

Rota-Dan A/S
Troensevej 20
9220 Aalborg Øst
Business Registration No
79300314

Annual report 2018

The Annual General Meeting adopted the annual report on 26.02.2019

Chairman of the General Meeting

Name: Jens Uggerhøj

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Entity details

Entity

Rota-Dan A/S
Troensevej 20
9220 Aalborg Øst

Central Business Registration No (CVR): 79300314

Registered in: Aalborg

Financial year: 01.01.2018 - 31.12.2018

Board of Directors

Jens Uggerhøj, Chairman
Joachim Kaufmann
Claus Svensk Jessen

Executive Board

Claus Svensk Jessen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Østre Havnepromenade 26, 4. sal
9000 Aalborg

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Rota-Dan A/S for the financial year 01.01.2018 - 31.12.2018.

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 Entity's financial position at 31.12.2018 and of the results of its operations and cash flows for the financial year 01.01.2018 - 31.12.2018.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Aalborg, 26.02.2019

Executive Board

Claus Svensk Jessen

Board of Directors

Jens Uggerhøj
Chairman

Joachim Kaufmann

Claus Svensk Jessen

Independent auditor's extended review report

To the shareholders of Rota-Dan A/S

Conclusion

We have performed an extended review of the financial statements of Rota-Dan A/S for the financial year 01.01.2018 - 31.12.2018, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2018 and of the results of its operations and cash flows for the financial year 01.01.2018 - 31.12.2018 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements". We are independent of the Entity 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 Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of management and, if appropriate, of other entity personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

Independent auditor's extended review report

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the extended review or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with 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 the management commentary.

Aalborg, 26.02.2019

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR) 33963556

Lars Birner Sørensen
State Authorised Public Accountant
Identification No (MNE) mne11671

Management commentary

Primary activities

The Company's primary activities consist of trade in wheels and wheel parts.

Development in activities and finances

Profit for the year amounts to DKK 2,049k at 31 December 2018 after which equity amounts to DKK 4,220k. Profit for the year is considered satisfactory.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Gross profit		5.092.865	4.323.214
Staff costs	1	(2.415.004)	(2.555.770)
Depreciation, amortisation and impairment losses		<u>(21.270)</u>	<u>(46.128)</u>
Operating profit/loss		2.656.591	1.721.316
Other financial income		8.740	9.685
Other financial expenses	2	<u>(39.182)</u>	<u>(38.116)</u>
Profit/loss before tax		2.626.149	1.692.885
Tax on profit/loss for the year	3	<u>(577.288)</u>	<u>(371.922)</u>
Profit/loss for the year		<u>2.048.861</u>	<u>1.320.963</u>
Proposed distribution of profit/loss			
Ordinary dividend for the financial year		2.000.000	1.300.000
Retained earnings		<u>48.861</u>	<u>20.963</u>
		<u>2.048.861</u>	<u>1.320.963</u>

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Other fixtures and fittings, tools and equipment		44.400	65.670
Property, plant and equipment	4	44.400	65.670
Deposits		126.000	84.000
Fixed asset investments	5	126.000	84.000
Fixed assets		170.400	149.670
Manufactured goods and goods for resale		4.191.094	3.238.136
Prepayments for goods		353.365	364.890
Inventories		4.544.459	3.603.026
Trade receivables		2.822.319	2.219.481
Deferred tax		7.000	7.000
Prepayments		81.724	69.632
Receivables		2.911.043	2.296.113
Other investments		23.800	16.800
Other investments		23.800	16.800
Cash		909.693	834.572
Current assets		8.388.995	6.750.511
Assets		8.559.395	6.900.181

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Contributed capital		533.333	533.333
Retained earnings		1.686.297	1.637.436
Proposed dividend		<u>2.000.000</u>	<u>1.300.000</u>
Equity		<u>4.219.630</u>	<u>3.470.769</u>
Prepayments received from customers		130.124	0
Trade payables		829.614	822.928
Payables to group enterprises		1.959.095	1.203.403
Income tax payable		577.011	374.922
Other payables	6	<u>843.921</u>	<u>1.028.159</u>
Current liabilities other than provisions		<u>4.339.765</u>	<u>3.429.412</u>
Liabilities other than provisions		<u>4.339.765</u>	<u>3.429.412</u>
Equity and liabilities		<u>8.559.395</u>	<u>6.900.181</u>
Unrecognised rental and lease commitments	8		
Contingent liabilities	9		
Assets charged and collateral	10		

Statement of changes in equity for 2018

	Contributed capital DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	533.333	1.637.436	1.300.000	3.470.769
Ordinary dividend paid	0	0	(1.300.000)	(1.300.000)
Profit/loss for the year	0	48.861	2.000.000	2.048.861
Equity end of year	533.333	1.686.297	2.000.000	4.219.630

Cash flow statement for 2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Operating profit/loss		2.656.591	1.721.316
Amortisation, depreciation and impairment losses		21.270	46.128
Working capital changes	7	<u>(855.099)</u>	<u>(269.112)</u>
Cash flow from ordinary operating activities		1.822.762	1.498.332
Financial income received		8.463	7.585
Financial income paid		(39.182)	(38.116)
Income taxes refunded/(paid)		<u>(374.922)</u>	<u>(271.204)</u>
Cash flows from operating activities		1.417.121	1.196.597
Acquisition of fixed asset investments		<u>(42.000)</u>	<u>0</u>
Cash flows from investing activities		(42.000)	0
Dividend paid		<u>(1.300.000)</u>	<u>(900.000)</u>
Cash flows from financing activities		(1.300.000)	(900.000)
Increase/decrease in cash and cash equivalents		75.121	296.597
Cash and cash equivalents beginning of year		<u>834.572</u>	<u>537.975</u>
Cash and cash equivalents end of year		909.693	834.572

Notes

	2018	2017
	DKK	DKK
1. Staff costs		
Wages and salaries	2.204.604	2.353.440
Pension costs	165.294	157.640
Other social security costs	45.106	44.690
	2.415.004	2.555.770
Average number of employees	6	6
	2018	2017
	DKK	DKK
2. Other financial expenses		
Financial expenses from group enterprises	35.884	38.115
Other interest expenses	3.298	1
	39.182	38.116
	2018	2017
	DKK	DKK
3. Tax on profit/loss for the year		
Current tax	577.288	374.922
Change in deferred tax	0	(3.000)
	577.288	371.922

Notes

	Other fixtures and fittings, tools and equipment DKK	
	<u>DKK</u>	
4. Property, plant and equipment		
Cost beginning of year		1.786.667
Disposals		<u>(29.672)</u>
Cost end of year		<u>1.756.995</u>
Depreciation and impairment losses beginning of year		(1.720.997)
Depreciation for the year		(21.270)
Reversal regarding disposals		<u>29.672</u>
Depreciation and impairment losses end of year		<u>(1.712.595)</u>
Carrying amount end of year		<u>44.400</u>
	Deposits DKK	
	<u>DKK</u>	
5. Fixed asset investments		
Cost beginning of year		84.000
Additions		<u>42.000</u>
Cost end of year		<u>126.000</u>
Carrying amount end of year		<u>126.000</u>
	2018	2017
	<u>DKK</u>	<u>DKK</u>
6. Other payables		
VAT and duties	498.585	486.158
Wages and salaries, personal income taxes, social security costs, etc payable	119.210	139.911
Holiday pay obligation	<u>226.126</u>	<u>402.090</u>
	<u>843.921</u>	<u>1.028.159</u>

Notes

	2018	2017
	DKK	DKK
7. Change in working capital		
Increase/decrease in inventories	(941.433)	(251.852)
Increase/decrease in receivables	(614.930)	(669.879)
Increase/decrease in trade payables etc	708.264	652.619
Other changes	(7.000)	N/A
	(855.099)	(269.112)

	2018	2017
	DKK	DKK
8. Unrecognised rental and lease commitments		
Liabilities under rental agreements or leases with group enterprises until expiry	264.865	252.252

9. Contingent liabilities

The Entity participates in a Danish joint taxation arrangement in which Anders Svensk Jessen Holding I ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

10. Assets charged and collateral

All bank debt to Nordjyske Bank is secured by a floating charge on unsecured claims etc. of DKK 1,000k. The Company has no bank debt at 31 December 2018.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Accounting policies

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment comprise depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of property, plant and equipment.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, net capital gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Accounting policies

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	5 years
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Estimated useful lives and residual values are reassessed annually. Residual value is DKK 0 at 31 December 2018.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Other investments

Securities recognized under current assets comprise listed securities measured at fair value (market price) at the balance sheet date.

Accounting policies

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Income tax receivable or payable

Current tax receivable or payable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with purchase and sale, etc of property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, inception of finance leases, repayments of interest-bearing debt, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank loans.