Africa Automotive A/S

Havnepladsen 3 A, st. tv., 5700 Svendborg

CVR no. 31 07 13 48

Annual report 2019

Approved at the Company's annual general meeting on 1 May 2020

Chairman:

.....
Jørn Hasselriis Raaschou

Penneo dokumentnøgle: P1EM2-KVC8U-GHSOE-UX25L-YSA4O-28A6E

Building a better working world

Contents

Statement by the Board of Directors and the Executive Board	**2**
Independent auditor's report	**3**
Management's review	**5**
Financial statements 1 January - 31 December	**8**
Income statement	8
Balance sheet	9
Statement of changes in equity	11
Notes to the financial statements	12

Penneo dokumentnøgle: P1EM2-KVC8U-GHSOE-UX25L-YSA4O-28A6E

Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Africa Automotive A/S for the financial year 1 January - 31 December 2019.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and financial position.

We recommend that the annual report be approved at the annual general meeting.

Svendborg, 1 May 2020
Executive Board:

Jørn Hasselriis Raaschou

Board of Directors:

Kenn Janerka Olsen
Chairman

Leonid Zikeev

Kim Ole Vandbæk

Jørn Hasselriis Raaschou

Penneo dokumentnøgle: P1EM2-KVC8U-GHSOE-UX25L-YSA4O-28A6E

Independent auditor's report

To the shareholders of Africa Automotive A/S

Opinion

We have audited the financial statements of Africa Automotive A/S for the financial year 1 January - 31 December 2019, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Penneo dokumentnøgle: P1EM2-KVC8U-GHSOE-UX25L-YSA4O-28A6E

Independent auditor's report

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Odense, 1 May 2020
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Brian Skovhus Jakobsen
State Authorised Public Accountant
mne27701

Penneo dokumentnøgle: P1EM2-KVC8U-GHSOE-UX25L-YSA4O-28A6E

Management's review

Company details

Name	Africa Automotive A/S
Address, Postal code, City	Havnepladsen 3 A, st. tv., 5700 Svendborg
CVR no.	31 07 13 48
Established	15 November 2007
Financial year	1 January - 31 December
Website	www.africaautomotive.dk
Telephone	+45 62 22 88 99
Board of Directors	Kenn Janerka Olsen, Chairman Leonid Zikeev Kim Ole Vandbæk Jørn Hasselriis Raaschou
Executive Board	Jørn Hasselriis Raaschou
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Englandsgade 25, P.O. Box 200, 5100 Odense C, Denmark

Penneo dokumentnøgle: P1EM2-KVC8U-GHSOE-UX25L-YSA4O-28A6E

Management's review

Financial highlights

DKK'000	2019	2018	2017	2016	2015
Key figures					
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	1,358	2,491	2,475	2,698	2,219
Net financials	-1,634	-1,951	-3,037	-375	283
Profit/loss for the year	**-978**	**998**	**223**	**1,589**	**2,031**
Total assets	63,878	73,149	55,397	61,724	40,710
Investment in property, plant and equipment	0	0	0	0	42
Equity	**12,895**	**14,332**	**13,215**	**28,095**	**29,475**
Financial ratios					
Return on assets	2.0%	3.9%	4.0%	5.1%	3.6%
Current ratio	131.0%	127.9%	127.7%	181.9%	362.8%
Equity ratio	20.2%	19.6%	23.9%	45.5%	72.4%
Return on equity	-7.2%	7.2%	1.1%	5.5%	6.7%
Average number of employees	**4**	**4**	**6**	**6**	**6**

Financial ratios are calculated in accordance with the Danish Finance Society's recommendations. For terms and definitions, please see the accounting policies.

Penneo dokumentnøgle: P1EM2-KVC8U-GHSOE-UX25L-YSA4O-28A6E

Management's review

Business review

The company is similar to previous years engaged in specialized automotive solutions to Sub-Saharan Africa.

Financial review

The Company has continued its normal activities.

The result for the year is a loss at DKK 978 thousand which is a negative development compared to the profit in 2018 at DKK 998 thousand.
The result for the year is lower than expected and thus not satisfactory.

Special risks

The Company has no special risks besides what is common for the business it operates in.

Impact on the external environment

The Company has no effect on the external environment besides what is to be expected by an office environment.

Events after the balance sheet date

No events of material importance for the Company's financial situation have occurred after the end of the financial year.

Outlook

Management expects a satisfactory result for the fiscal year 2020. It is, although, uncertain to which extend the Covid-19 will have an impact on the result for the fiscal year 2020.

Penneo dokumentnøgle: P1EM2-KVC8U-GHSOE-UX25L-YSA4O-28A6E

Financial statements 1 January - 31 December

Income statement

Note	DKK	2019	2018
	Gross profit	4,878,592	7,362,216
2	Staff costs	-3,520,429	-4,871,104
	Depreciation and impairment of plant and equipment	0	-14,093
	Profit before net financials	1,358,163	2,477,019
	Income from investments in subsidiaries	-756,143	590,522
3	Financial income	711,924	255,378
4	Financial expenses	-2,346,078	-2,206,375
	Profit/loss before tax	-1,032,134	1,116,544
5	Tax for the year	54,314	-118,290
	Profit/loss for the year	-977,820	998,254

Penneo dokumentnøgle: P1EM2-KVC8U-GHSOE-UX25L-YSA4O-28A6E

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2019	2018
	ASSETS		
	Fixed assets		
6	**Property, plant and equipment**		
	Plant and equipment	0	0
		0	0
7	**Investments**		
	Equity investments in subsidiaries	187,860	923,656
		187,860	923,656
	Total fixed assets	187,860	923,656
	Non-fixed assets		
	Inventories		
	Finished goods and goods for resale	8,414,271	7,658,967
	Prepayments for goods	14,086,295	12,063,816
		22,500,566	19,722,783
	Receivables		
	Trade receivables	18,724,776	23,941,333
	Receivables from subsidiaries	22,108,844	25,032,169
9	Deferred tax assets	166,382	0
	Other receivables	65,672	277,743
	Prepayments	62,182	31,818
		41,127,856	49,283,063
	Cash	61,959	3,219,184
	Total non-fixed assets	63,690,381	72,225,030
	TOTAL ASSETS	63,878,241	73,148,686

Penneo dokumentnøgle: P1EM2-KVC8U-GHSOE-UX25L-YSA4O-28A6E

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2019	2018
	EQUITY AND LIABILITIES		
	Equity		
8	Share capital	800,000	800,000
	Net revaluation reserve according to the equity method	0	607,988
	Retained earnings	12,095,084	12,924,043
	Total equity	12,895,084	14,332,031
	Provisions		
9	Deferred tax	0	23,168
	Total provisions	0	23,168
	Liabilities other than provisions		
10	**Non-current liabilities other than provisions**		
11	Subordinate loan capital	2,320,000	2,320,000
	Other payables	53,078	0
		2,373,078	2,320,000
	Current liabilities other than provisions		
	Bank debt	24,680,852	4,849,958
	Prepayments received from customers	906,257	1,681,845
	Trade payables	2,179,126	6,224,705
	Payables to subsidiaries	19,325,980	36,810,013
	Joint taxation contribution payable	0	47,695
	Payables to shareholders and management	77,490	64,912
	Other payables	1,440,374	6,794,359
		48,610,079	56,473,487
	Total liabilities other than provisions	50,983,157	58,793,487
	TOTAL EQUITY AND LIABILITIES	63,878,241	73,148,686

1 Accounting policies
12 Contractual obligations and contingencies, etc.
13 Collateral
14 Currency risks
15 Related parties

Penneo dokumentnøgle: P1EM2-KVC8U-GHSOE-UX25L-YSA4O-28A6E

Financial statements 1 January - 31 December

Statement of changes in equity

Note	DKK	Share capital	Net revaluation reserve according to the equity method	Retained earnings	Total
	Equity at 1 January 2018	800,000	1,203,457	11,211,671	13,215,128
16	Transfer, see "Appropriation of profit/loss"	0	-714,118	1,712,372	998,254
	Adjustment of investments through foreign exchange adjustments	0	118,649	0	118,649
	Equity at 1 January 2019	800,000	607,988	12,924,043	14,332,031
16	Transfer, see "Appropriation of profit/loss"	0	-628,335	-349,485	-977,820
	Adjustment of investments through foreign exchange adjustments	0	20,347	0	20,347
	Other value adjustments of equity	0	0	-614,710	-614,710
	Tax on items recognised directly in equity	0	0	135,236	135,236
	Equity at 31 December 2019	800,000	0	12,095,084	12,895,084

Penneo dokumentnøgle: P1EM2-KVC8U-GHSOE-UX25L-YSA4O-28A6E

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Africa Automotive A/S for 2019 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

In accordance with section 112(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

The accounting policies used in the preparation of the financial statements are consistent with those of last year, except that individual reclassifications have been made in comparison figures.

Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are reflected in the consolidated cash flow statement for the higher-ranking parent company Buk-Auto A/S.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Derivative financial instruments

On initial recognition, derivative financial instruments are recognised at cost in the balance sheet and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are included in "Other receivables" and "Other payables", respectively.

Fair value adjustments of derivative financial instruments designated as and qualifying for recognition as a hedge of the fair value of a recognised asset or liability are recognised in the income statement along with changes in the fair value of the hedged asset or liability.

Fair value adjustments of derivative financial instruments designated as and qualifying for hedging of future assets or liabilities are recognised in other receivables or other payables, respectively, and in equity. If the hedged forecast transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the hedged forecast transaction results in income or expenses, amounts previously deferred in equity are transferred to the income statement in the period in which the hedged item affects the profit/loss for the year.

Income statement

Revenue

Income from the sale of goods for resale and finished goods is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on Incoterms® 2010.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Gross profit

The items revenue, cost of sales and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Penneo dokumentnøgle: P1EM2-KVC8U-GHSOE-UX25L-YSA4O-28A6E

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Depreciation

The item comprises depreciation of plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Plant and equipment	5 years

Profit/loss from investments in subsidiaries

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries are presented as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities, exchange gains and losses and amortisation of financial assets and liabilities.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Penneo dokumentnøgle: P1EM2-KVC8U-GHSOE-UX25L-YSA4O-28A6E

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Property, plant and equipment

Items of plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Investments in subsidiaries

Equity investments in subsidiaries are measured according to the equity method.

On initial recognition, equity investments in subsidiaries are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in subsidiaries measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Gains or losses on disposal of subsidiaries and associates are made up as the difference between the sales price and the carrying amount of net assets at the date of disposal including non-amortised goodwill and anticipated costs of disposal. Gains or losses are recognised in the income statement as financial income or financial expenses.

Impairment of fixed assets

The carrying amount of plant and equipment and investments in subsidiaries is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

Penneo dokumentnøgle: P1EM2-KVC8U-GHSOE-UX25L-YSA4O-28A6E

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Equity

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in subsidiaries relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Penneo dokumentnøgle: P1EM2-KVC8U-GHSOE-UX25L-YSA4O-28A6E

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Subordinate loan capital

Liabilities where the creditors have stated they are willing to subordinate their claim to rank after all the entity's other creditors are presented as subordinate loan capital. Subordinate loan capital is recognised using the same method as applies to liabilities.

Financial ratios

The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating profit/loss	Profit/loss before financial items adjusted for other operating income and other operating expenses
Return on assets	$\frac{\text{Profit/loss from operating activites x 100}}{\text{Average assets}}$
Current ratio	$\frac{\text{Current assets x 100}}{\text{Current liabilities}}$
Equity ratio	$\frac{\text{Equity, year-end x 100}}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\frac{\text{Profit/loss after tax x 100}}{\text{Average equity}}$

Penneo dokumentnøgle: P1EM2-KVC8U-GHSOE-UX25L-YSA4O-28A6E

Financial statements 1 January - 31 December

Notes to the financial statements

	DKK	2019	2018
2	**Staff costs**		
	Wages/salaries	3,488,027	4,840,796
	Other social security costs	32,402	30,308
		3,520,429	4,871,104
	Average number of full-time employees	4	4
3	**Financial income**		
	Interest receivable, group entities	665,369	159,570
	Other interest income	46,555	95,808
		711,924	255,378
4	**Financial expenses**		
	Interest expenses, group entities	654,403	575,038
	Other financial expenses	1,691,675	1,631,337
		2,346,078	2,206,375
5	**Tax for the year**		
	Estimated tax charge for the year	0	47,695
	Deferred tax adjustments in the year	-54,314	70,595
		-54,314	118,290

6 **Property, plant and equipment**

DKK	Plant and equipment
Cost at 1 January 2019	390,892
Cost at 31 December 2019	390,892
Impairment losses and depreciation at 1 January 2019	390,892
Impairment losses and depreciation at 31 December 2019	390,892
Carrying amount at 31 December 2019	0

Penneo dokumentnøgle: P1EM2-KVC8U-GHSOE-UX25L-YSA4O-28A6E

Financial statements 1 January - 31 December

Notes to the financial statements

7 Investments

DKK	Equity investments in subsidiaries
Cost at 1 January 2019	315,669
Cost at 31 December 2019	315,669
Value adjustments at 1 January 2019	607,987
Foreign exchange adjustments	20,347
Profit/loss for the year	-756,143
Value adjustments at 31 December 2019	-127,809
Carrying amount at 31 December 2019	187,860

Name	Domicile	Interest	Equity DKK	Profit/loss DKK
Subsidiaries				
Global Automotive Inc.	USA	100.00%	187,680	-756,143

DKK	2019	2018
8 Share capital		
Analysis of the share capital:		
800 A shares of DKK 1,000.00 nominal value each	800,000	800,000
	800,000	800,000

The Company's share capital has remained DKK 800,000 over the past 5 years.

DKK	2019	2018
9 Deferred tax		
Deferred tax at 1 January	23,168	-47,427
Annual adjustment of deferred tax in equity transactions	-135,236	0
Annual adjustment of deferred tax in income statement	-54,314	70,595
Deferred tax at 31 December	-166,382	23,168
Deferred tax relates to:		
Inventories	20,399	23,168
Tax loss	-186,781	0
	-166,382	23,168

Penneo dokumentnøgle: P1EM2-KVC8U-GHSOE-UX25L-YSA4O-28A6E

Financial statements 1 January - 31 December

Notes to the financial statements

10 Non-current liabilities other than provisions

DKK	Total debt at 31/12 2019	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Subordinate loan capital	2,320,000	0	2,320,000	0
Other payables	53,078	0	53,078	0
	2,373,078	0	2,373,078	0

Other payables consist of holiday liabilities in connection with the New Danish Holiday Act to be paid in 2021.

11 Subordinate loan capital

Loan DKK 2,320 thousand has been granted by shareholder and is subordinated in relation to all other creditors. The term to maturity depends on other funding. The interest is paid on a quarterly basis.

12 Contractual obligations and contingencies, etc.

Other contingent liabilities

The Company is jointly taxed with its parent, Buk-Auto A/S, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes for the income year 2018 onwards as well as withholding taxes on interest, royalties and dividends falling due for payment on or after 31 December 2018.

13 Collateral

A company charge comprising all the Company's assets, however with an upper limit of DKK 20 million, has been provided as collateral for the Company's and the parent company's commitments with Jyske Bank. At 31 December 2019, the amount drawn in respect of these commitments was DKK 34.6 million.

The Company has provided a guarantee whereby the guarantor assumes primary liability in relation to Buk-Auto A/S', Buk-Auto Denmarks ApS' and Buk-Auto Ltd.'s commitments with Jyske bank. At 31 December 2019, the amount drawn in respect of these commitments was DKK 17.2 million.

14 Currency risks

The company uses hedging instruments such as forward exchange contracts and currency swaps to hedge recognised transactions.

Recognised transactions

Hedging of recognised transactions primarily includes receivables and payables.

At 31 December 2019 the value according to contract amounts to DKK 55,977 thousand and the net position amounts to DKK -521 thousand.

Penneo dokumentnøgle: P1EM2-KVC8U-GHSOE-UX25L-YSA4O-28A6E

Financial statements 1 January - 31 December

Notes to the financial statements

15 Related parties

Africa Automotive A/S' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
Buk-Auto A/S	Svendborg, Denmark	Shareholders' agreement

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Buk-Auto A/S	Svendborg, Denmark	www.cvr.dk

Related party transactions

Africa Automotive A/S was engaged in the below related party transactions:

DKK	2019	2018
Sale of goods to subsidiary	25,889,551	78,685,312
Sale of goods to parent company	404,829	911,962
Purchase of goods from parent company	294,234	0
Management fee to parent company	1,337,105	1,341,891
Bonus to shareholders	1,615,592	1,996,928
Interest income from subsidiaries and parent company	665,369	159,570
Interest expenses to parent company	654,403	575,038
Interest expenses to shareholder, subordinate loan capital	139,200	145,500
Interest expenses to other related party	44,877	88,894
Receivables from subsidiary	22,101,485	25,032,169
Receivables from other related parties	7,332	0
Payables to parent company	19,278,285	36,810,013
Payable to other related party	0	3,615,256
Subordinate loan capital from shareholder	2,320,000	2,320,000
Payable to shareholders	112,290	64,912
Payable to Boardmember	83,995	73,223

By reference to section 98b(3), (ii), of the Danish Financial Statements Act, remuneration to Management is not disclosed.

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the votes or minimum 5% of the share capital:

Name	Domicile
Buk-Auto A/S	Svendborg, Denmark

Penneo dokumentnøgle: P1EM2-KVC8U-GHSOE-UX25L-YSA4O-28A6E

Financial statements 1 January - 31 December

Notes to the financial statements

	DKK	2019	2018
16	**Appropriation of profit/loss**		
	Recommended appropriation of profit/loss		
	Net revaluation reserve according to the equity method	-628,335	-714,118
	Retained earnings/accumulated loss	-349,485	1,712,372
		-977,820	998,254

Penneo dokumentnøgle: P1EM2-KVC8U-GHSOE-UX25L-YSA4O-28A6E

PENNEO

Underskrifterne i dette dokument er juridisk bindende. Dokumentet er underskrevet via Penneo™ sikker digital underskrift. Underskrivernes identiteter er blevet registereret, og informationerne er listet herunder.

"Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument."

Jørn Hasselriis Raaschou
Direktion
På vegne af: Africa Automotive A/S
Serienummer: PID:9208-2002-2-930010774978
IP: 87.48.xxx.xxx
2020-05-05 08:37:43Z
NEM ID

Jørn Hasselriis Raaschou
Dirigent
På vegne af: Africa Automotive A/S
Serienummer: PID:9208-2002-2-930010774978
IP: 87.48.xxx.xxx
2020-05-05 08:37:43Z
NEM ID

Jørn Hasselriis Raaschou
Bestyrelse
På vegne af: Africa Automotive A/S
Serienummer: PID:9208-2002-2-930010774978
IP: 87.48.xxx.xxx
2020-05-05 08:47:23Z
NEM ID

Kenn Janerka Olsen
Formand
På vegne af: Africa Automotive A/S
Serienummer: PID:9208-2002-2-814216244841
IP: 87.48.xxx.xxx
2020-05-05 09:03:25Z
NEM ID

Navnet er skjult (CPR valideret)
Bestyrelse
På vegne af: Africa Automotive A/S
Serienummer: PID:9208-2002-2-712341636783
IP: 50.216.xxx.xxx
2020-05-07 16:32:37Z
NEM ID

Brian Skovhus Jakobsen
Statsautoriseret revisor
På vegne af: Ernst & Young P/S
Serienummer: CVR:30700228-RID:90136501
IP: 83.74.xxx.xxx
2020-05-08 08:18:39Z
NEM ID

Penneo dokumentnøgle: P1EM2-KVC8U-GHSOE-UX25L-YSA4O-28A6E

Dette dokument er underskrevet digitalt via **Penneo.com**. Signeringsbeviserne i dokumentet er sikret og valideret ved anvendelse af den matematiske hashværdi af det originale dokument. Dokumentet er låst for ændringer og tidsstemplet med et certifikat fra en betroet tredjepart. Alle kryptografiske signeringsbeviser er indlejret i denne PDF, i tilfælde af de skal anvendes til validering i fremtiden.

Sådan kan du sikre, at dokumentet er originalt
Dette dokument er beskyttet med et Adobe CDS certifikat. Når du åbner dokumentet i Adobe Reader, kan du se, at dokumentet er certificeret af **Penneo e-signature service <penneo@penneo.com>**. Dette er din garanti for, at indholdet af dokumentet er uændret.

Du har mulighed for at efterprøve de kryptografiske signeringsbeviser indlejret i dokumentet ved at anvende Penneos validator på følgende websted: **https://penneo.com/validate**