

Africa Automotive A/S**Norgesvej 2****5700 Svendborg****Company registration number 31 07 13 48****Annual Report****1 January 2015 - 31 December 2015**

The Annual General Meeting adopted the annual report on
28 April 2016



Chairman of the General Meeting

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Company details

Company

Africa Automotive A/S
Norgesvej 2
5700 Svendborg

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Homepage:
E-mail: joern@africaautomotive.dk
Registered office is located in: Svendborg
Central business registration number: 31 07 13 48
Accounting Period: 1. januar 2015 - 31. december 2015

Main Activity

The Company's Activity is according to the Articles of Association trading with specialized automotive solutions to Sub-Saharan Africa.

Board of Directors

Hans Christian Bukkehave
Peter Pasgaard Madsen
Kenn Janerka Olsen
Kim Vandbæk

Management

Peter Pasgaard Madsen

Shareholders

Shareholders that own more than 5 % of the Share Capital:

Buk Auto A/S
CPT Invest ApS

Bank

Jyske Bank
Mageløs 8
5100 Odense C DK

Auditor

Dansk Revision Svendborg
Statsautoriseret revisionsaktieselskab
Norgesvej 2
5700 Svendborg

Statement of Board of directors and executive board

The Executive Board and Supervisory Boards have today discussed and approved the annual report of Africa Automotive A/S for the period 1 January – 31 December 2015.

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

It is our opinion that the financial statements give a true and fair view of the company's financial position at 31 December 2015 and of the results of the company's operations and cash flows for the financial year 1 January – 31 December 2015. Further, in our opinion, the Management's review gives a fair review of the development in the company's operations and financial matters and of the results of the company's operations and financial position.

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

Svendborg, 28 April 2016

Board of directors



Peter Pasgaard Madsen

Supervisory Board:



Hans Christian Bukkehave

Olsen

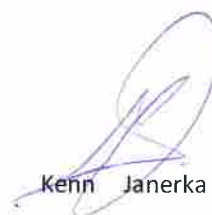
Chairman



Kim Vandbæk



Peter Pasgaard Madsen



Kenn Janerka

Independent auditor's report

To the shareholders of Africa Automotive A/S

Independent auditors' report on the financial statements

We have audited the financial statements of Africa Automotive A/S for the financial year 1. januar 2015 - 31. december 2015, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement, including summary of significant accounting policies for the company. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's Responsibility for the Financial Statements

The 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 the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish Audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management, as well as the overall presentation of the financial statements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The audit has not resulted in any qualification.

Opinion

In our opinion, the financial statement give a true and fair view of the Company's financial position at 31. december 2015 and of the results of the Company's operations and cash flows for the financial year 1. januar 2015 - 31. december 2015 in accordance with the Danish Financial Statements Act.

Independent auditor's report

Statement on the Management's review

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any further procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Svendborg, 28 April 2016

Dansk Revision Svendborg

Statsautoriseret revisionsaktieselskab



Niels Duedahl

Statsautoriseret revisor

Managements review

Principal activities

The Company is similar to previous year engaged in specialised automotive solutions to Sub-Sahara Africa.

Development in activities and financial position

The Company has continued its normal activities. There has not been any isolated events during the year, that require mentioning in the Management's review.

The result of the year shows a profit after tax at DKK 2.031.017, which we consider to be satisfactory.

Events after the balance sheet date

From the time of preparation of the balance until today, nothing has happened which in our opinion can change the annual report and the company's financial situation.

Outlook

The management expects a satisfactory result for the fiscal year 2016.

Particular risks

The company has no particular risks, besides what is common for the business it operates in.

Environment

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

Subsidiaries abroad

The company has a subsidiary in USA, Global Automotive Inc.

Result compared with expectations

The 2015 budget showed an expected profit for the year of TDKK. 3.885 and the final profit realized a TDKK. 2.031.

The fall in profit is primarily due to decreasing turnover, leading to a fall in gross profit of TDKK. 4.754.

Main figures	2015	2014	2013	2012	2011
	1.000	1.000	1.000	1.000	1.000
	DKK	DKK	DKK	DKK	DKK
Income Statement					
Operating profit/loss	2.144	15.870	9.751	13.897	9.878
Profit/loss from financial income and expenses	508	-3.551	-2.701	-4.823	-3.670
Profit/loss for the year	2.031	9.520	5.222	6.826	4.405
Balance sheet					
Fixed tangible assets	1.224	1.019	431	278	511
Current assets	39.486	76.431	59.777	45.478	46.472
Balance sheet total	40.710	77.450	60.208	45.756	46.983
Equity	29.475	31.194	22.389	17.167	10.379
Working capital	27.928	52.438	50.797	38.271	39.324
Long term liabilities	0	700	712	5.200	5.200
Short term liabilities	10.885	45.164	37.107	23.385	31.203
Financial ratios in %					
Return on working capital	7,3	30,3	19,2	36,4	26,6
Equity ratio	72,4	40,3	37,2	37,5	22,1
Return on equity	6,7	35,5	26,4	79,5	53,8
Employees	6,0	5,0	5,0	5,0	4,0

Accounting policies

Generally

The annual report has been prepared in accordance with the provisions applying to reporting class C medium-sized enterprises under the Danish Financial Statements Act.

The annual report has been prepared in accordance with the same accounting policies as previous years.

Consolidated financial statement

In accordance with section 112 of the Danish Financial Statements Act, the company presents no consolidated financial statement, as it is part of a higher group.

Recognition and measurement

Assets are recognised on the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised on the balance sheet when an outflow of economic benefits is probable and when the liability can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

Certain financial assets and liabilities are measured at amortised cost implying the recognition of a constant effective interest rate to maturity. Amortised cost is calculated as initial cost minus any principal repayments and plus or minus the cumulative amortisation of any difference between cost and nominal amount.

When assets and liabilities are recognised and measured, any gains, losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities measured at fair value or amortised cost. Equally, costs incurred to generate the year's earnings are recognised, including depreciation, amortisation, impairment and provisions as well as reversals as a result of changes in accounting estimates of amount which were previously recognised in the income statement.

Foreign currency translation

Upon initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognized in the income statement.

Accounts receivable, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date on which the receivable or amount payable arose or was recognized in the latest annual report is recognized in the income statement.

Accounting policies

Derivative financial instruments

Derivative financial instruments are initially recognized on the balance sheet at cost and are subsequently measured at fair value.

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

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

For derivative financial instruments that do not qualify for hedge accounting, changes in fair value are recognized in the income statement on a regular basis.

Income Statement

Revenue

Revenue from the sale of goods for resale and finished goods and services is recognised in the income statement provided that transfer of risk to the buyer has taken place before year end and that the income can be reliably measured and is expected to be received. Revenue is measured ex. VAT, and taxes charged on behalf of third parties. All sort of discounts are included in revenue.

Gross profit

Revenue, cost of goods sold and other external costs in are aggregated in one line and referred to as gross profit.

Other external costs

Other external costs comprise cost of selling, commercial costs, premises and administrations costs including payments on operating leases.

Staff Costs

Staff Costs comprise payroll, other payroll-related items and other staff costs.

Financial income and expenses

Financial income and expenses comprise interest income and expense, costs of finance leasing, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme etc.

Accounting policies

Results from subsidiaries

Results from subsidiaries are recognised in accordance with the equity method.

Tax on profit/loss from ordinary activities

Tax for the period comprises current tax and changes in current tax for the year. The tax expense relating to the profit/loss for the period is recognized in the income statement, and the tax expense relating to changes directly recognized in equity is recognized directly in equity.

The company is jointly taxed with its Danish group enterprises according to Danish tax regulation.

The current Danish corporation tax is allocated by settlement of joint taxation contribution between joint taxed companies on basis of their taxable incomes. Loss making companies receive tax contribution fra profitable companies in proportion to their taxable income (full absorption with refund for tax losses).

Balance sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment. . The basis of depreciation is cost less forecast residual value after the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets.

The expected useful lives are as follows:

Residual value

Technical equipment:	3 years	DKK 0,00
Other equipment and inventory:	4 years	DKK 0,00

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the sales price less disposal costs and the carrying amount at the date of disposal. The gains or losses are recognized in the income statement as depreciation.

Impairments on property, plant and equipment

The carrying amount of property, plant and equipment is annually rated to determine whether there are indications of impairment, besides what is expressed in depreciations.

If indications of impairment occurs, impairment test is made on specific assets or groups of assets.

Impairment is made if net realization value is lower than the carrying amount.

Net realization value is the highest of net sales price and capital value. Capital value is calculated as present value of the expected revenues from the use of the asset or group of assets.

Accounting policies

Financial non-current assets

Investments in subsidiaries are recognized in the balance sheet to the proportionate share of the company's net assets according to the parent company's accounting policies after deduction or addition of unrealised intercompany profit and losses.

In the parent company's income statement, the proportionate share of the individual subsidiary companies' result after taxes.

Other investments are measured at cost or net realization value if lower than cost.

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.

Goods for resale comprise purchase price plus delivery cost.

Net realisable value for inventories are calculated as sales price deducted costs of completion and costs linked to sales and are fixed taking into account marketability, obsolescence and development in expected sales price.

Receivables

Receivables are measured at amortised cost, normally equal to nominal value.

Write-down is made for bad debt losses when there is objective evidence that a receivable has been impaired.

Prepayments

Prepayments comprise of costs incurred concerning subsequent financial years.

Cash funds

Comprise cash funds i Danish kroner and foreign currency.

Equity - dividends

Proposed dividends are recognised as a liability at the date on which they are adopted at the annual meeting (declaration date). The expected dividend payment for the year disclosed as a separate item under equity.

Payables

Financial payables are recognized at the date of borrowing at the net proceeds received less transaction costs paid.

Debt is measured at amortised cost corresponding to nominal value.

Corporation tax and deferred tax

Current tax payable and receivable is recognized on the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities.

Accounting policies

Deferred tax assets, including the tax base of tax loss carryforwards, are recognized 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 and jurisdiction.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Cash flow statement

The cash flow statement shows the company's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the company's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities are calculated as the company's profit/loss for the year adjusted for non-cash operating items, changes in working capital and corporation tax paid.

Cash flows from investments comprise property, plant and equipment investments and dividends.

Cash flows from financing activities comprise raising of loans and repayment of interestbearing debts.

Cash and cash equivalents comprise cash and short-term marketable securities with a term of a year or less which are subject to an insignificant risk of changes in value.

Key figures

Key figures are calculated in accordance with the Danish Financial Analysts Associations publication "Recommendations & Key figures 2010".

Return on working capital:	Operating profit/loss for the year as a % of working capital
Equity ratio:	Equity as a % of total assets
Return on equity:	Profit/loss for the year as a % of average equity

		2015	2014
Note	Income statement	DKK	1.000 DKK
Period 1 January - 31 December			
	Gross profit/loss	5.519.274	17.016
1	Staff costs	-3.405.792	-2.947
	Depreciation and impairment of tangible assets	-74.700	-71
	Revaluation of current assets	105.042	1.872
	Operating profit/loss	2.143.825	15.870
	Result in subsidiaries	225.488	809
2	Financial income	1.862.897	4.030
	Financial expenses	-1.580.372	-8.390
	Profit/loss from ordinary activities before tax	2.651.838	12.319
3	Tax on profit/loss	-620.821	-2.799
	Profit/loss for the year	2.031.017	9.520
Proposed profit appropriation/distribution of loss			
	Proposed dividends	3.000.000	3.750
	Revaluation reserve	-105.039	1.472
	Retained earnings	-863.944	4.298
	Distribution of profit/loss	2.031.017	9.520

		2015	2014
Note	Balance sheet	DKK	1.000 DKK
Assets at 31 December			
4	Fixtures and fittings, tools and equipment	214.672	314
	Fixed tangible assets	214.672	314
5	Investments in subsidiaries	1.009.152	705
6	Other investments	0	0
	Fixed financial assets	1.009.152	705
	Total fixed assets	1.223.825	1.019
	Inventories	11.498.851	30.853
	Prepayments	2.657.731	3.162
7	Total inventories	14.156.581	34.015
	Trade receivables	16.682.676	36.884
	Receivables from group entities	6.023.967	5.474
	Other receivables	385.561	21
8	Prepayments	1.013.685	19
	Tilgodehavender	24.105.889	42.397
	Likvide beholdninger	1.223.761	19
	Omsætningsaktiver i alt	39.486.232	76.431
	Aktiver i alt	40.710.057	77.450

		2015	2014
Note	Balance sheet	DKK	1.000 DKK
	Equity and liabilities at 31 December		
	Share capital	800.000	800
	Revaluation reserve	1.366.536	1.472
	Retained earnings	24.308.425	25.172
	Proposed dividends	3.000.000	3.750
9	Total equity	29.474.961	31.194
	Deferred taxes	350.056	393
	Provisions	350.056	393
	Subordinated loans	0	700
	Long term liabilities	0	700
	Debt to financial institutions	550.633	33.390
	Trade payables	5.761.707	7.076
	Payables to associates	6.254	4
	Corporate taxes	622.180	2.378
	Other liabilities	3.944.267	1.910
10	Prepayments	0	405
	Short term liabilities	10.885.040	45.164
	Total liabilities and provisions	11.235.096	46.257
	Total equity and liabilities	40.710.057	77.450
11	Contingent liabilities		
12	Mortgages and securities		
13	Related parties		

Note	Cash flow statement	2015	2014
		DKK	1.000 DKK
	Profit/loss for the year	2.031.017	9.520
	Depreciation fixed assets	74.700	71
	Depreciation current assets	-105.042	-1.872
	Results in subsidiaries	-225.488	-809
	Expected loss receivables	-500.000	1.500
	Financial income	-1.862.897	-4.030
	Financial expenses	1.580.372	6.789
	Tax on profit/loss	620.821	2.799
	Adjustments	82.466	4.449
	Change in inventories	16.696.386	-25.022
	Change in receivables	17.434.034	-3.489
	Change in current liabilities	4.278.448	12.732
	Depreciation of current assets	105.042	400
	Change in working capital	38.571.685	-15.379
	Interest received	1.862.897	87
	Interest payed	-1.143.016	-1.246
	Interest payments	719.880	-1.558
	Payed taxes	-2.377.719	-1.859
	Net cash from operation activities	38.469.555	-4.428
	Bought fixed tangible assets	-41.853	-108
	Sold fixed tangible assests	66.727	154
	Net cash from investments	24.874	46
	Change in long term liabilities	-700.000	-12
	Payed dividends	-3.750.000	-750
	Net cash from financing activities	-4.450.000	-762
	Change in net cash	34.044.428	-5.135
	Likvider primo	-33.371.300	-27.678
	Likvider ultimo	673.128	-33.371
	Change in net cash	34.044.428	-5.136

Notes

1	Staff costs		
	Payroll	3.335.210	2.928
	Other social security costs etc.	70.582	19
	Total staff costs	3.405.792	2.947
	Payroll to management is not disclosed, as only one person in management received remuneration		
2	Financial income		
	Interest from subsidiaries	0	20
	Other financial income	1.862.897	4.010
	Total financial income	1.862.897	4.030
3	Tax on profit/loss		
	Current tax for the year	622.180	2.378
	Adjustments in deferred tax	-42.825	456
	Adjustments previous years	41.466	-34
	Tax on profit/loss	620.821	2.799
4	Fixtures and fittings, tools and equipment		
	Cost at 1 January	540.120	615
	Additions for the year	41.853	108
	Disposals for the year	-108.127	-183
	Cost at 31 December	473.846	540
	Depreciation and impairment at 1 Januar	-225.874	-184
	Depreciation, assets sold	41.400	48
	Depreciation and impairment for the year	-74.700	-89
	Depreciation at 31 December	-259.174	-226
	Carrying amount at 31 December	214.672	314

Notes

5 Investments in subsidiaries

Cost at 1 January	315.669	11
Cost at 31 December	315.669	11
Value adjustment at 1 January	693.484	-151
Years result after tax	0	844
Value adjustment at 31 December	693.484	693
Total investment in subsidiaries	1.009.152	705

Name	Place	Share
Global Automotive Inc.	USA	100 %

6 Other investments

Cost at 1 January	10.090	10
Cost at 31 December	10.090	10
Depreciation at 1 January	-10.090	-10
Depreciation at 31 December	-10.090	-10
Total other investments	0	0

7 Inventories

With reference to section 11 (3) in the Danish Financial Statements Act, the company has derogated from the provisions of section 40 (2) of the Danish Financial Statements Act in which it is provided, that the revaluation of inventories to replacement cost must be recognized directly in equity. The revaluation of inventories, which exclusively concerns foreign currency translation adjustment at the balance sheet date, have been recognized in the income statement. The amount is bound via the appropriation of net income in a separate reserve (revaluation reserve) under equity. The company is a merchandising-sector company in which the inventories in all material aspects are purchased in USD and sold in USD. Management considers the marked adjusted value of the inventories to be the correct accounting value of inventories at the balance sheet date. This is how the actual values, which the company has at its disposal and the company's future performance potential, are reported. The transaction has had a positive effect on the net income for the year before tax of TDKK 105. The transaction has no effect on equity or taxes.

Notes

8 Prepayments

Allocated cost	0	19
Prepayments	1.013.685	0
Total prepayments	1.013.685	19

9 Equity	Share capital	Revaluation reserve	Retained earnings	Proposed dividends	Total
	1.000 DKK	1.000 DKK	1.000 DKK	1.000 DKK	1.000 DKK
Equity 1 January	800	1.472	25.172	3.750	31.194
Payed dividends	0	0	0	-3.750	-3.750
Revaluation reserve	0	-105	0	0	-105
Retained earnings	0	0	-864	3.000	2.136
Equity 31 December	800	1.367	24.308	3.000	29.475

The share capital consist of 16 shares of a nominal amount of DKK 50.000.
No shares carry special rights and have not been changed the past 5 years.

10 Prepayments

Prepayments from costumers	0	405
Total prepayments	0	405

11 Contingent liabilities

The company is a part of a joint taxation scheme with other Danish companies in the group.
The company is unlimited and jointly liable with the other companies in the group for withholding taxes on dividends and royalties within the joint taxation.

12 Mortgages and securities

Mortgages and security

There are registerede business mortgages to te company's credit institution for DKK 20.000.000.

Notes

13 Related parties

Related parties

Buk Auto A/S, Norgesvej 2, 5700 Svendborg has control.

The company is part of the consolidated financial statement of H. C. Holding Svendborg ApS.

