
STATEMENT

I, the undersigned,

ROBERTO GONSALVES

do hereby state that:

1. I am a Chartered Accountant and the Managing Director of Mergence Corporate Solutions (Pty) Ltd (previously known as Cadiz Corporate Solutions (Pty) Ltd) ("Cadiz"). I was employed in the Cadiz group since November 1998 (now Mergence since January 2019). Prior to that I was a partner at PricewaterhouseCoopers.
2. I have been requested by the Commission to submit a statement in relation to Business Expansion Structured Products (Pty) Limited (registration number 2009/028420/07) and BEX Structured Products (Pty) Ltd" (registration number 2000/028999/07) (referred to interchangeably as "BEX" in this statement).
3. The facts contained in this statement are both true and correct, and within my personal knowledge, unless the context provides otherwise. Where facts were provided by third parties, they are presented in the belief that they are true and correct and, in my considered opinion, I have no reason to believe otherwise.

INTRODUCTION

4. During July 2012, Transnet (SOC) Limited ("Transnet") issued open tenders for the acquisition of 599 electric locomotives and 465 diesel locomotives, totalling 1064 locomotives, to support its aged locomotive fleet.

5. Cadiz formed part of a consortium that submitted a bid for the tender to supply the 1064 locomotives to Transnet. The consortium was led by CRRC SA Rolling Stock (Pty) Limited ("CRRC SA") (the "Company"), formerly known as CNR Rolling Stock South Africa (Pty) Limited ("CNRRSSA"). I am a non-executive director of this company.
6. At the outset I would like to explain the structure of CNRRSSA, as, in various sections of this statement, I refer *inter alia* to the majority and minority shareholders and executive directors and minority non-executive directors of this Company.
7. The directors of the CRRC SA are as follows:
 - 7.1. Gang Wang (Jeff Wang) (executive)
 - 7.2. Tao Yu (Tony Yu) (executive)
 - 7.3. Feng Yu (non-executive)
 - 7.4. Gang Zhao (non-executive)
 - 7.5. Lulamile Lincoln Xate (minority non-executive director)
 - 7.6. Rowlen Ethelbert Von Gericke (minority non-executive director)
 - 7.7. Roberto Gonsalves (myself) (minority non-executive director)
8. The shareholding in CRRC SA is structured as follows:
 - 8.1. China North Rail Corporation (CNR) – 66%, represented by the persons referred to in par 7.1 to 7.4 above;
 - 8.2. Endinamix (Pty) Ltd – 30%, represented by Lulamile Xate (minority shareholder)
 - 8.3. Global Railway Africa (Pty) Ltd - 2%, represented by Rowlen von Gericke (minority shareholder)

- 8.4. Cadiz - 2%, represented by me (minority shareholder).
9. The shareholding in Endinamix is structured as follows:
- 9.1. Linontando (Pty) Limited (20%)
 - 9.2. Kopano Ke Matla (Pty) Limited (20%)
 - 9.3. Makana Investment Corporation (Pty) Limited (20%)
 - 9.4. Azon Rail (Pty) Limited (13.33%)
 - 9.5. Lineta Investments CC (MJ Nobanda) (6.67%)
 - 9.6. Global Railway Africa (Pty) Ltd (10%)
 - 9.7. Cadiz (10%).
10. I wish to point out that the day to day operations and business of the Company are run by the first two directors, namely Gang Wang (CEO) and Tao Yu (CFO). The directors representing the minority shareholders were all minority non-executive directors of CRRC SA, and as such not involved in the operations and day do day business, except for attending Board meetings.
11. On 9 August 2012, CNRRSSA informed Transnet that they would tender for the supply of both electric and diesel locomotives to Transnet.
12. On 30 April 2013 CNRRSSA submitted their tender to Transnet.
13. During the tender evaluation process Transnet decided to split the award of the 465 diesel locomotives on a 50/50 basis and awarded the supply of 233 locomotives to Bombardier and 232 locomotives to our consortium, CNRRSSA.

14. On 17 March 2014, CNRRSSA entered into a Locomotive Supply Agreement with Transnet for the manufacturing of 232 Class 45D electric locomotives. See **Annexure RG1**.

PROPOSED "RELOCATION" TO DURBAN

15. The Locomotive Supply Agreement stipulated that the "Contractor Facility" for CNRRSSA to manufacture/assemble the locomotives at any one of two Transnet Freight Rail (TFR) locomotive manufacturing facilities, namely in Koedoespoort Pretoria or Bay-Head in Durban. However, in line with the tender, CNRRSSA had already based its costing on the assembly of the locomotives at Koedoespoort.
16. During March 2014 Transnet requested CNRRSSA to provide them with a proposed costing of the impact of manufacturing/assembling the locomotives at the Bay-Head facility in Durban instead of the Koedoespoort facility in Pretoria, and the Amended and Restated Locomotive Supply Agreement referred to Bay-Head as the "Contractor Facility". It is to be noted that at this point CNRRSSA had not as yet physically started operating in Koedoespoort. See **Annexures RG2 and RG3**.
17. On 11 March 2014 CNRRSSA responded to Transnet and provided the costing of the impact to manufacturing/assembling the locomotives at the Bay-Head plant in Durban. The total cost of locating to Durban came to an amount of R9 755 600.00. Refer **Annexure RG3**.
18. The calculation of the extra costs related to the "relocation" from Koedoespoort to Bay-Head was performed by us as the consortium members (CNR, Endinamix, Global and Cadiz) and we took the costs like transportation, flights, office and accommodation, etc., into consideration. The revised costs also took into consideration the savings that would arise, i.e. importing to Durban and not Pretoria meant less transport costs.

AGREEMENT WITH BEX

19. On 23 April 2015 CNRRSSA appointed an entity styled Business Expansion Structured Products (Pty) Limited (registration number 2009/028420/07) ("BEX") to act as an intermediary for purposes of negotiating a contract with Transnet for the claim of the costs of "relocating" CNRRSSA's locomotive manufacturing /assembly to the Durban facility.
20. The appointment of BEX was made despite us as the minority non-executive CRRC directors expressing our serious reservations and offering considerable opposition to the appointment of BEX on the basis that we, the minority non-executive CRRC directors, had not been consulted on this before. The potential BEX fee was outrageous, there was no indication that a tender process had been followed and there was no clear rationale as to why the Company was entitled to a relocation claim.
21. However, the directors nominated by CNR/CRRC who control the board, nevertheless proceeded to vote in favour of such appointment of BEX. See **Annexure RG4**.
22. The background to the appointment of BEX can be summarised as follows:
 - 22.1. The appointment process commenced on 8 April 2015 when a draft BEX agreement dated 8 March 2015 ("Draft Business Development Services Agreement") was received by the minority non-executive CRRC directors by e-mail from CNRRSSA in which BEX suggested the following in paragraph 7.2:
"The Company agrees that BEX will be entitled for an agency commission equivalent to the difference between the price excluding VAT awarded to the Company by TFR and the price benchmark of R280 million excluding VAT. For example if the price awarded is R650 million, then BEX will be entitled to an agency commission of R370 million." See **Annexure RG5**.

- 22.2. On 8 April 2015 a partially signed written round robin resolution (signed by the CRRC directors but not the minority non-executive CRRC directors) was circulated by CNRRSSA. We as the minority non-executive CRRC directors were requested to sign the resolution "*...in order to enter into the Agency Agreement in relation to the relocation of the manufacturing facility*" See **Annexure RG6**.
- 22.3. It was assumed at the time that the reference to an "Agency Agreement" in the resolution was in fact intended to be a reference to the proposed Draft Business Development Services Agreement to be concluded with "BEX Structured Products (Pty) Ltd" (registration number 2000/028999/07). As indicated above, the resolution received by e-mail had already been signed by all the CRRC directors.
- 22.4. At the Board meeting of 10 April 2015, the minority non-executive CRRC directors objected strongly to the company entering into an agreement with BEX and requested that their dissent be expressly noted and minuted. The reasons cited by the minority non-executive CRRC directors included the fact that the minority non-executive CRRC directors had not been consulted on this before, the potential BEX fee was outrageous, there was no indication that a tender process had been followed and there was no clear rationale as to why the Company was entitled to a relocation claim. See **Annexure RG7**.
- 22.5. Notwithstanding the objections of the minority non-executive CRCC directors, CNRRSSA nevertheless proceeded to sign the agreement with BEX (note that the agreement was signed with BEX as opposed to BEX Structured Products (Pty) Ltd, the entity named in the Draft Business Development Services Agreement) on 23 April 2015. See **Annexure RG8**.

23. It subsequently came to our attention as the minority non-executive CRRC directors that BEX is an Exempted Micro Enterprise based on the BEE Verification Certificate issued to it on 30 April 2015 and that the company had never traded before that. See **Annexure RG9**.
24. Furthermore, it was noted that the sole director of BEX, Mark Shaw, was only appointed on 15 April 2015. See **Annexure RG10**.
25. It also became clear from the Draft Business Services Agreement that CNRRSSA and BEX "benchmarked" the cost to CNRRSSA of locating its business activities at the Bay-Head depot in Durban at R280 million. Although it is not clear when and how these calculations were arrived at (i.e. the R280 million benchmark), a document reflecting how the "Estimated Cost Increase" amounting to R287 028 121 was calculated was received via e-mail on 21 April 2015. See **Annexure RG11**. (Note that the minority non-executive CRRC directors received several documents from Hogan Lovells on 2 November 2017 that purportedly supported the R280m calculation. These documents were attached to a letter from Hogan Lovells dated 4 September 2017 and addressed to KPMG in response to a Reportable Irregularity reported by KPMG to the Independent Regularity Board of Auditors ("IRBA") in respect of the BEX matter (refer to paragraph 42 below)).
26. The BEX proposal and costings were subsequently represented by CNRRSSA to Transnet which culminated in CNRRSSA concluding an agreement with Transnet in terms of which Transnet agreed to bear the cost of relocation and establishment by CNRRSSA of its business at the Bay-Head depot in an amount of R719 090 548, less a 10% discount, amounting to R647 181 494 (which is close to the above mentioned R650m). See **Annexure RG12**.
27. It appears, based on an invoice from BEX dated 7 September 2015, that the CNRRSSA benchmark was somehow increased from R280 million recorded in the signed Business Service Agreement dated 23 April 2015 to an amount of R580 million, although this was

never presented to us during the board meeting of CNRRSSA. Consequently BEX earned a fee of R67 181 494, excluding VAT. See **Annexure RG13**.

28. It was not clear to us as the minority non-executive CRRC directors why, having negotiated the terms of an agreement with Transnet as extensive and complex as the Locomotive Supply Agreement, and despite having access to considerable rail rolling stock experience within its shareholder base, CNRRSSA nevertheless felt it necessary to appoint an intermediary such as BEX which appears to have been a newly formed company with no trading history and little or no background in the assembly, manufacture, maintenance or operation of locomotives or any other experience in the rail industry, to negotiate a second (directly related) agreement (which we subsequently noted was referred to as a "Variation Order") with Transnet and furthermore to do so on such significantly generous terms to BEX. See **Annexure RG14**.
29. Although the Variation Order may be financially beneficial for CNRRSSA it remains unclear to the minority non-executive CRRC directors how or why such agreement was concluded, given that the Locomotive Supply Agreement envisages and provides for CNRRSSA to establish its operations at the Bay-Head depot and for the supply of locomotives to take place at Bay-Head on a fixed price basis which already included the amount of R9 755 600 (total for all 232 locomotives) for the envisaged relocation from Koedoespoort in Pretoria (as already anticipated when the tender was submitted) to Durban (as instructed by Transnet during the latter stages of the tender negotiations).
30. In addition, the Locomotive Supply Agreement also already makes separate provision for the supply of spares, tools and test equipment by CNRRSSA to Transnet in relation to an agreed Master Spares List and a Master Tools and Test Equipment List and based

on prices and values to be agreed by the parties so the Variation Order cannot be meant to cover the costs related to spares, tools or test equipment.

31. The minority non-executive CRRC directors and minority shareholders of CNRRSSA regarded the Variation Order and the appointment of BEX as perplexing. Furthermore, the appointment of BEX was not undertaken in accordance with the terms of the Memorandum of Incorporation of CNRRSSA which provides (in clause 4.1.3.27) that CNRRSSA may not conclude a contract that is outside of the ordinary course of the "Business" of CNRRSSA without *inter alia* the consent in writing of shareholders holding 70% of the voting rights that are exercisable by shareholders. See **Annexure RG15**. As no such consent was sought or obtained, the minority shareholders (having a 34% shareholding) are of the view that the appointment of BEX was concluded by CNRRSSA without the requisite authority.
32. The minority shareholders wrote to the board of directors of CNRRSSA and to CRRC on 8 June 2016, highlighting all the issues above. The letter expressed great concern that the CRRC directors had not responded to any of the previous correspondence from the minority non-executive CRRC directors requesting explanations for the above issues. **See Annexure RG16**.
33. The minority shareholders and minority non-executive CRRC directors informed the Company that they considered the issues raised by them to be important and would be scheduling a meeting with Transnet to discuss the matter.
34. On 16 August 2016 Von Gericke (Global), Whiting (Global), Xate (Endinamix) and myself (Cadiz) met with Siyabonga Gama, the Group Chief Executive Officer of Transnet, Garry Pita, Group Chief Financial Officer of Transnet and Ndiphiwe Silinga Group Legal and Compliance Officer of Transnet to discuss the above issues. It is important to note that at this stage the minority non-executive CRRC directors had not had sight of the Variation Order (as this was only seen later when received from Hogan Lovells) which

had been signed by Gama on 23 July 2015. At the conclusion of the meeting with Transnet, the minority non-executive CRRC directors were requested to provide Transnet with copies of all documents they had related to the BEX matter.

35. On 13 September 2016 Xate and I met with Silinga to hand over copies of the requested documents. The same documents were also emailed to Silinga on the same day. See **Annexure RG17**.
36. On 12 October 2016 Silinga called and informed me that Transnet Engineering ("TE") was conducting two audits to find out (i) why CNRRSSA had not paid TE a portion of the R647m that the company had received from TFR, as TE was a sub-contractor to CNRRSSA; and (ii) how the R647m was arrived at as certain amounts seem to have been duplicated.
37. On 8 December 2016 Silinga informed the minority non-executive CRRC directors that Transnet had appointed Harold Jacobs of Werksmans to investigate the BEX matter and would be contacting us for interviews.
38. On 14 December 2016 the minority non-executive CRRC directors met with Werksmans and shared all the information they had on the BEX matter.
39. On 31 January 2017 Werksmans emailed the minority non-executive CRRC directors and Transnet letting them know that the investigations were ongoing. The minority non-executive CRRC directors followed up a few times with Transnet and Werksmans to find out what the status of the investigations were and offered to assist where they could.
40. On 2 March 2017, Silinga wrote to the minority non-executive CRRC directors as follows in response to a letter from the Company to Transnet indicating that the relationship

between the shareholders of the Company had improved. The CEO of CNRRSSA, Jeff Wang, had indicated that Transnet sought such a letter (see **Annexure RG18**):

"Dear Sirs

The attached letter from CNR Rolling Stock SA to the Group Chief Executive of Transnet, Mr Gama, co-signed by Messrs Gang Wang and Lulamile Xate, refers.

In essence the letter seems to advise that all differences between the shareholders of CNR Rolling Stock SA have been resolved and that there now exists a good working relationship between the parties.

As a direct result of the differences that existed between the shareholders you laid a complaint against what you suspected to be an untoward conduct by the entity and/or some of its shareholders in relation to the relocation costs to a plant in Durban. Transnet through its external attorneys initiated an investigation which is still at its initial stages.

In light of the tone of the attached letter, we would be pleased to hear from you whether the resolved differences include the issues raised in your complaint. In the circumstances, Transnet would like to know whether you are still pursuing or withdrawing the complaint.

Regards,"

41. On 28 March 2017 the minority shareholders responded as follows (See **Annexure RG19**):

Dear Sir

CNR ROLLING STOCK SOUTH AFRICA (PTY) LTD ("CNRRSSA" or "the Company")

Your email dated 2 March 2017 and the CNRRSSA letter dated 21 February 2017 (attached to your email) refer.

We thank you for reaching out to us in order to clarify what the CNRRSSA letter may mean in respect of the BEX issue we raised with the executives of Transnet on 13 September 2016. At said meeting we raised two items we wished to discuss with Transnet management.

The first issue related to the relationship and co-operation between CNR, as the major shareholder in the Company, and the minority shareholders in the Company. We are pleased to be able to report to you that significant progress has been made by all parties to ensure that the parties obtain a better understanding of the needs of the respective shareholders and their representatives on the board of the Company, from a corporate governance and stakeholder interest perspective. The aim of the letter was to convey this message to Transnet. The second issue related to the BEX issue and the impact on the minority directors. An original draft of the abovementioned CNRRSSA letter made reference to the BEX issue but this was removed by Mr. Xate as the minority directors and the minority shareholders have deliberately not engaged with CNR on this issue, given that Transnet is undergoing its investigation. We therefore respectfully encourage you to continue along this road until a satisfactory outcome is reached and will continue to co-operate fully with you in this respect.

42. On 22 September 2017 Daisy Zhang from CNRRSSA called me to say that KPMG was considering issuing a reportable irregularity letter (hereinafter referred to as the "second RI").
43. I subsequently called Fred von Eckardstein, the KPMG partner responsible for the audit of CNRRSSA to find out more about the second RI. During the call, Von Eckardstein mentioned that he was considering a reportable irregularity in respect of certain project management fees and that this was not the first reportable irregularity that he had reported on.
44. The first reportable irregularity (dated 12 June 2017) dealt with the BEX issue, which the minority non-executive CRRC directors only found out about on 28 September 2017 (the BEX issue is hereinafter referred to as the "first RI"). See **Annexure RG20**.
45. I sent a follow-up email to Von Eckardstein on 22 September 2017 (See **Annexure RG21**):

"Dear Fred

Thank you for taking my call earlier today. You mentioned that there was a previous Reportable Irregularity as well. None of the South African directors (myself, Lulamile Xate or Rowlen von Gericke) were aware that we had an issue with this Reportable Irregularity until yesterday and had no idea of the previous Reportable Irregularity until you mentioned it to me today. Please send us the previous Reportable Irregularity as well as all related correspondence with the company. As mentioned on the call to you, we (myself, Lulamile Xate and Rowlen von Gericke) would like to meet with you as soon as possible and have requested that management set this up for quite a while. We will in the meantime ensure that the company responds fully to this Reportable Irregularity.

Regards"

46. On 27 September 2017 Endinamix held a board meeting to discuss the latest developments. The board expressed their concern that the CRRC directors and CRRC had not informed any of the other directors or shareholders about the first RI. A meeting between the Company, KPMG, the shareholders and legal advisors was requested.
47. On 28 September 2017, I spoke with Charles Yu of Hogan Lovells who informed me that the first RI had to do with BEX, and that Hogan Lovells no longer wished to act for CNRRSSA on the first RI as one of the BEX directors had apparently had a relationship with the Guptas. Hogan Lovells had assisted CNRRSSA to draft a response to the first RI and they felt that KPMG may be satisfied with the response.
48. On 10 October 2017 we as the minority non-executive CRRC directors, KPMG, and a legal advisor for the minority non-executive CRRC directors met to discuss the first RI and second RI. The minority non-executive CRRC directors made it clear to KPMG that they shared similar concerns with KPMG on the first RI, but not the second RI.

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49. On 20 October 2017 the CNRRSSA Board responded to KPMG on the second RI. To date no response has been received from IRBA on either the first or the second RI. See **Annexure RG22**.
50. On 27 October 2017 KPMG notified CNRRSSA that they had resigned as the Company's auditor. See **Annexure RG23**.
51. On 1 November 2017 there was yet another meeting with Werksmans where the minority non-executive CRRC directors and their legal advisor provided Werksmans with a complete history of the BEX matter.
52. Following this meeting the minority non-executive CRRC directors decided to report the BEX issue, in terms of the Section 34 of the PREVENTION AND COMBATTING OF CORRUPT ACTIVITIES ACT 12 OF 2004 (AS AMENDED) to the Hawks. The documents were handed to Lt. Col Percy Ueckermann of the Germiston branch of the DPCI section on 29 November 2017. See **Annexure RG24**.
53. A few months later Captain Frank Rangwashe of the Commercial Crime of Serious Economic Offences Unit of the Hawks in Pretoria came to see Von Gericke at his office in Kempton Park in connection with this matter and wanted to know more about the issue. Since then no further contact has been made by the authorities in connection with the reported matter.
54. On 25 September 2018 at a CNRRSSA board meeting (where the replacement of KPMG, the status of the audited financial statements and how the RI's had been dealt with were major agenda items), we as the minority non-executive CRRC directors were informed that J Theron & Pietersen Inc had been appointed as the Company's auditors and the 2017 audited financial statements were presented. Naturally this took us as the minority non-executive CRRC directors by complete surprise as we had not approved

the appointment of the auditors (which they demanded they have a say in) or the financial statements.

55. On 26 September 2018 Robbie Gonsalves wrote as follows to the audit partner, Nadia Pietersen: "We had a board meeting yesterday and were a little surprised when the signed audited AFS's were presented for 2017 as we have not had a board meeting since Dec last year. As far as I can recall even the Dec 2015 were not yet approved. We need to understand how the BEX payment has been treated and how we deal with the RI's. We explained this all to Jeff and his team yesterday." See **Annexure RG25**.
56. On 27 September 2018, Stephen Nthite, a director of Endinamix, wrote to the CRRC SA board on behalf of the Endinamix board wherein the following, inter alia, was stated (see **Annexure RG26**):
- b. We as Endinamix we regard the payment of R67 181 494 (including VAT) to BEX as a bribe to induce the award of this tender. This is a breach of your fiduciary duties as

Directors of CNR. We therefore demand that CNR take the following minimum measures to reverse and correct this situation:

- i. You report this matter in terms of the Prevention and Combating of Corrupt Activities Act 12 of 2004 (PCCA Act).
 - ii. You report this matter to the SAPS (HAWKS) as having been the subject of extortion by BEX.
 - iii. You report the behaviour of BEX in terms of the Financial Intelligence Centre Act 38 of 2001 (FICA).
 - iv. Any other measures necessary to recover the monies that you paid to BEX.
5. Our position as Endinamix is simply that unless CNR demonstrates a willingness to correct the BEX matter and all the other issues raised above by the Endinamix directors we are not willing to sign and confirm any BEE credentials of the Joint Venture as we will be complicit in the very things we are complaining about and we will demand the resignation of the Endinamix Board Member who sits on your board as that amounts to a conflict of interest.

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57. On 3 October 2018, Xate and I, together with Jeff Wang and other representatives of CNRRSSA met with Pietersen. It was obvious from the discussions that Pietersen had not been fully informed of the nature of the first RI. Over the next few days she was provided with all supporting documents related to both RI's.
58. On 8 October 2018 we were informed by J Theron & Pietersen Inc that they had retracted the 2015, 2016 and 2018 annual financial statements "*.... as a result of information that came to our attention after the finalisation of the above mentioned audit reports...*". In addition the auditors notified us that they "*... will need to reopen the December 2015 audit....*". See **Annexure RG27**.
59. On 15 October 2018 I wrote to Pietersen and made it clear to her that: "*Regarding BEX, we (the directors representing the minority directors ie Lulamile Xate (Endinamix), Rowlen von Gericke (Global) and Robbie Gonsalves (Cadiz)) were dissenting directors when the board voted on the BEX contract ie we did not support the contract and do not support that the payment made to BEX was a bona-fide payment for services rendered to CRRCSARS. For this reason we wanted to know how this payment was going to be disclosed in the Dec 2015 AFS's. We have, as yet, not received a response from CRRCSARS on the 27/9 letter.*" See **Annexure RG28**.
60. On 22 March 2019 the Company sent me a copy of the draft audited annual financial statements in respect of the year ended 31 December 2018. The draft independent auditor's report contains the following emphasis of matter in respect of the first RI (the BEX matter) and it appears that the second RI (project management fees) has been disposed of. See **Annexure RG29**.

Emphasis of matter

We draw attention to the following circumstance.

A reportable irregularity has been submitted to the regulatory board by the predecessor auditor (KPMG Inc) in terms of the definition of a reportable irregularity in section 1 of the Auditing Professions Act of 2005, and the procedures as outlined in section 45. The outcome of the matter is still to be resolved.

Particulars of the reportable irregularity are:

1. According to the information received, the proposal by CNR Rolling Stock South Africa (Pty) Ltd to Transnet SOC Ltd for the "Analysis of cost increase for locomotive delivery and locomotive factory location from Pretoria, Gauten to Durban, Kwazulu Natal in terms of Manufacturing facility relocation for Class 45D Locomotives Supply Project" significantly misrepresented the cost to Transnet. Transnet issued a variation order on 23 July 2015 accepting the proposal.
2. CNR entered into a Business Development Services Agreement with Business Expansion Structured Products (Pty) Ltd (registration no. 2009/020420/07) ("BEX") on 25 April 2015 relating to the proposal mentioned in 1. above and made payments to BEX which appear to lack sound commercial substance and purpose.

Our firm has engaged in undertaking further investigation of the matter and have since been limited to perform the duties due to lack of access to requested information.

Our opinion is not modified in respect of this matter.



ROBERTO GONSALVES

DATE: 14 April 2019