

Africa Automotive A/S

Østre Havnevej 16A, 5700 Svendborg

CVR no. 31 07 13 48

Annual report 2020

Approved at the Company's annual general meeting on 4 May 2021

Chair of the meeting:

.....
Kenn Janerka Olsen



**Building a better
working world**

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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 2020.

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 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020.

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, 4 May 2021

Executive Board:

Kenn Janerka Olsen

Board of Directors:

Peter Pasgaard Madsen
Chair



Leonid Zikeev

Kim Ole Vandbæk

Kenn Janerka Olsen

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 2020, 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 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020 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.

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, 4 May 2021
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Brian Skovhus Jakobsen
State Authorised Public Accountant
mne27701

Management's review

Company details

Name	Africa Automotive A/S
Address, Postal code, City	Østre Havnevej 16A, 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	Peter Pasgaard Madsen, Chair Leonid Zikeev Kim Ole Vandbæk Kenn Janerka Olsen
Executive Board	Kenn Janerka Olsen
Auditors	EY Godkendt Revisionspartnerselskab Englandsgade 25, P.O. Box 200, 5100 Odense C, Denmark

Management's review

Financial highlights

DKK'000	2020	2019	2018	2017	2016
Key figures					
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	977	1,358	2,491	2,475	2,698
Net financials	-962	-1,634	-1,951	-3,037	-375
Profit/loss for the year	11	-978	998	223	1,589
Total assets	32,336	63,878	73,149	55,397	61,724
Investments in property, plant and equipment	0	0	0	0	0
Equity	13,385	12,895	14,332	13,215	28,095
Financial ratios					
Return on assets	2.0%	2.0%	3.9%	4.0%	5.1%
Current ratio	194.4%	131.0%	127.9%	127.7%	181.9%
Equity ratio	41.4%	20.2%	19.6%	23.9%	45.5%
Return on equity	0.1%	-7.2%	7.2%	1.1%	5.5%
Average number of employees	4	4	4	6	6

For terms and definitions, please see the accounting policies.

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 profit at DKK 11 thousand which is a positive development compared to the loss in 2019 at DKK 978 thousand.

The result in 2019 was to a large extend affected by the negative result in the American subsidiary, which was sold to the parent company begin 2020 and thus has no influence on the result for 2020. The result for the year is lower than expected and thus not satisfactory.

Financial risks and use of financial instruments

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 2021 where the uncertainty is to which extend the Covid-19 will have an impact on the final result.

Financial statements 1 January - 31 December

Income statement

Note	DKK	2020	2019
	Gross profit	4,000,186	4,878,592
2	Staff costs	-3,023,639	-3,520,429
	Profit before net financials	976,547	1,358,163
	Income from investments in subsidiaries	0	-756,143
3	Financial income	476,668	711,924
4	Financial expenses	-1,438,791	-2,346,078
	Profit/loss before tax	14,424	-1,032,134
5	Tax for the year	-3,487	54,314
	Profit/loss for the year	10,937	-977,820

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2020	2019
	ASSETS		
	Fixed assets		
6	Property, plant and equipment		
	Plant and equipment	0	0
		0	0
		0	0
7	Investments		
	Equity investments in subsidiaries	0	187,860
		0	187,860
		0	187,860
	Total fixed assets		
		0	187,860
	Non-fixed assets		
	Inventories		
	Finished goods and goods for resale	4,445,887	8,414,271
	Prepayments for goods	10,449,200	14,086,295
		14,895,087	22,500,566
9	Trade receivables	15,772,315	18,724,776
	Receivables from subsidiaries	211,732	22,108,844
	Deferred tax assets	39,971	166,382
	Other receivables	135,949	65,672
	Prepayments	32,517	62,182
		16,192,484	41,127,856
		1,248,849	61,959
	Cash		
	Total non-fixed assets		
	TOTAL ASSETS		
		32,336,420	63,690,381
		32,336,420	63,878,241

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2020	2019
EQUITY AND LIABILITIES			
Equity			
8 Share capital		800,000	800,000
Net revaluation reserve according to the equity method		0	0
Retained earnings		12,585,495	12,095,084
Total equity		13,385,495	12,895,084
Liabilities other than provisions			
10 Non-current liabilities other than provisions			
11 Subordinate loan capital		2,320,000	2,320,000
Other payables		0	53,078
		2,320,000	2,373,078
Current liabilities other than provisions			
Bank debt		2,631,211	24,680,852
Prepayments received from customers		0	906,257
Trade payables		1,345,538	2,179,126
Payables to subsidiaries		12,093,053	19,325,980
Joint taxation contribution payable		12,335	0
Payables to shareholders and management		86,081	77,490
Other payables		462,707	1,440,374
		16,630,925	48,610,079
		18,950,925	50,983,157
TOTAL EQUITY AND LIABILITIES		32,336,420	63,878,241

- 1 Accounting policies
- 13 Contractual obligations and contingencies, etc.
- 14 Collateral
- 15 Related parties
- 16 Appropriation of profit/loss

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 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 1 January 2020	800,000	0	12,095,084	12,895,084
16	Transfer, see "Appropriation of profit/loss"	0	0	10,937	10,937
	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 2020	800,000	0	12,585,495	13,385,495

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Africa Automotive A/S for 2020 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

Effective from the financial year 2020, the Company has implemented amending act no. 1716 of 27 December 2018 to the Danish Financial Statements Act. The implementation of the amending act has not affected the Company's accounting policies on recognition and measurement of assets and liabilities but has solely entailed a requirement for further disclosures. The accounting policies used in the preparation of the financial statements are consistent with those of last year.

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 presented as separate items in the balance sheet.

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 and qualifying as hedging of future assets or liabilities are recognised as separate items in the balance sheet and in the hedging reserve under equity. If the 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 forecast transaction results in income or expenses, amounts previously recognised in equity are transferred to the income statement in the period in which the hedged item affects the income statement.

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.

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.

Amortisation/depreciation and impairment

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
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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.

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 deducted 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.

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".

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	$\frac{\text{Profit/loss from operating activites} \times 100}{\text{Average assets}}$
Current ratio	$\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$
Equity ratio	$\frac{\text{Equity, year-end} \times 100}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$

Financial statements 1 January - 31 December
Notes to the financial statements

	DKK	2020	2019
2 Staff costs			
Wages/salaries		3,000,444	3,488,027
Other social security costs		23,195	32,402
		<u>3,023,639</u>	<u>3,520,429</u>
Average number of full-time employees		4	4
		<u>4</u>	<u>4</u>
3 Financial income			
Interest receivable, group entities		476,668	665,369
Other interest income		0	46,555
		<u>476,668</u>	<u>711,924</u>
4 Financial expenses			
Interest expenses, group entities		374,372	654,403
Other financial expenses		1,064,419	1,691,675
		<u>1,438,791</u>	<u>2,346,078</u>
5 Tax for the year			
Estimated tax charge for the year		12,335	0
Deferred tax adjustments in the year		-8,848	-54,314
		<u>3,487</u>	<u>-54,314</u>
6 Property, plant and equipment			
		Plant and equipment	
Cost at 1 January 2020		390,892	
Cost at 31 December 2020		390,892	
Impairment losses and depreciation at 1 January 2020		390,892	
Impairment losses and depreciation at 31 December 2020		390,892	
Carrying amount at 31 December 2020		0	

Financial statements 1 January - 31 December

Notes to the financial statements

7 Investments

DKK	Equity investments in subsidiaries
Cost at 1 January 2020	315,669
Disposals	-315,669
Cost at 31 December 2020	0
Value adjustments at 1 January 2020	-127,809
Reversal of value adjustments on assets disposed	127,809
Value adjustments at 31 December 2020	0
Carrying amount at 31 December 2020	0

8 Share capital

Analysis of the share capital:

DKK	2020	2019
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.

9 Deferred tax

Deferred tax at 1 January	-166,382	23,168
Joint taxation contribution in previous years	23	0
Annual adjustment of deferred tax in equity transactions	135,236	-135,236
Annual adjustment of deferred tax in income statement	-8,848	-54,314
Deferred tax at 31 December	-39,971	-166,382

Deferred tax relates to:

Inventories	-39,971	20,399
Tax loss	0	-186,781
	-39,971	-166,382

Financial statements 1 January - 31 December

Notes to the financial statements

10 Non-current liabilities other than provisions

DKK	Total debt at 31/12 2020	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Subordinate loan capital	2,320,000	0	2,320,000	0
	2,320,000	0	2,320,000	0

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 Derivative financial instruments

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 2020 the value according to contract amounts to DKK 10,935 thousand and the net position amounts to DKK 10 thousand.

13 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.

14 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 2020, the amount drawn in respect of these commitments was DKK 9.4 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 2020, the amount drawn in respect of these commitments was DKK 9.4 million.

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	2020	2019
Sale of goods to subsidiary	0	25,889,551
Sale of goods to parent company	0	404,829
Sale of goods to other related parties	18,959,715	148,563
Purchase of goods from parent company	647,739	294,234
Management fee to parent company	1,079,020	1,337,105
Bonus to shareholders	1,302,428	1,615,592
Interest income from subsidiary and other related parties	476,668	665,369
Interest expenses to parent company	374,372	654,403
Interest expenses to shareholder, subordinate loan capital	139,200	139,200
Interest expenses to other related parties	0	44,877
Receivables from subsidiary	0	22,101,485
Receivables from other related parties	211,732	7,332
Payables to parent company	10,352,792	19,278,285
Payable to other related parties	1,766,431	0
Subordinate loan capital from shareholder	2,320,000	2,320,000
Payable to shareholders	86,081	112,290
Payable to Boardmember	45,432	83,995

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

Financial statements 1 January - 31 December

Notes to the financial statements

DKK	2020	2019
16 Appropriation of profit/loss		
Recommended appropriation of profit/loss		
Net revaluation reserve according to the equity method	0	-628,335
Retained earnings/accumulated loss	10,937	-349,485
	10,937	-977,820

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"By my signature I confirm all dates and content in this document."

Kenn Janerka Olsen

Executive Board

On behalf of: Africa Automotive A/S

Serial number: PID:9208-2002-2-814216244841

IP: 87.48.xxx.xxx

2021-05-07 08:16:55Z

NEM ID 

Kenn Janerka Olsen

Chairman

On behalf of: Africa Automotive A/S

Serial number: PID:9208-2002-2-814216244841

IP: 87.48.xxx.xxx

2021-05-07 08:16:55Z

NEM ID 

Kenn Janerka Olsen

Board of Directors

On behalf of: Africa Automotive A/S

Serial number: PID:9208-2002-2-814216244841

IP: 87.48.xxx.xxx

2021-05-07 08:17:46Z

NEM ID 

The name is withheld (SSN validated)

Chairman

On behalf of: Africa Automotive A/S

Serial number: PID:9208-2002-2-394779482710

IP: 87.48.xxx.xxx

2021-05-07 11:32:47Z

NEM ID 

The name is withheld (SSN validated)

Board of Directors

On behalf of: Africa Automotive A/S

Serial number: PID:9208-2002-2-712341636783

IP: 50.216.xxx.xxx

2021-05-10 13:43:47Z

NEM ID 

Brian Skovhus Jakobsen

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

Serial number: CVR:30700228-RID:90136501

IP: 145.62.xxx.xxx

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