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FOR
IMT Lighting (UK) Limited – Company No. 04627798

IMT Holding B.V.

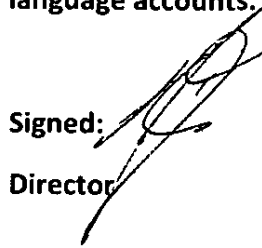
at Culemborg

Report on the annual accounts 2013

I hereby confirm that the following is an accurate translation from the original Dutch language accounts.

Signed:

Director



N J Barrett, DipM MCIM Chartered



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IMT Holding B.V.
For the attention of the Board of Directors
Pascalweg 10a
4104 BG Culemborg

Ede, 16 June 2014
Ref: 1035414/GvR/TvM/

Dear Board of Directors,

In accordance with your instructions we have reviewed the attached 2013 financial statements of your company. Our conclusion can be found in the review report in the 'Auditors' report' section of this report.

General

Comparative figures

The comparative figures are, where necessary, reclassified for comparability with the figures of the financial year 2013.

Profit appropriation

Profit appropriation 2012

In accordance with the decision reached at the general meeting of shareholders, according to the proposal in the financial statements of 2012, the profit after tax was added to the 'general reserve'.

Profit appropriation 2013

There will be a proposal to the general meeting of shareholders to add the profit after tax 2013 to the 'general reserve'. This proposal is added to the attached 2013 financial statements.



Result

Analysis of the result

The following tables sets out the consolidated profit and loss account analysis for 2013 compared to 2012. Income and expenses are expressed in thousands of euro's and as a percentage of the net turnover.

	2013		2012		Movement	
	€	%	€	%	€	%
x 1.000						
Other operating income	128	100,0	180	100,0	-52	-28,9
Other operating expenses	127	99,2	180	100,0	-53	-29,4
Total operating expenses (B)	127	99,2	180	100,0	-53	-29,4
Operating result (A-B)	1	0,8	-	-	1	-
Financial income and expense	-141	-110,2	-143	-79,4	2	1,4
Result from operational activities before taxation	-140	-109,4	-143	-79,4	3	2,1
Corporate income tax	28	21,9	11	6,1	17	154,5
	-112	-87,5	-132	-73,3	20	15,2
Share in result from participations	509	397,7	153	85,0	356	232,7
Net result after taxation	397	310,2	21	11,7	376	1.790,5

Financial position

To increase the understanding of the financial position the following summaries are outlined below. These summaries are based on the financial statements.

Financial structure

	<u>31-12-2013</u>	<u>31-12-2012</u>
x 1.000	€	€
Assets		
Financial fixed assets	1.777	1.273
Cash and banks	1	-
	<u>1.778</u>	<u>1.273</u>
Liabilities		
Shareholders' equity	-2.158	-2.553
Provisions	50	52
Long-term liabilities	3.483	3.420
Short-term liabilities	403	354
	<u>1.778</u>	<u>1.273</u>

Analysis of the financial position

	<u>31-12-2013</u>	<u>31-12-2012</u>
x 1.000	€	€
Available on short term		
Cash and banks	1	-
Short-term liabilities	-403	-354
Liquidity surplus = working capital	<u>-402</u>	<u>-354</u>
Established for the long term		
Financial fixed assets	1.777	1.273
Financed with long term available assets	<u>1.375</u>	<u>919</u>
Financing		
Shareholders' equity	-2.158	-2.553
Provisions	50	52
Long-term liabilities	3.483	3.420
	<u>1.375</u>	<u>919</u>

As illustrated above, the working capital position at 31 december 2013 has decreased from € -354,000 at 31 December 2012 to € -402,000 at 31 December 2013.



Fiscal position

Fiscal unity

IMT Holding B.V. together with IMT B.V. and IMT Beheer B.V. are a tax group and form a fiscal unity for Dutch corporation tax purposes. Each of the entities is therefore jointly and severally liable for the total corporate income tax obligation calculated on the consolidated or combined level. Within the (consolidated) financial statements of each entity within the fiscal unity the corporate income tax is calculated on the basis that each entity is responsible for its own corporate income tax obligation. The calculated total corporate income tax is included in the current account of IMT Beheer B.V.

Calculation taxable amount

Result before taxation	368.487
Participation exemption	-509.377
Taxable amount	<u>-140.890</u>

Calculation corporate income tax

	<u>2013</u>
	€
20,0% of € -140.890	<u>-28.178</u>

Regarding the positive fiscal result of the tax group the € 28.178 is recognized as a tax benefit.

We trust to have been of your service. If you have any questions or comments, please do not hesitate to contact us.

Yours faithfully,

BDO Audit & Assurance B.V.
On behalf of,



G. van Roekel RA

We hereby offer you the report concerning the annual report 2013 for IMT Holding B.V., Culemborg.

Review report

To: The Board of Directors of IMT Holding B.V.

Introduction

We have reviewed the financial statements of IMT Holding B.V., Culemborg, for the year 2013. Management is responsible for the preparation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Our responsibility is to issue a review report on these financial statements.

Scope

We conducted our review in accordance with Dutch law, including the Dutch Standard 2400 'Engagements to review financial statements'. This requires that we plan and perform the review to obtain moderate assurance about whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of the company personnel and analytical procedures applied to financial data and therefore provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

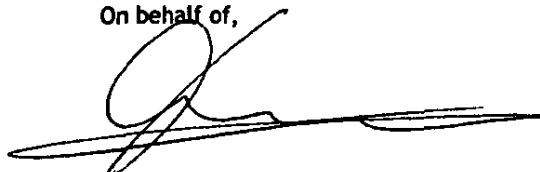
Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial statements do not give a true and fair view of the financial position of IMT Holding B.V. as at 31 December 2013, and of its results for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Ede, 16 June 2014

BDO Audit & Assurance B.V.

On behalf of,



G. van Roekel RA

IMT Holding B.V. at Culemborg

Balance sheet as at 31 December 2013

(Before result appropriation)

	31-12-2013	31-12-2012
	€	€
ASSETS		
Fixed assets		
Financial fixed assets		
Participations in group companies	1.777.440	1.272.502
Current assets		
Receivables		
Other receivables	-	138
Cash and banks	1.010	475
Total assets	1.778.450	1.273.115

	31-12-2013		31-12-2012	
	€	€	€	€
LIABILITIES				
Shareholders' equity				
Share capital	18.000		18.000	
Share premium reserve	1.643.460		1.643.460	
Legal and statutory reserves	114.580		172.606	
General reserve	-4 330.781		-4.407.986	
Result for the year	396.665		21.297	
		-2.158 076		-2.552.623
Provisions		49.640		51.962
Long-term liabilities				
Loans	87.500		487.500	
Liabilities to group companies	3.395.751		2.932.538	
		3.483.251		3.420.038
Short-term liabilities				
Short-term repayments	400.000		350.000	
Other liabilities and accrued expenses	3.635		3.738	
		403.635		353.738
Total equity and liabilities		<u>1 778 450</u>		<u>1.273.115</u>

The subsidiary company IMT Lighting (UK) Limited 04627798 is exempt from audit from Section 479a Companies Act 2006

IMT Holding B.V. at Culemborg

Profit and loss account for the year 2013

	<u>2013</u>		<u>2012</u>	
	€	€	€	€
Other operating income		127.500		180.000
Other operating expenses		127.500		179.090
Operating result		-		910
Financial income and expense		-140.890		-143.119
Result from operational activities before taxation		-140.890		-142.209
Corporate income tax		28.178		10.955
		-112.712		-131.254
Share in result from participations		509.377		152.551
Net result after taxation		396.665		21.297

Notes to the financial statements

General

The general principle for the valuation of assets and liabilities, as well as the determination of results, is the historical purchase price or manufacturing cost.
Unless otherwise stated, assets and liabilities are stated at face value.

Activities

The activities of IMT Holding B.V., incorporated in Culemborg, primarily consist of participating in and financing of other group companies.

Continuity

Prior years losses (caused by impairment of goodwill) contributed to negative shareholders' equity. Based on management's expectations of positive future results and the expected willingness of those who have given credit to financially support the company, the financial statements have been prepared on the basis that the company is a going concern.

Controlling party

IMT Holding B.V. is part of a group, the controlling party of this group is IMT Beheer B.V., incorporated in Culemborg.

Exemption consolidation in accordance of article 407

The financial statements of the Company are not consolidated with those wholly owned subsidiaries, as a result of the Article 407 of BW 2 Title 9 exemption.

Financial instruments

Financial instruments be both primary financial instruments, such as receivables and payables, and financial derivatives. For the principles of primary financial instruments, reference is made to the treatment per balance sheet item.

Financial derivative instruments are initially recognised at cost (or lower fair value). The gain or losses arising from the revaluation of financial instruments to fair value as of balance sheet date are taken directly to the profit and loss account.

Foreign currency

Receivables, liabilities and obligations denominated in foreign currencies are translated at the exchange rate prevailing at balance sheet date. Transactions in foreign currency during the financial year are recognised in the financial statements at the exchange rate prevailing at the transaction date. The exchange differences resulting from the translation at the balance sheet date, taking into account possible hedge transactions, are recorded in the profit and loss account.

Foreign group companies and non-consolidated investments outside the Netherlands which qualify as business operations in a foreign country. Balance sheet items are translated at the exchange rate at the balance sheet date and the profit and loss account items at the exchange rate at transaction date. The resulting exchange differences are directly deducted from or added to group equity.

Estimates

During the process of compiling the annual accounts the management of the company makes, in accordance with general accepted accounting policies, some estimation and assumptions which are contributory to the included amounts. The actual results can deviate from these estimations.

IMT Holding B.V. at Culemborg

Accounting policies in respect of the valuation of assets and liabilities

General

Unless presented otherwise at the relevant principle for the specific balance sheet item, assets and liabilities are presented at nominal value.

Financial fixed assets

Where significant influence is exercised participations in group companies are valued under the net asset value method, but not lower than nil. This net asset value is based on the same accounting principles as applied by IMT Holding B.V.

Participations with a negative equity are valued at nil. If the company fully or partly guarantees the liabilities of the participation concerned a provision is formed, primarily comprising the receivables from this participation. The remainder is recognised under provisions, in the amount of the share in the losses incurred by the participation, or for the amount of payments the company is expected to make on behalf of these participations.

Receivables

Accounts receivable are shown at nominal value, after deduction of a provision for bad and doubtful debts where appropriate.

Cash and cash equivalents

Unless otherwise noted, the liquid assets are, available for disposal by the company or group.

Provisions

Provisions are formed in respect of concrete or specific risks and liabilities existing on the balance sheet date, which extent is uncertain, but can reasonably be estimated.

Long-term liabilities

Long term liabilities are liabilities with maturity dates longer than one year. Initially interest-bearing loans and liabilities are recorded at face value and subsequently measured at amortized cost. The short term portion of long term liabilities (due within one year) is presented at the short-term liabilities.

Accounting policies in respect of result determination

General

The result for the year is the difference between net turnover and all related costs. The costs are determined according to the stated accounting policies.

Profits are realised in the year when the corresponding turnover is realised. Losses are recognised for the year in which it will be reasonable to estimate their existence.

The other gains and losses are allocated based on the relating financial year

Financial gains and losses

Financial gains and losses are the earned and/or incurred interest from/to third parties and group companies.

Taxation

Corporation income tax is calculated at the applicable rate on the result for the financial year, taking into account tax credits and limitations.

Result from participations in group and affiliated companies

Where significant influence is exercised over investments, the group's share in the investments' results is included in the consolidated profit and loss account. This result is determined on the basis of the accounting policies applied by IMT Holding B.V.

The result of the investment is the group share in the result of the entity based on the net asset value method.

IMT Holding B.V. at Culemborg

Notes to the balance sheet as at 31 December 2013

Fixed assets

Financial fixed assets

Register of participations

The interests of the company in other entities are as follows:

	<i>Share in issued capital in %</i>	
IMT B.V., at Culemborg (NL), at Culemborg (NL)	100,00	
IMT Deutschland GmbH, at Rheine (DE)	100,00	
IMT Lighting Ltd , at Bamford, Hope Valley (UK)	80,00	
IMT Far East Ltd., at Singapore (FE)	92,00	
	<u>31-12-2013</u>	<u>31-12-2012</u>
	€	€
<i>Participations in group companies</i>		
IMT B.V.	1.199.375	1.008.562
IMT Deutschland GmbH	-	-
IMT Lighting Ltd.	233.857	169.524
IMT Far East Ltd.	344.208	94.416
	<u>1.777.440</u>	<u>1.272.502</u>

For the participation in IMT Deutschland GmbH we refer to the provisions.

	<u>2013</u>	<u>2012</u>
	€	€
<i>IMT B.V.</i>		
Book value as at 1 January	1.008.562	964.742
Result of the year	190.813	43.820
Book value as at 31 December	<u>1.199.375</u>	<u>1.008.562</u>

IMT Holding B.V. at Culemborg

	<u>2013</u>	<u>2012</u>
	€	€
<i>IMT Deutschland GmbH</i>		
Book value as at 1 January	-	-
Allocation to provision	-2.322	-11.186
Result of the year	2.322	11.186
Book value as at 31 December	<u>-</u>	<u>-</u>
<i>IMT Lighting Ltd.</i>		
Book value as at 1 January	169.524	145.108
Dividend received	-	-15.000
Allocation to provision	-2.117	2.457
Result of the year	66.450	36.959
Book value as at 31 December	<u>233.857</u>	<u>169.524</u>
<i>IMT Far East Ltd.</i>		
Book value as at 1 January	94.416	-
From provision to participation	-	55.200
Disposal from provision	-	-21.370
Result of the year	249.792	60.586
Book value as at 31 December	<u>344.208</u>	<u>94.416</u>

Current assets

	<u>31-12-2013</u>	<u>31-12-2012</u>
	€	€
<i>Other receivables</i>		
Taxes and social security premiums	-	138
<u>Cash and banks</u>		
Deutsche Bank Nederland N.V.	963	475
Rabobank	47	-
	<u>1.010</u>	<u>475</u>

Liabilities

Shareholders' equity

Movements in equity were as follows:

	<i>Share capital</i>	<i>Share premium reserve</i>	<i>Legal and statutory reserves</i>	<i>General reserve</i>	<i>Result for the year</i>
	€	€	€	€	€
Balance as at 1 januari 2013	18.000	1.643.460	172.606	-4 407.986	21.297
Change from net income	-	-	-	-	-21.297
Result for the year	-	-	-	-	396.665
Appropriated of result	-	-	-	21.297	-
Withdrawal in financial year	-	-	-58.026	-	-
Release of legal reserve	-	-	-	55.908	-
Balance as at 31 december 2013	18 000	1.643.460	114.580	-4.330.781	396.665

Total

	€
Balance as at 1 januari 2013	-2.552.623
Change from net income	-21.297
Result for the year	396.665
Appropriated of result	21.297
Withdrawal in financial year	-58 026
Release of legal reserve	55.908
Balance as at 31 december 2013	-2.158.076

Share capital

The authorised share capital consists of € 90,000, divided into 90,000 ordinary shares at par value of € 1 per share. The issued and paid-up capital consists of 18.152 shares. The issued share capital did not change during the financial year.

	<u>31-12-2013</u>	<u>31-12-2012</u>
	€	€
<i>Legal and statutory reserves</i>		
Legal reserve development costs	111.805	167.713
Currency translation differences	2.775	4.893
	<u>114 580</u>	<u>172.606</u>

Legal reserve development costs

The legal reserve is formed because of IMT B.V. capitalized development costs.

Currency translation differences

The change in value of the currency translation differences is due to exchange rate fluctuation of the British Pound (GBP).

	<u>31-12-2013</u>	<u>31-12-2012</u>
	€	€
Other provisions		
Provision intra-group holdings	49.640	51.962
	<u> </u>	<u> </u>
<u>Provision intra-group holdings</u>		
IMT Deutschland GmbH	49.640	51.962
	<u> </u>	<u> </u>

	<u>2013</u>	<u>2012</u>
	€	€
<i>IMT Deutschland GmbH</i>		
Balance as at 1 January	51.962	63.148
Decrease of provision because of result of the financial year	-2.322	-11.186
	<u> </u>	<u> </u>
Balance as at 31 December	49.640	51.962
	<u> </u>	<u> </u>

Long-term liabilities

	<u>31-12-2013</u>	<u>31-12-2012</u>
	€	€
Loans		
Loan Deutsche Bank	87.500	487.500

Included in long term liabilities is € 0 (2012: € 0) which is repayable after more than five years.

	<u>2013</u>	<u>2012</u>
	€	€
Loan Deutsche Bank		
<u>Balance as at 1 January</u>		
Principal amount	1.300.000	1.300.000
Cumulative repayments	-462.500	-100.000
Balance as at 1 January	837.500	1.200.000

Movements

Redemptions	-350.000	-362.500
<u>Balance as at 31 December</u>		
Principal amount	1.300.000	1.300.000
Cumulative repayments	-812.500	-462.500
Short-term repayments	-400.000	-350.000
Balance as at 31 December	87.500	487.500

This is a loan granted by the Deutsche Bank Nederland N.V. in principal amount € 1,300,000, to finance operating activities. The term will be 5 years and the redemption for 2014 and 2015 will be € 400,000 and € 87,500. The interest is 3 15% plus the monthly Euribor. For the provided securities we refer to the off-balance sheet rights, obligations and arrangements.

	<u>31-12-2013</u>	<u>31-12-2012</u>
	€	€
Liabilities to group companies		
Liability to IMT B.V.	1.066.939	655.253
Liability IMT Beheer B.V.	2.328.812	2.277.285
	3.395.751	2.932.538

IMT Holding B.V. at Culemborg

	<u>2013</u>	<u>2012</u>
	€	€
<i>Liability to IMT B.V.</i>		
<u>Balance as at 1 January</u>		
Liability to IMT B.V.	655.253	202.455
Balance as at 1 January	<u>655.253</u>	<u>202.455</u>
 <u>Movements</u>		
Increase of liability	382.064	438.046
Interest	29.622	14.752
Balance movements	<u>411.686</u>	<u>452.798</u>
 <u>Balance as at 31 December</u>		
Liability to IMT B.V.	1.066.939	655.253
Balance as at 31 December	<u>1.066.939</u>	<u>655.253</u>

The interest calculated over the receivable is in 2013: 3.5% (2012: 3.5%). There are no fixed repayment obligations and no certainties provided.

	<u>2013</u>	<u>2012</u>
	€	€
<i>Liability IMT Beheer B.V.</i>		
<u>Balance as at 1 January</u>		
Liability to IMT Beheer B.V.	2.277.285	2.194.147
Balance as at 1 January	<u>2.277.285</u>	<u>2.194.147</u>
 <u>Movements</u>		
Increase of liability	-	17.040
Interest	79.705	77.093
Repayment liability	-28.178	-10.995
Balance movements	<u>51.527</u>	<u>83.138</u>
 <u>Balance as at 31 December</u>		
Liability to IMT Beheer B.V.	2.328.812	2.277.285
Balance as at 31 December	<u>2.328.812</u>	<u>2.277.285</u>

The interest calculated over the receivable is in 2013: 3.5% (2012: 3.5%). There are no fixed repayment obligations and no certainties provided.

IMT Holding B.V. at Culemborg

Short-term liabilities

	<u>31-12-2013</u>	<u>31-12-2012</u>
	€	€
<i>Short-term repayments</i>		
Current instalment on loan Deutsche Bank	400.000	350.000

For the provided securities we refer to the off-balance sheet rights, obligations and arrangements.

	<u>31-12-2013</u>	<u>31-12-2012</u>
	€	€
<i>Other liabilities and accrued expenses</i>		
Audit and consultancy costs	3.000	3.738
Other interest	635	-
	<u>3.635</u>	<u>3.738</u>

Off-balance-sheet rights, obligations and arrangements

Credit institutions

IMT Holding B.V. is jointly and severally liable for the long-term financing provided by Deutsche Bank Nederland N.V. The following securities are given:

- Jointly and several liability of IMT B.V. incorporated in Culemborg;
- Security of € 325.000, plus interest and costs, by Mr. Drs. R.L.L.M.G. Mignot, living in Amersfoort.
- Security of € 325.000, plus interest and costs, by Mr. Ir. G.J. Meljer, living in Amsterdam
- Pledge stocks, business inventory, receivables, intellectual property, rights on closed and closing agreements by contracting work

Corporation Tax and Value Added Tax

IMT Holding B.V. has for corporation tax and for Value Added Tax, been included in a tax group with IMT B.V. and IMT Beheer B.V.

IMT Holding B.V. has joint and several liability for the total Corporate Income Tax and Value Added Tax obligation calculated on the consolidated or combined level.

Other information

Audit statement

No audit has been performed in accordance with the statutory size exemption under Article 396, Title 9, Book 2, of the Dutch Civil Code.

Statutory rules concerning

Article 20 of the company statutory:

1. The net result after tax is at the free disposal of the general shareholders' meeting.
2. The company can only pay out the amount of profit, which is approved for distribution, to the shareholders' and other recipients. The distributions are only allowed by law when the shareholders' equity is greater than the paid up and requested amount of the accumulated retained capital including retained earnings.
3. Profit distributions occurs after the approval of the financial statement at which can be distributed if permitted, by law and the shareholders.
4. When calculating the amount available for profit distribution the share capital which the company maintains is not taken into account, unless the shares are charged for beneficial interest or in cooperation with the entity certificates are issued.
5. The entity only pays out interim bonuses when article 20.2 is fulfilled.

Proposed appropriation of the result

At the the general meeting where the financial statements will be approved, a proposal will be put forth to add the net result after taxes to 'General Reserves'.

The subsidiary company IMT Lighting (UK) Limited 04627798 is exempt from audit from Section 479a Companies Act 2006

Notes to the profit and loss account for the year 2013

	<u>2013</u>	<u>2012</u>
	€	€
<u>Other operating income</u>		
Received management fee	127.500	180.000
	<u>127.500</u>	<u>180.000</u>
<u>Average number of employees</u>		
During the financial year, there were no employees (2012: none)		
<u>Other operating expenses</u>		
General expenses	127.500	179.090
	<u>127.500</u>	<u>179.090</u>
<i>General expenses</i>		
Management fee	127.500	180.000
Other	-	-910
	<u>127.500</u>	<u>179.090</u>
<u>Financial income and expense</u>		
Interest and similar expenses	-140.890	-143.119
	<u>-140.890</u>	<u>-143.119</u>
<i>Interest and similar expenses</i>		
Interest liabilities to group companies	109.327	91.845
Interest loans	31.336	50.975
Paid bank interest	227	299
	<u>140.890</u>	<u>143.119</u>
<u>Corporate income tax</u>		
Corporate income tax	28.178	10.955
	<u>28.178</u>	<u>10.955</u>
<u>Income from participations in group companies</u>		
IMT B.V.	190.813	43.820
IMT Lighting Ltd.	66.450	36.959
IMT Far East Ltd.	249.792	60.586
IMT Deutschland GmbH	2.322	11.186
	<u>509.377</u>	<u>152.551</u>

Culemborg, 16 juni 2014

Board of Directors
IMT Beheer B.V.