

CERTIFIED TRANSLATION FROM THE GERMAN LANGUAGE

Merger report

**on the cross-border merger of Atlantis22 Limited (Transferor Company) with
Atlantis22 Handels GmbH (Transferee Company) by way of absorption**

I. Atlantis22 Limited

1. The English private limited company Atlantis22 Limited with registered office in 69 Great Hampton Street, Birmingham B18 6EW, England, registered with the Registrar of Companies for England for England and Wales, Cardiff, Company No. 4990906, with share capital of £ 1,000.00, divided into 1,000 shares with a nominal value of £ 1.00 each, is the Transferor Company. Atlantis22 Limited is governed by English law. The share capital of Atlantis22 Limited is fully paid.
2. Atlantis22 Limited has no employees.
3. Atlantis22 Limited has a branch office in Germany with registered office in Flurstr. 2, 40885 Ratingen, Germany, registered in the Register of Companies at Amtsgericht Düsseldorf [Düsseldorf Local Court]¹ under no. HRB 50385. The German branch of Atlantis22 Limited is governed by German law.

II. Atlantis22 Handels GmbH

1. The German limited liability company Atlantis22 Handels GmbH with registered office in Ratingen, Germany, with share capital of € 25,000.00, registered in the Register of Companies at Amtsgericht Düsseldorf [Düsseldorf Local Court] under number HRB 84771, is the Transferee Company. The share capital of Atlantis22 Handels GmbH shall be paid in cash, half of which share capital has been paid. Atlantis22 Handels GmbH is governed by German law.
2. Atlantis22 Handels GmbH has no employees.

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¹ Translator's note: Translator's comments and additions are in square brackets.

III. Grounds and aspects of the merger

The Transferor Company currently carries out its business activities exclusively through its German branch office. The Company's key areas of business are, and will be after the merger has taken effect, the import/export trade in goods of any kind and arrangement of skilled crafts and trades, marketing services and the provision of the relevant services and consulting. As a consequence of the merger, the conduct of the Company's business activities will be much easier, the position in the German market will improve and partnership with existing and future clients and suppliers is expected to benefit.

IV. Legal and economic grounds of the proposed merger

1. The German *Umwandlungsgesetz*² and the British The Companies (Cross-Border Mergers) Regulations 2007 (CCBMR) are the legal framework for the proposed merger.
2. The merger will cut unnecessary overhead costs and reduce redundant administrative effort. Moreover, we expect easier access to loans.

V. Explanation of the exchange ratio

The exchange ratio provided for in the merger plan was mutually agreed between Atlantis22 Limited and Atlantis22 Handels GmbH. The parties involved in the merger waived having the company values determined, because Mr Roland Reinecke is the sole shareholder of both Atlantis22 Limited and Atlantis22 Handels GmbH.

VI. No cash compensation offer

As the sole shareholder of the Transferor Company, Atlantis22 Limited, Mr Roland Reinecke agrees to the merger. The merger plan does therefore not offer any compensation.

² Translator's note: The *UmwG* or *Umwandlungsgesetz* is the German Company Reorganisation Act.

VII. Implications of the merger for shareholders and creditors

1. The sole shareholder of both the Transferor Company and the Transferee Company is Mr Roland Reinecke. Consequently, the merger will not have any implications on his legal position.
2. Neither Atlantis22 Handels GmbH nor Atlantis22 Limited has special rights or restrictions pursuant to section 122c (2) no. 7 of the *UmwG* or article 7 (2) (g) of the Companies (Cross-Border Mergers) Regulations 2007. Under the merger deal, individual shareholders or holders of other securities shall not be granted any special rights. Nor shall any special measures be envisaged for such persons.
3. On the merger taking effect, all liabilities of the Transferor Company shall pass to the Transferee Company. In future, the Transferee Company will be liable to creditors of the Transferor Company. To protect the creditors against loss, share capital in the nominal amount of € 26,000.00 will be available in the future and such share capital will be subject to the principles of the preservation of capital.
4. The sole shareholder of the Transferor Company is also the sole shareholder of the Transferee Company. The latter's sole shareholder is also the sole Managing Director of the Transferee Company and, at the same time, the sole Director of the Transferor Company. Consequently, the Managing Director does not have any particular material interest.

VIII. Implications of the merger for owners of debentures

Neither the Transferor Company nor the Transferee Company has issued debentures.

IX. Financial and company law-related implications of the merger

1. The merger shall be based on the balance sheet of Atlantis22 Limited as at 30 September 2018 as the closing balance. The two previous closing balances of Atlantis22 Limited shall have the following cut-off dates: 31 December 2016 and 31 December 2017.
2. Atlantis22 Handels GmbH shall acquire the assets of Atlantis22 Limited internally with effect as of 30 September 2018 at 24:00 hours. As of 1 October 2018 at 0:00 hours (effective date), for accounting purposes any acts conducted and business dealings concluded by Atlantis22 Limited shall be deemed to have been conducted and concluded for the account of Atlantis22 Handels GmbH.
3. The cost of the merger of the two companies shall be paid by Atlantis22 Handels GmbH. If the merger does not come into force, the costs of this agreement shall be paid by the companies in equal parts. All other costs shall be paid solely by the company affected in each case.

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Implications on the employees of the companies involved in the merger

1. None of the companies has employees.
2. The impact of the merger on the employees of Atlantis22 Limited is set forth in section 20 (1) nos. (1) and (2) and section 324a of the *UmwG*, and section 613a (1) and (4) to (6) of the *BGB*³.
3. When the merger takes effect, i.e., on the day the merger is registered in the Register of Companies for the Transferee Company, all employment contracts existing with the Transferor Company shall, by act of law in accordance with section 613a (1) of the *BGB*, and with all rights and obligations, pass to the Transferee Company. These employment contracts may not be terminated on the grounds of the merger.
4. The prohibition for a period of one year to worsen the position of employees under section

³ Translator's note: The *BGB* or *Bürgerliches Gesetzbuch* is the German Civil Code.

5. 324 of the *UmwG* and section 613a (1) sentences (2) to (4) of the *BGB* must be adhered to.
6. According to section 613a (5) of the *BGB*, the employees shall be informed in writing of the transfer, the time or proposed time of the transfer for the employees, and the steps envisaged with regard to the employees.
7. The employees shall have no right to object under section 613a (6) of the *BGB*.
8. The merger will not have any implications on the right of co-determination, since the Transferee Company will still have less than 500 employees even after the merger has taken effect. No works council exists at either the Transferee Company or the Transferor Company.
9. Under the merger deal, there will be no implications or actions other than those described above. More specifically, there will be no implications for the employees of the Transferee Company.

[No entry]

Place, date

[Not signed]

Roland Reinecke, Director of Atlantis22 Limited

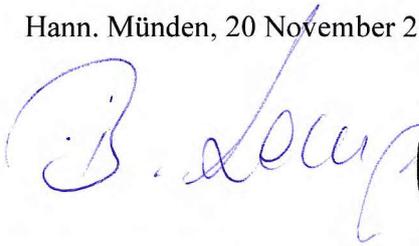
[Not signed]

Roland Reinecke, Managing Director of Atlantis22 Handels GmbH

END OF TRANSLATION

I certify that the foregoing translation is, to the best of my knowledge and belief, a true and correct translation of the German document that was presented to me as a non-certified copy (PDF file).

Hann. Münden, 20 November 2018



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Court Accredited Translator

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