge for the year	1,395	6,788	21,058	1,598	30,839
Exchange differences	(128)	(608)	(1,834)	(131)	(2,701)
At 31 December 2017	3,368	16,088	48,897	3,512	71,865
Carrying amount					
At 31 December 2016	4,525	10,740	76,581	6,136	97,982
At 31 December 2017	3,949	3,956	63,529	4,294	75,728

5. Trade and other receivables

	2017	2016
	€	€
Trade receivables - third parties	8,521	6,282,392
Deposits	16,324	17,543
Other receivables	192,594	-
Amount due from related party (Note 6)	-	658
Amount due from a director (Note 7)	2,090,339	-
	2,307,778	6,300,593

Trade receivables are unsecured, non-interest bearing and are generally on 30 days terms (2016: 30 days).

There is no other class of financial assets that is past due and/or impaired except for trade receivables.

Trade and other receivables are denominated in the following currencies:

	2017	2016
	€	€
United States Dollars	1,230,000	6,284,527
Singapore Dollars	1,077,778	16,066
	2,307,778	6,300,593

Receivables that were past due but not impaired

The Company had trade receivables amounting to €5,089 (2016: €3,163,322) that were past due at the reporting date but not impaired. These receivables were unsecured and the analysis of their aging at the reporting date was as follows:

	2017	2016
	€	€
Trade receivables past due but not impaired:		
Lesser than 30 days	-	1,241,288
31 to 60 days	-	1,922,034
More than 60 days	5,089	-
	5,089	3,163,322

Receivables that were past due and impaired

There were no trade receivables that were past due and impaired.

6. Amount due from a related company

Amount due from a related company is unsecured, non-interest bearing, repayable on demand and are to be settled in cash.

7. Amount due from a director

Amount due from a director is unsecured, non-interest bearing, repayable on demand and are to be settled in cash.

8. Cash and cash equivalents

	2017	2016
	€	€
Cash at bank	913,313	7,834,333
Fixed deposits	1,047,054	-
Cash and cash equivalents in the statement of financial position	1,960,367	7,834,333
Deposits pledged	(837,301)	-
Cash and cash equivalents in the statement of cash flows	1,123,066	7,834,333

Fixed deposits original maturity is 1 month. The carrying amounts of these assets approximate their fair value. Fixed deposits bear interest at an average rate of 1.5% per annum, and have a maturity ranging is 15 days.

Fixed deposits amounting to €837,301 were pledged to the bank to provide bank guarantees for the Company.

Cash and cash equivalents are denominated in the following currencies:

	2017	2016
	€	€
United States Dollars	1,918,664	7,184,153
Euro	2,218	1,301
Singapore Dollars	39,485	648,879
	1,960,367	7,834,333

9. Share capital

	2017		2016	
	Number of shares	Amount	Number of shares	Amount
		€		€
Issued and fully paid:				
At beginning and end of financial year	100,002	64,697	100,002	64,697

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

10. Reserves

The other reserves represent exchange differences arising from the translation of the financial statements of the Company from functional currency of USD to its presentation currency of EUR.

11. Trade and other payables

	2017	2016
	€	€
Trade payables - third parties	2,757,967	12,412,659
Accrued expenses	176,583	383,102
Other payables	529,146	464,078
	3,463,696	13,259,839

Trade payables are non-interest bearing and are normally settled on 30 days terms (2016: 30 days).

Trade and other payables are denominated in the following currencies:

	2017	2016
	€	€
United States Dollar	3,248,237	12,600,877
Singapore Dollars	215,459	658,962
	3,463,696	13,259,839

12. Amount due to related parties

Amount due to related parties are unsecured, non-interest bearing, repayable on demand and are to be settled in cash.

13. Revenue

	2017	2016
	€	€
Construction revenue	-	18,748,000
Consultancy services	6,520,094	12,303,762
	6,520,094	31,051,762

14. Other income

The following items have been included in arriving at other income:

	2017	2016
	€	€
Government grant:		
- Productivity and innovation credit	7,306	39,146
- Special employment credit	-	58
- Temporary employment credit	8,518	11,389
- Wage credit scheme	2,722	874
Interest income from bank	6,845	-
Miscellaneous income	9,189	262
Trade payables waived-off	98,622	-
	133,202	51,729

15. Employee benefits expense

	2017	2016
	€	€
Directors' remuneration		
Salaries	88,445	76,636
CPF contribution	9,152	6,687
	97,597	83,323
Staff and related costs		
Salaries and bonus	2,334,871	3,041,346
CPF, FWL and SDL	87,407	207,940
Medical fee	1,077	3,645
Staff welfare	3,532	4,542
	2,426,887	3,257,473
	2,524,484	3,340,796

CPF means Central Provident Fund and is a defined contribution plan.

16. Other operating expenses

The following items have been included in arriving at other operating expenses:

	2017	2016
	€	€
Foreign exchange loss	-	124,068
Travel and accommodation expenses	451,798	386,274

17. Income tax (benefit)/expense

The major components of income tax expense recognised in profit or loss for the years ended 31 December 2017 and 2016 were:

	2017	2016
	€	€
Current income tax:		
- Current year	6,327	102,561
- Over provision in respect of prior years	(9,397)	-
Income tax expense recognised in profit or loss	(3,070)	102,561

17. Income tax (benefit)/expense (continued)

Relationship between tax expense and accounting profit

A reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the financial years ended 31 December 2017 and 2016 were as follows:

	2017	2016
	€	€
Profit before tax	287,595	738,868
Income tax using the statutory tax rate of 17% (2016: 17%)	48,892	125,608
Tax effects of:		
Non-deductible expenses	2,992	3,474
Income not subject to taxation	(1,242)	(6,655)
Productivity and innovation credit	(6,785)	(1,030)
Tax exemption	(11,313)	(16,996)
Corporate tax rebate	(4,308)	(6,556)
Deferred tax arising in the year not recognised	305	(15,749)
Prior year over provision	(9,397)	-
Other items	(22,214)	20,464
Income tax expense recognised in profit or loss	(3,070)	102,561

The Singapore Government has announced that for Years of Assessment ("YA") 2018 and 2017, all companies will receive a 40% and 50% Corporate Income Tax ("CIT") Rebate that is subject to a cap of S$15,000 and S$25,000 respectively.

18. Significant related party transactions

Apart from the related party information disclosed elsewhere in the financial statements, there have been no transactions with related parties during the financial year.

Compensation of key management personnel

There is no other key management personnel in the Company other than the directors and the directors' remuneration are disclosed in Note 15.

19. Operating lease commitments

The future minimum rental payable under non-cancellable operating leases contracted for at the reporting date but not recognised as assets, are as follows:

	2017	2016
	€	€
Within one year	32,642	31,990
Later than one year but within 5 years	-	551
	32,642	32,540

Minimum lease payments recognised as an expense in profit or loss for the financial year ended 31 December 2017 amounted to €59,440 (2016: €68,823).

20. Contingent liabilities

	2017	2016
	€	€
Bank guarantee	837,301	-

The bank guarantee of €837,301 in the form of fixed deposit has been provided as a security for performance of a bid submitted to an overseas party.

Subsequent to the financial year, the bid was successful and the directors do not foresee crystalisation of the liability in the foreseeable future.

21. Financial risk management

The Company's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk, liquidity risk and market risk (including foreign currency risk).

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The maximum exposure to credit risk in the event that the counterparties fail to perform their obligations as at the end of the financial year in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the statement of financial position.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Exposure to credit risk

At the reporting date, there no material exposure to credit risk. The Company has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

21. Financial risk management (continued)

Credit risk (continued)

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Company. Cash and cash equivalents are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 5.

Liquidity risk

Liquidity risk refers to the risk that the Company will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Company's objective is to maintain a balance between continuity of funding and flexibility financed mainly through equity. The directors are satisfied that funds are available to finance the operations of the Company.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Company's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Carrying amount	Contractual cash flows	One year or less
	€	€	€
2017			
Financial assets:			
Trade and other receivables	2,307,778	2,307,778	2,307,778
Cash and cash equivalents	1,960,367	1,960,367	1,960,367
Total undiscounted financial assets	4,268,145	4,268,145	4,268,145
Financial liabilities:			
Trade and other payables	3,463,696	3,463,696	3,463,696
Total undiscounted financial liabilities	3,463,696	3,463,696	3,463,696
Net undiscounted financial assets	804,449	804,449	804,449
2016			
Financial assets:			
Trade and other receivables	6,300,593	6,300,593	6,300,593
Cash and cash equivalents	7,834,333	7,834,333	7,834,333
Total undiscounted financial assets	14,134,926	14,134,926	14,134,926
Financial liabilities:			
Trade and other payables	13,259,839	13,259,839	13,259,839
Total undiscounted financial liabilities	13,259,839	13,259,839	13,259,839
Net undiscounted financial assets	875,087	875,087	875,087

21. Financial risk management (continued)

Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Foreign currency risk

The Company's foreign exchange risk results mainly from cash flows from transactions denominated in foreign currencies. At present, the Company does not have any formal policy for hedging against currency risk. The Company ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates, where necessary, to address short term imbalances.

The Company has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the functional currency of the Company, primarily Singapore Dollars (SGD).

A 10% (2016: 10%) strengthening of United States dollar against the foreign currency denominated balances as at the reporting date would increase profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit after tax	
	2017	**2016**
	€	**€**
SGD	70,584	(684)

A 10% (2016: 10%) weakening of United States dollar against the above currency would have had equal but opposite effect to the amounts shown above, on the basis that all other variables remain constant.

22. Fair values

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value.

Cash and cash equivalents, other receivables, other payables and amount due to related parties

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

Trade receivables and trade payables

The carrying amounts of these receivables and payables approximate their fair values as they are subject to normal trade credit terms.

23. Financial instruments by category

At the reporting date, the aggregate carrying amounts of loans and receivables and financial liabilities at amortised cost were as follows:

	2017	2016
	€	€
Loans and receivables		
Trade and other receivables (Note 5)	2,307,778	6,300,593
Cash and cash equivalents (Note 8)	1,960,367	7,834,333
Total loans and receivables	4,268,145	14,134,926
Financial liabilities measured at amortised cost		
Trade and other payables (Note 11)	3,463,696	13,259,839
Amount due to related parties (Note 12)	-	13,132
Total financial liabilities measured at amortised cost	3,463,696	13,272,971

24. Dividend

During the financial year, the Company had declared and paid interim dividend of €2.50 per ordinary share totalling €249,891 for the financial year ended 31 December 2017.

25. Capital management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and net current asset position in order to support its business and maximise shareholder value. The capital structure of the Company comprises issued share capital and retained earnings.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes during the financial year ended 31 December 2017 and 31 December 2016.

The Company's overall strategy remains unchanged from 2016.

26. Authorisation of financial statements for issue

The financial statements for the financial year ended 31 December 2017 were authorised for issue by the Board of Directors on the date of the Directors' Statement.

D. WIEDERGABE DES BESTÄTIGUNGSVERMERKS UND SCHLUSSBEMERKUNG

Nach dem abschließenden Ergebnis unserer Prüfung haben wir dem Einzelabschluss zum 31. Dezember 2017 (Anlagen 1 bis 5) der Tuff Offshore Engineering Services PTE. LTD. , Singapur, unter dem Datum vom 16. November 2018 den folgenden uneingeschränkten Bestätigungsvermerk erteilt, der hier wiedergegeben wird.

„Bestätigungsvermerk des Abschlussprüfers

An die Tuff Offshore Engineering Services PTE. LTD.

Wir haben den von der Tuff Offshore Engineering Services PTE. LTD., Singapur, aufgestellten Einzelabschluss - bestehend aus Gesamtergebnisrechnung, Bilanz, Eigenkapitalveränderungsrechnung, Kapitalflussrechnung und Anhang - unter Einbeziehung der Buchführung für das Geschäftsjahr vom 1. Januar 2017 bis 31. Dezember 2017 geprüft. Die Aufstellung des Einzelabschlusses nach den IFRS, wie sie in der EU anzuwenden sind, liegt in der Verantwortung der gesetzlichen Vertreter der Gesellschaft. Unsere Aufgabe ist es, auf der Grundlage der von uns durchgeführten Prüfung eine Beurteilung über den Einzelabschluss abzugeben.

Wir haben unsere Einzelabschlussprüfung nach § 317 HGB unter Beachtung der vom Institut der Wirtschaftsprüfer (IDW) festgestellten deutschen Grundsätze ordnungsmäßiger Abschlussprüfung vorgenommen. Danach ist die Prüfung so zu planen und durchzuführen, dass Unrichtigkeiten und Verstöße, die sich auf die Darstellung des durch den Einzelabschluss unter Beachtung der anzuwendenden Rechnungslegungsvorschriften vermittelten Bildes der Vermögens-, Finanz- und Ertragslage wesentlich auswirken, mit hinreichender Sicherheit erkannt werden. Bei der Festlegung der Prüfungshandlungen werden die Kenntnisse über die Geschäftstätigkeit und über das wirtschaftliche und rechtliche Umfeld der Gesellschaft sowie die Erwartungen über mögliche Fehler berücksichtigt. Im Rahmen der Prüfung werden die Wirksamkeit des rechnungslegungsbezogenen internen Kontrollsystems sowie Nachweise für die Angaben in Buchführung und Einzelabschluss überwiegend auf der Basis von Stichproben beurteilt. Die Prüfung umfasst die Beurteilung der angewandten Bilanzierungsgrundsätze und der wesentlichen Einschätzungen der gesetzlichen Vertreter sowie die Würdigung der Gesamtdarstellung des Einzelabschlusses. Wir sind der Auffassung, dass unsere Prüfung eine hinreichend sichere Grundlage für unsere Beurteilung bildet.

Unsere Prüfung hat zu keinen Einwendungen geführt.

Nach unserer Beurteilung aufgrund der bei der Prüfung gewonnenen Erkenntnisse entspricht der Einzelabschluss den IFRS, wie sie in der EU anzuwenden sind und vermittelt unter Beachtung dieser Vorschriften ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens-, Finanz- und Ertragslage der Gesellschaft."

Den vorstehenden Prüfungsbericht erstatten wir in Übereinstimmung mit den gesetzlichen Vorschriften und den Grundsätzen ordnungsmäßiger Berichterstattung bei Abschlussprüfungen (IDW PS 450).

Eine Verwendung des oben wiedergegebenen Bestätigungsvermerks außerhalb dieses Prüfberichts bedarf unserer vorherigen Zustimmung. Bei Veröffentlichung oder Weitergabe des Einzelabschlusses in einer von der bestätigten Fassung abweichenden Form bedarf es zuvor unserer erneuten Stellungnahme, sofern hierbei unser Bestätigungsvermerk zitiert oder auf unsere Prüfung hingewiesen wird; auf § 328 HGB wird verwiesen.

Berlin, den 23. November 2018

bdp
Revision und Treuhand GmbH
Wirtschaftsprüfungsgesellschaft

bdp Revision und Treuhand GmbH Wirtschaftsprüfungsgesellschaft
WIRTSCHAFTS-PRÜFUNGS-GESELLSCHAFT
SIEGEL
Berlin

Jörg Wiegand
Wirtschaftsprüfer

INTERIM FINANCIAL STATEMENTS
according to IFRS

for the half year ended
30 June 2018

Tuff Offshore Engineering Services Pte Ltd
(Company Registration No.201130686R)

Singapore

Tuff Offshore Engineering Services Pte. Ltd.

Statement of Financial Position at 30th June 2018 & 31st Dec 2017			
TUFF OFFSHORE SG(IN EUR)			
		30. Jun 18	31. Dec 17
ASSSETS	**Note**	**Unaudited**	**Audited**
Non- Current Assets			
Property, plant and equipment	**4**	71.062,00	75.728,00
		71.062,00	**75.728,00**
Current Assets			
Trade and other receivables	**5**	8.594.283,19	2.307.778,00
Prepayments		4.894,28	751,00
Cash and Cash Equivalents	**8**	9.284.315,52	1.960.367,00
		17.883.492,99	**4.268.896,00**
Total Assets		**17.954.554,99**	**4.344.624,00**
Equity and Liabilities			
Equity			
Share Capital	**9**	64.697,00	64.697,00
Other Reserves		(34.991,43)	(72.792,00)
Retained Earnings		5.742.460,30	794.236,00
Total Equity		**5.772.165,87**	**786.141,00**
Current Liabilities			
Trade and Other Payables	**11**	11.195.499,12	3.463.696,00
Amount due to related parties			-
Provision for Income Tax		986.890,00	94.787,00
		12.182.389,12	**3.558.483,00**
Total Liabilities		**12.182.389,12**	**3.558.483,00**
Total Equity and Liabilities		**17.954.554,99**	**4.344.624,00**

Tuff Offshore Engineering Services Pte. Ltd.

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR 6 MONTHS ENDING 30 JUNE 2018 AND 30 JUNE 2017

TUFF SINGAPORE(UNAUDITED)	Note	6 months ending 30/6/2018	6 months ending 30/6/2017
		EUR	EUR
REVENUE		27.409.932,50	6.589.207,63
Other items of Income			
Other income		21.452,75	25.065,07
Items of Expenses			
Depreciation of Property, plant and equipment		(15.397,71)	(15.420,00)
Employee benefits expense		(892.433,65)	(2.136.333,65)
Rental on operating expenses		(41.414,35)	(25.317,55)
Subcontractor's costs		(19.788.965,11)	(2.553.776,99)
Other Operating Expenses		(731.458,42)	(503.706,45)
		(21.469.669,24)	(5.234.554,65)
Profit before income tax		5.961.716,01	1.379.718,06
Income tax benefit/(expense)		(1.013.491,72)	(6.413,31)
Profit after tax		4.948.224,29	1.373.304,75
Other comprehensive Income:			
Items that may be reclassified subsequently to profit or loss:			
Foreign Currency Translation		37.800,07	49.456,68
Other Comprehensive income for the year, net of tax		37.800,07	49.456,68
Total Comprehensive income for the year		**4.986.024,36**	**1.422.761,43**

Tuff Offshore Engineering Services Pte. Ltd.

Statement of Changes in Equity
For the 6 Months Ended 30th June 2017(Unaudited)

TUFF OFFSHORE SG(IN EUR)

	Share Capital	Reserves	Retained Earnings	Total
Balance as at 1 Jan 2017(as per Audit Report)	64.697,00	39.611,00	753.462,00	857.770,00
Total Comprehensive Income for 6 months ended 30 June 2017		49.456,68	1.373.304,75	1.422.761,43
Balance as at 30 June 2017	**64.697,00**	**89.067,68**	**2.126.766,75**	**2.280.531,43**

Statement of Changes in Equity
For the 6 Months Ended 30th June 2018(Unaudited)

TUFF OFFSHORE SG(IN EUR)

	Share Capital	Reserves	Retained Earnings	Total
Balance as at 1 Jan 2018(as per Audit Report)	64.697,00	(72.792,00)	794.236,00	786.141,00
Total Comprehensive Income for 6 months ended 30 June 2018		37.800,07	4.948.224,29	4.986.024,36
Balance as at 30 June 2018	**64.697,00**	**(34.991,93)**	**5.742.460,29**	**5.772.165,36**

Tuff Offshore Engineering Services Pte. Ltd.

Statement of Cash Flows For the 6 Months Ended 30th June 2017 and 30th June 2018 (Unaudited)		
in EUR	**6 Months ended 30 June 2018**	**6 Months ended 30 June 2017**
Cash flows from operating activities		
Profit before income tax	5.961.716,01	1.379.718,06
Adjustments for:		
Depreciation of Property, plant and equipment	15.399,00	15.420,00
Operating Cash flow before working capital changes	5.977.115,01	1.395.138,06
Changes in Working Capital:		
Trade and Other Receivables	(6.286.505,19)	5.941.252,88
Prepayments	(4.143,28)	-
Trade and Other Payables	7.731.803,12	(9.622.108,38)
Cash (used in)/ generated from Operating Activities	**7.418.269,66**	**(2.285.717,44)**
Income Tax Paid	(121.389,00)	
Net cash (used in)/ generated from Operating Activities	**7.296.880,66**	**(2.285.717,44)**
Cash flows from investing activities		
Purchase of Property, plant and Equipment	(10.733,00)	-
Net cash (used in)/generated from investing activities	**(10.733,00)**	**-**
Cash flows from Financing Activities		
Amount due to related parties		
Dividends Paid		
Fixed Deposit Pledged		
Net cash (used in)/generated from financing activities	**-**	**-**
Net (decrease)/increase in cash and cash equivalents	**7.286.147,66**	**(2.285.717,44)**
Cash and cash equivalents at the beginning of the financial year	1.960.367,00	7.834.333,00
Effects of currency translation on cash and cash equivalents(B	37.800,07	49.456,68
Cash and Cash equivalents at the end of the financial year	**9.284.314,73**	**5.598.072,24**
	9.284.315,52	5.598.072,24
	(0,79)	0,01

These notes form an integral part and should be read in conjunction with the accompanying Interim financial statements.

1. General

Tuff Offshore Engineering Services Pte. Ltd. (the "Company") is incorporated and domiciled in Singapore with its registered office and principal place of business at 3791 Jalan Bukit Merah #06-19-21 E-Centre @ Redhill Singapore 159471.

These Interim Financial Statements as at and for the six months ended 30 June 2017 and 30 June 2018 comprise the Company.

The principal activities of the Company are to provide offshore engineering services and oil and gas engineering services and services for the Construction Industry.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been drawn up in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Euro (€) and the Company's functional currency in United States Dollars (USD) for the six months ended 30th June 2018 and Company's functional currency is Singapore Dollars for the six months ended 30th June 2017.

The Company presented its financial statements in Euro (€) for the purpose on preparing the Company's prospectus for IPO in Germany.

2.2 Adoption of new and revised standards

IFRS 9 Financial Instruments

IFRS 9 introduces new requirements for classification and measurement of financial assets, impairment of financial assets and hedge accounting, and is effective for annual periods beginning on or after 1 January 2018. Financial assets are classified according to their contractual cash flow characteristics and the business model under which they are held. The impairment requirements in IFRS 9 are based on an expected credit loss model and replace the IAS 39 incurred loss model.

The Company plans to adopt the new standard on the required effective date without restating prior periods' information and recognizes any difference between the previous carrying amount and the carrying amount at the beginning of the annual reporting period at the date of initial application in the opening retained earnings.

The Company has performed a preliminary impact assessment of adopting IFRS 9 based on currently available information. This assessment may be subject to changes arising from ongoing analysis, until the Company adopts IFRS 9 in 2018.

Impairment

IFRS 9 requires the Company to record expected credit losses on all of its loans and trade receivables either on a 12-month or lifetime basis. The Company expects to apply the simplified approach and record lifetime expected losses on all trade receivables. The Company had no impairment losses for the year.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 establishes a five-step model that will apply to revenue arising from contracts with customers and introduces new contract cost guidance. Under IFRS 15, revenue is recognized at an amount that reflects the consideration which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard is effective for annual periods beginning on or after 1 January 2018.

2.3 Standards issued but not yet effective

IFRS 16 Leases

IFRS 16 requires lessees to recognize most leases on statement of financial position to reflect the rights to use the leased assets and the associated obligations for lease payments as well as the corresponding interest expense and depreciation charges. The standard includes two recognition exemptions for lessees – leases of 'low value' assets and short-term leases. The new leases standard is effective for annual periods beginning on or after 1 January 2019.

The Company plans to adopt the new standard on the required effective date by applying IFRS 16 retrospectively with the cumulative effect of initial application as an adjustment to the opening balance of retained earnings as at 1 January 2019.

2.4 Foreign currency transactions and balances

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting period are recognised in profit or loss.

2.5 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	Years
Furniture and fittings	5
Office equipment	3
Computers & peripherals	5
Renovation	5

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de- recognition of the asset is included in profit or loss in the year the asset is derecognised.

2.6 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.7 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, directly attributable transaction costs.

Subsequent measurement

Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit and loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Loans and receivables comprise trade and other receivables and cash and cash equivalents.

Cash and cash equivalents comprise cash at banks and short-term deposits.

De-recognition

A financial asset is de-recognised when the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised in other comprehensive income is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Such financial liabilities comprise trade and other payables.

(b) Financial liabilities (continued)

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.8 Impairment of financial assets

The Company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying amount of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

2.9 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and short-term deposits and are subject to an insignificant risk of changes in value.

2.10 Construction contracts

When the outcome of a construction contract can be estimated reliably, revenue and cost are recognised by reference to the stage of completion of the contract activity at the end of the reporting year as measured by the proportion that contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variation in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered payable.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. When the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as an expense in the period in which they are incurred.

At the end of the reporting year, the aggregated costs incurred plus recognised profit (less recognised loss) on each contract is compared against the progress billings. Where costs incurred plus the recognised profits (less recognised losses) exceed progress billings, the balance is presented as “due from customers for contract works”, within current assets. Where progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is presented as “due to customers for contract works” within current liabilities.

Progress billings not yet paid by customers and retentions are presented as due from customers for contract works within current assets.

2.11 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

Rendering of services

Revenue from rendering of services is recognised when the services have been performed and rendered.

2.12 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Grants related to income may be presented as a credit in profit or loss, either separately or under a general heading such as “Other income”. Alternatively, they are deducted in reporting that related expenses.

2.13 Employee benefits

Defined contribution plans

The Company makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

2.14 Operating lease as lessee

Finance leases which transfer to the Company substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

2.15 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rate and tax law used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Flat Income Tax rate of 17% is provided in the Interim Financials ended 30th June 2018 and Tax as calculated in the Audited FY 2017 report is taken for the Interim Financials ended 30th June 2017.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.16 Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

3. Significant accounting judgments and estimates

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgments made in applying accounting policies

Determination of functional currency

In determining the functional currency of the Company, judgment is used by the Company to determine the currency of the primary economic environment in which the Company operates. Consideration factors include the currency that mainly influences sales prices of goods and services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

3.2 Key sources of estimation of uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Useful lives of property, plant and equipment

The useful life of an item of property, plant and equipment is estimated at the time the asset is acquired and is based on historical experience with similar assets and takes into account anticipated technological or other changes. If changes occur more rapidly than anticipated or the asset experiences unexpected level of wear and tear, the useful life will be adjusted accordingly.

The carrying amount of the Company's property, plant and equipment as at 30 June 2018 was € 71,062.00 (30 June 2017 € 82,562.00).

b) Impairment of loans and receivables

The impairment of trade and other receivables is based on the ageing analysis and management's continuous evaluation of the recoverability of the outstanding receivables. In assessing the ultimate realisation of these receivables, management considers, among other factors, the creditworthiness and the past collection history of each customer. If the financial conditions of these customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

The carrying amounts of the Company's trade and other receivables as at 30 June 2018 were € 8,599,177 (2017: € 359,734).

4. Property, plant and equipment

	Furniture and fittings	Office equipment	Computers & peripherals	Renovation	Total
	€	€	€	€	€
Cost					
At 01 January 2017(Audited)	6,626	20,648	106,254	8,181	141,709
Additions	0	0	0	0	0
Exchange differences	0	0	0	0	0
At 30 June 2017(Unaudited)	6,626	20,648	106,254	8,181	141,709
Additions	1,018	351	11,299	0	12,688
Exchange Differences	(327)	(955)	(5,127)	(375)	(6,784)
At 31 December 2017(Audited)	7,317	20,044	112,426	7,806	147,593
Accumulated depreciation					
At 01 January 2017(Audited)	2,101	9,908	29,673	2,045	43,727
Depreciation charge for HY 2017(Jan to June)	698	3,394	10,529	799	15,420
Exchange differences	0	0	0	0	0
At 30 June 2017(Unaudited)	2,799	13,302	40,202	2,844	59,147
Depreciation charge for HY 2017(July to Dec)	698	3,394	10,529	799	15,419
Exchange differences	(128)	(608)	(1,834)	(131)	(2,701)
At 31 December 2017(Audited)	3,369	16,088	48,897	3,512	71,865
Carrying amount					
At 30 June 2017(Unaudited)	3,827	7,346	66,052	5,337	82,562
At 31 December 2017(Audited)	3,948	3,956	63,529	4,294	75,728

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Property, plant and equipment

	Furniture and fittings	Office equipment	Computers & peripherals	Renovation	Total
	€	€	€	€	€
Cost					
At 01 January 2018(Audited)	7,317	20,044	112,426	7,806	147,593
Additions	332	836	9,565	0	10,733
Exchange differences	0	0	0	0	0
At 30 June 2018	7,649	20,880	121,991	7,806	158,326
Accumulated depreciation					
At 01 January 2018(Audited)	3,369	16,088	48,897	3,512	71,865
Depreciation charge for HY 2018(Jan to June)	771	1,827	12,000	800	15,398
Exchange differences	0	0	0	0	0
At 30 June 2018(Unaudited)	4,140	17,915	60,897	4,312	87,264
Carrying amount					
As at 1 Jan 2018	3,948	3,956	63,529	4,294	75,728
As at 30 June 2018	3,509	2,965	61,094	3,494	71,062

5. Trade and other receivables

	30th June 2018	30th June 2017
	€	€
Trade and Other Receivables	8,599,177	359,734
	8,599,177	359,734

Trade receivables are unsecured, non-interest bearing and are generally on 30 days terms (2016: 30 days).

There is no other class of financial assets that is past due and/or impaired except for trade receivables.

Receivables that were past due and impaired

There were no trade receivables that were past due and impaired.

6. Amount due from a related company

Amount due from a related company is unsecured, non-interest bearing, repayable on demand and are to be settled in cash. This amount is included in Trade and Other Receivables.

7. Amount due from a director

Amount due from a director is unsecured, non-interest bearing, repayable on demand and are to be settled in cash. This amount is included in Trade and Other Receivables.

8.Cash and cash equivalents

	30th June 2018	30 June 2017
	€	€
Cash and Cash Equivalents	9,284,315.52	5,598,072.24
	9,284,315.52	5,598,072.24

Cash and Cash Equivalents comprise of monies with May, OCBC and DBS Bank Accounts. This also includes Fixed Deposit and Banker's Guarantee.

The Bankers Guarantees are as follows:

1) SGD 535,715 - Waste Energy Project in Malaysia
2) USD 5,200,000.00 – Maafaru Project Paid to Regional Airport

9. Share capital

	30 June 2018		30 June 2017	
	Number of shares	Amount	Number of shares	Amount
		€		€
Issued and fully paid:				
At beginning and end of financial year	100,002	64,697	100,002	64,697

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

10. Reserves

The other reserves represent exchange differences arising from the translation of the financial statements of the Company from functional currency of USD/SGD to its presentation currency of EUR.

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11. Trade and other payables

	30th June 2018	30 June 2017
Trade and Other Payables	**€ 11,195,499**	**€ 3,637,731**
	11,195,499	3,637,731

Trade payables are non-interest bearing and are normally settled on 30 days terms (2016: 30 days).

12. Amount due to related parties

Amount due to related parties are unsecured, non-interest bearing, repayable on demand and are to be settled in cash.

13. Revenue

	6 Months ended 30 June 2018	6 Months ended 30 June 2017
	€	€
Construction revenue	27,409,933	
Consultancy Services		6,589,208
	27,409,933	6,589,208

14. Other income

The following items have been included in arriving at other income:

6 Months ended 30 June 2018	6 Months ended 30 June 2017
€	€
21,453	**25,065**

15. Income Tax (benefit)/ Expense

A flat provision of 17% of the Net Profit for 6 months ended 30th June 2018 has been provided in the books and the audited tax for the FY 2017 has been taken as taxes for 6 months ended 30th June 2017.

16. Significant related party transactions

Apart from the related party information disclosed elsewhere in the financial statements, there have been no transactions with related parties during the financial year.

Compensation of key management personnel

There is no other key management personnel in the Company other than the directors and the directors' remuneration are disclosed in Note 15.

17. Contingent liabilities

The contingent liabilities include a bank guarantee of € 837,301 in the form of fixed deposit has been provided as a security for performance of a bid submitted to an overseas party.

Subsequent to the financial year, the bid was successful and the directors do not foresee crystalisation of the liability in the foreseeable future.

18. Financial instruments by category

At the reporting date, the aggregate carrying amounts of loans and receivables and financial liabilities at amortised cost were as follows:

	30 June 2018	30 June 2017
	€	€
Loans and receivables		
Trade and other receivables (Note 5)	8,599,177	359,734
Cash and cash equivalents (Note 8)	9,284,316	5,598,072
Total loans and receivables	17,883,493	5,957,806
Financial liabilities measured at amortised cost		
Trade and other payables (Note 11)	11,195,499	3,637,731
Amount due to related parties (Note 12)	-	13,132
Total financial liabilities measured at amortised cost	11,195,499	3,650,863

19. Capital management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and net current asset position in order to support its business and maximise shareholder value. The capital structure of the Company comprises issued share capital and retained earnings.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes during the 6 months ended 30 June 2017nd 30 June 2018.

The Company's overall strategy remains unchanged from 2017.

20. Authorisation of financial statements for issue

The interim financial statements for the 6 months ended 30 June 2017 and 30 June 2018 were authorised for issue by the Board of Directors on the date of the Directors' Statement.

Glossary

ACRA	The Accounting and Corporate Regulatory Authority (ACRA) is the national regulator of business entities, public accountants and corporate service providers in Singapore, and the equivalent of the company house or the commercial register and a registry for legal entities and corporations.
AktG	German Stock Corporation Act, in German: Aktiengesetz, abbreviated AktG
BGB	German Civil Code, in German Bürgerliches Gesetzbuch, abbreviated BGB
CPF	Central provident fund in Singapore
D&O Insurance	Directors' and Officers' Liability Insurance
EPC	Engineering Procurement Construction is a particular form of contracting arrangement used in some industries where the EPC contractor is made responsible for all the activities from design, procurement, construction, commissioning and handover of the project to the end-user or owner.
EPCIC	Engineering Procurement Construction Installation and Commissioning is another particular of contracting arrangement where he contractor is additionally responsible for the installation and commissioning of a sales good or project.
EPCM	Enginerring Procurement Construction and Management is a variation to EPC contracting where the contractor takes over the operations and management of the project after completion.
EUR	Euro, also with the currency symbol €
Farm-in	An arrangement whereby an operator buys in or acquires an interest in a lease owned by another operator on which oil or gas has been discovered or is being produced. Often farm-ins are negotiated to help the original owner with development costs and to secure for the buyer a source of crude oil or natural gas.
FPSO	Floating Production Storage and Offloading Vessel (FPSO) unit is a floating vessel used by the

	offshore oil and gas industry production the processing of hydrocarbons and for the storage of oil.
FRS	used for Singapore Financial Reporting Standards
FWL	Foreign workers levy in Singapore
HGB	German Commercial Code
HSE	Health Safety Environmental
IDW	Institut der Wirtschaftsprüfer
IFRS	International Financial Reporting Standards
IMCA	International Marine Contractors Association, the international trade association representing offsore, marine and underwater engineering companies.
k	Abbreviation for the number size of thousand
KStG	German Corporate Tax Act, in German: Körperschaftssteuergesetz, abbreviated KStG
KWG	German Banking Act, in German: Kreditwesengesetz, abbreviated KWG
LNG	Liquefied natural gas (LNG) is natural gas (predominantly methane, CH4, with some mixture of ethane C2H6) that has been cooled down to liquid form for ease and safety of non-pressurized storage or transport.
LTV	Loan-to-value ratio
mn	Abbreviation for the number size of a million
MOPU	Mobile Offshore Production Unit
MVR	Maldivian rufiyaa, currency of the Maldives
MW	Megawatts
MYR	Malaysian Ringgit, currency of Malaysia
O&M	Operations and Maintenance
PPA	Power purchase agreement
SDL	Skills development levy
SGD	Singapore Dollars, currency of the Republic of Singapore, also with the currency symbol S$
UmwG	German Transformation Act for mergers, transformations and amalgamations of corporates, in German: Umwandlungsgesetz, abbreviated UmwG
USD	United States Dollars, also with the currency symbol $
WpHG	German Securities Trading Act, in German: Wertpapierhandelsgesetz, abbreviated WpHG

WpPG	Securities Prospectus Act, in German: Wertpapierprospektgesetz, abbreviated WpPG
WpÜG	Securities Takeover Act, in German: Wertpapierübernahmegesetz, abbreviated: WpÜG
Xetra	Electronic trading platform of the Frankfurt Stock Exchange