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BDO Statsautoriseret revisionsaktieselskab  
Grønnemosevej 6  
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CVR no. 20 22 26 70

**AUTO KJAER A/S**  
**C/O KJAER GROUP A/S, GRØNNEMOSEVEJ 6, 5700 SVENDBORG**  
**ANNUAL REPORT**  
**1 JANUARY - 31 DECEMBER 2019**

**The Annual Report has been presented and  
adopted at the Company's Annual General  
Meeting on 15 May 2020**

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**Mads Krarup Kjær**

*The English part of this document is an unofficial translation of the original Danish text, and in case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.*

**CVR NO. 34 60 08 72**

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**COMPANY DETAILS**

<b>Company</b>	AUTO KJAER A/S c/o Kjaer Group A/S, Grønnemosevej 6 5700 Svendborg  CVR No.: 34 60 08 72 Established: 26 June 2012 Registered Office: Svendborg Financial Year: 1 January - 31 December
<b>Board of Directors</b>	Mads Krarup Kjær, chairman Richard Valentin Nijhout Flemming Eltang
<b>Board of Executives</b>	Richard Valentin Nijhout
<b>Auditor</b>	BDO Statsautoriseret revisionsaktieselskab Grønnemosevej 6 5700 Svendborg

## STATEMENT BY BOARD OF DIRECTORS AND BOARD OF EXECUTIVES

Today the Board of Directors and Board of Executives have discussed and approved the Annual Report of AUTO KJAER A/S for the financial year 1 January - 31 December 2019.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

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

The Management's Review includes in our opinion a fair presentation of the matters dealt with in the Review.

We recommend the Annual Report be approved at the Annual General Meeting.

Svendborg, 15 May 2020

Board of Executives

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Richard Valentin Nijhout

Board of Directors

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Mads Krarup Kjær  
Chairman

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Richard Valentin Nijhout

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Flemming Eltang

## INDEPENDENT AUDITOR'S REPORT

*To the Shareholder of AUTO KJAER A/S*

### **Opinion**

We have audited the Financial Statements of AUTO KJAER A/S for the financial year 1 January - 31 December 2019, which comprise income statement, balance sheet, notes and a summary of significant 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 assets, liabilities and 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 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 requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

### ***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 about 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 these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

## INDEPENDENT AUDITOR'S REPORT

- 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 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 Management's Review***

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover 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 Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financial Statements Act.

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

Svendborg, 15 May 2020

BDO Statsautoriseret revisionsaktieselskab  
CVR no. 20 22 26 70

Niels Duedahl  
State Authorised Public Accountant  
MNE no. mne11644

## MANAGEMENT'S REVIEW

### ***Principal activities***

Auto Kjaer A/S act as an experienced and professional supplier of project vehicles and transportations solutions for International Commercial companies, governmental and non-governmental organizations, primarily in Africa.

With the flexibility of no tied link to specific brand, we have access to a large international network of stock of vehicles, motorbikes and trucks. Further, we are in very close partnership with freight forwarder, insurer and other long relationship suppliers, which ensures to receive a very competitive and secure delivery. Auto Kjaer A/S supports manufactures and bigger dealer groups/distributors having old or slow moving stocks to find end users for them.

Auto Kjaer A/S is a subsidiary of Kjaer Group A/S. Auto Kjaer adheres to the Kjaer Group Way of Management and Corporate Social Responsibility policy, whereby Auto Kjaer is committed to the principles articulated in the United Nations Global Compact (UNGC). Auto Kjaer further confirms support for cleaner environment by joining the UN's environmental initiative "Caring for the Climate".

### ***Development in activities and financial position***

The company was not successful in securing new sales in 2019, which resulted in a loss of DKK 76 thousands compared to a loss of DKK 317 thousands in 2018.

As a consequence the activity has been closed and no activity expected in 2020.

### ***Significant events after the end of the financial year***

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

**INCOME STATEMENT 1 JANUARY - 31 DECEMBER**

	Note	2019 DKK	2018 DKK
<b>GROSS LOSS</b> .....		<b>-41.896</b>	<b>56.702</b>
Staff costs.....	1	-255.787	-884.775
<b>OPERATING LOSS</b> .....		<b>-297.683</b>	<b>-828.073</b>
Other financial income.....	2	407.565	421.460
Other financial expenses.....	3	-11.526	-188
<b>PROFIT BEFORE TAX</b> .....		<b>98.356</b>	<b>-406.801</b>
Tax on profit/loss for the year.....	4	-22.000	89.496
<b>PROFIT FOR THE YEAR</b> .....		<b>76.356</b>	<b>-317.305</b>
 <b>PROPOSED DISTRIBUTION OF DIVIDEND</b>			
Retained earnings.....		76.356	-317.305
<b>TOTAL</b> .....		<b>76.356</b>	<b>-317.305</b>

## BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2019 DKK	2018 DKK
Receivables from group enterprises.....		10.055.826	9.625.549
Corporation tax receivable.....		0	92.165
Joint tax contribution receivable.....		0	90.229
<b>Receivables.....</b>		<b>10.055.826</b>	<b>9.807.943</b>
Cash at banks.....		95.401	45.493
<b>CURRENT ASSETS.....</b>		<b>10.151.227</b>	<b>9.853.436</b>
<b>ASSETS.....</b>		<b>10.151.227</b>	<b>9.853.436</b>

## BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2019 DKK	2018 DKK
Share capital.....		10.000.000	10.000.000
Retained earnings.....		-214.045	-290.402
<b>EQUITY.....</b>	<b>5</b>	<b>9.785.955</b>	<b>9.709.598</b>
Bank debt.....		0	23.184
Payables to group enterprises.....		308.273	0
Corporation tax.....		22.000	0
Other liabilities.....		34.999	120.654
<b>Current liabilities.....</b>		<b>365.272</b>	<b>143.838</b>
<b>LIABILITIES.....</b>		<b>365.272</b>	<b>143.838</b>
<b>EQUITY AND LIABILITIES.....</b>		<b>10.151.227</b>	<b>9.853.436</b>
 Contingencies etc.	 6		
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## NOTES

	2019 DKK	2018 DKK	Note
<b>Staff costs</b>			<b>1</b>
Average number of employees 1 (2018: 1)			
Wages and salaries.....	218.472	762.779	
Pensions.....	22.981	88.767	
Social security costs.....	14.021	33.035	
Other staff costs.....	313	194	
	<b>255.787</b>	<b>884.775</b>	
<b>Other financial income</b>			<b>2</b>
Group enterprises.....	407.072	421.432	
Other interest income.....	493	28	
	<b>407.565</b>	<b>421.460</b>	
<b>Other financial expenses</b>			<b>3</b>
Group enterprises.....	11.138	0	
Other interest expenses.....	388	188	
	<b>11.526</b>	<b>188</b>	
<b>Tax on profit/loss for the year</b>			<b>4</b>
Calculated tax on taxable income of the year.....	22.000	-89.496	
	<b>22.000</b>	<b>-89.496</b>	
<b>Equity</b>			<b>5</b>
	Share capital	Retained earnings	Total
Equity at 1 January 2019.....	10.000.000	-290.401	9.709.599
Proposed distribution of profit.....		76.356	76.356
<b>Equity at 31 December 2019.....</b>	<b>10.000.000</b>	<b>-214.045</b>	<b>9.785.955</b>

**NOTES**

	<b>Note</b>
<b>Contingencies etc.</b>	<b>6</b>
<b>Contingent liabilities</b> The company has guaranteed for bank debt in Kjaer Group A/S (Parent) and Kjaer & Kjaer A/S. Actual liabilities debt DKK ('000) 41 with a maximum total liability DKK ('000) 50.	
<b>Joint liabilities</b> The company is jointly and severally liable together with the parent company and the other group companies in the joint taxable group for tax on the group's joint taxable income and for certain possible withholding taxes, such as dividend tax, etc.  Tax payable on the Group's joint taxable income is stated in the annual report of THE WAY FORWARD ApS, which serves as management company for the joint taxation.	
<b>Related parties</b> The following related parties have controlling interest in Auto Kjaer A/S.  Kjaer Group A/S Grønnemosevej 6 5700 Svendborg, Denmark Vat no.: DK 81 31 72 16  Kjaer Group A/S owns 100% of the shares in Auto Kjaer A/S.  The company did not carry out any material transactions that were not concluded on market conditions. According to section 98c, subsection 7 of the Danish Financial Statements Act information is given only on transactions that were not performed on common market conditions.	<b>7</b>
<b>Consolidated financial statements</b> Auto Kjaer A/S is consolidated with Kjaer Group A/S, Svendborg (CVR no.: 81 31 72 16) which is the smallest consolidation. And is consolidated with The Way Forward ApS, Copenhagen (CVR no.: 25 47 31 59) which is the largest consolidation.	<b>8</b>

## ACCOUNTING POLICIES

The Annual Report of AUTO KJAER A/S for 2019 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

## INCOME STATEMENT

### *Net revenue*

Net revenue from sale of merchandise and finished goods is recognised in the income statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received. Net revenue is recognised exclusive of VAT, duties and less discounts related to the sale.

### *Other operating income*

Other operating income includes items of a secondary nature in relation to the enterprises' principal activities, including profit from sale of intangible and tangible fixed assets.

### *Cost of sales*

Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

### *Other external expenses*

Other external expenses include cost of sales, advertising, administration, buildings, bad debts, operating lease expenses, etc.

### *Staff costs*

Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security etc. for the company's employees. Repayments from public authorities are deducted from staff costs.

### *Financial income and expenses*

Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

### *Tax*

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

## ACCOUNTING POLICIES

### *BALANCE SHEET*

#### *Receivables*

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

#### *Tax payable and deferred tax*

Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

The company is subject to joint taxation with Danish group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the tax-on-account scheme. Joint taxation contributions receivable and payable are recognised in the balance sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

#### *Liabilities*

Financial liabilities are measured at amortised cost for short-term liabilities usually corresponds to the nominal value.