

Hella Gutmann Solutions A/S

Lundborgvej 10, 8800 Viborg

Company reg. no. 87 81 66 13

Annual report

1 June 2017 - 31 May 2018



The annual report have been submitted and approved by the general meeting on the 6 August 2018.

Lars Bertz Thomsen
Chairman of the meeting

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Notes to users of the English version of this document:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points remain unchanged from the Danish version of the document. This means that for instance DKK 146.940 is the same as the English amount of DKK 146,940, and that 23,5 % is the same as the English 23.5 %.

Management's report

The board of directors and the executive board have today presented the annual report of Hella Gutmann Solutions A/S for the financial year 1 June 2017 to 31 May 2018.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position as on 31 May 2018 and of the company's results of its activities and cash flows in the financial year 1 June 2017 to 31 May 2018.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Viborg, 21 June 2018

Executive board

Lars Bertz Thomsen

Michael Pedersen

Board of directors

Andreas Thomas Ashok Habeck

Lars Bertz Thomsen

Michael Pedersen

Rolf Kunold

Simon Martin Schädler

Independent auditor's report

To the shareholder of Hella Gutmann Solutions A/S

Opinion

We have audited the annual accounts of Hella Gutmann Solutions A/S for the financial year 1 June 2017 to 31 May 2018, which comprise accounting policies used, profit and loss account, balance sheet, cash flow statement and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 May 2018 and of the results of the company's operations and cash flows for the financial year 1 June 2017 to 31 May 2018 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the annual accounts

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

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

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

Independent auditor's report

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the internal control that we identify during our audit.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

Independent auditor's report

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, 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 believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Viborg, 21 June 2018

Ullits & Winther

State Authorised Public Accountants
Company reg. no. 32 09 32 72

Bo Skårup Sørensen

State Authorised Public Accountant
MNE-nr. 29531

Company data

The company	Hella Gutmann Solutions A/S Lundborgvej 10 8800 Viborg Company reg. no. 87 81 66 13 Established: 10 August 1982 Domicile: Viborg Municipality Financial year: 1 June 2017 - 31 May 2018
Board of directors	Andreas Thomas Ashok Habeck, Erkrath, Germany Lars Bertz Thomsen, Haderslev, Denmark Michael Pedersen, Rødkjærsbro, Denmark Rolf Kunold, Gauting, Germany Simon Martin Schädler, Freiburg, Germany
Executive board	Lars Bertz Thomsen, Haderslev, Denmark Michael Pedersen, Rødkjærsbro, Denmark
Auditors	Ullits & Winther Statsautoriseret Revisionspartnerselskab Agerlandsvej 1 8800 Viborg
Parent company	Hella Gutmann Holding GmbH
Subsidiary	Hella Gutmann Solutions AS, Hagan, Norway

Financial highlights

DKK in thousands.	<u>2017/18</u>	<u>2016/17</u>	<u>2015/16</u>	<u>2014/15</u>	<u>2013/14</u>
Profit and loss account:					
Gross profit	38.894	45.493	39.865	36.634	27.564
Results from operating activities	7.757	14.098	8.935	7.705	1.535
Net financials	898	2.577	2.200	960	506
Results for the year	6.946	13.630	9.179	6.821	1.643
Balance sheet:					
Balance sheet sum	57.525	50.282	39.671	28.041	17.398
Investments in tangible fixed assets represent	0	0	158	1.711	1.226
Equity	46.284	39.147	26.105	16.926	10.171
Cash flow:					
Operating activities	-58	149	472	75	1.356
Investment activities	219	0	-503	-158	-1.310
Financing activities	-31	-48	4	8	-4
Cash flow in total	130	101	-27	-75	-79
Employees:					
Average number of full time employees	59	60	59	55	52
Key figures in %:					
Solvency ratio	80,5	77,9	65,8	60,4	58,5
Return on equity	16,3	41,8	42,7	50,3	42,3

The calculation of key figures and ratios follow the Danish Association of Finance Analysts' recommendations.

Management's review

The principal activities of the company

Like previous years, the principal activities comprised of the publishing of technical car data and the sale of test equipment for the car business.

Development in activities and financial matters

The profit and loss account covers the period 1 June 2017 to 31 May 2018 and shows a result of DKK 6,945,841 against a result of DKK 13,629,795 last year. The balance sheet shows equity of DKK 46,283,552.

The expected development

Management is expecting a positive development in the coming financial year.

Events subsequent to the financial year

No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.

Accounting policies used

The annual report for Hella Gutmann Solutions A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class C enterprises (medium sized enterprises).

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

No consolidated annual accounts have been prepared, cf. section 112(1) of the Danish Financial Statements Act. The annual accounts of Hella Gutmann Solutions A/S and its group enterprises are included in the consolidated annual accounts for Hella GmbH & Co. KGaA, Lippstadt, Germany, reg. nr. HRB6857. The consolidated financial statements are accessible on the group homepage: <http://www.hella.com/hella-com/en/Annual-Report-and-Consolidated-Financial-8740.html>.

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

The profit and loss account

Gross profit

The gross profit comprises the net turnover, changes in inventories of trade goods, other operating income, and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Accounting policies used

Costs of sales includes costs for the purchase of trade goods less discounts and changes in inventories.

Other operating income and costs comprise accounting items of secondary nature in proportion to the principal activities of the enterprise.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Results from equity investment in group enterprise

The equity investment in the group enterprise is recognised in the profit and loss account at a proportional share of the group enterprise's results after tax.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

The balance sheet

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

Accounting policies used

The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the book value, the amortisation discontinues.

If the amortisation period or the residual value is changed, the effect on amortisation will in the future be recognised as a change in the accounting estimates.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

	Useful life
Other plants, operating assets, fixtures and furniture	3-5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or losses are recognised in the profit and loss account as other operating income or other operating expenses.

Leasing contracts

Other leasing contracts are considered operational leasing. Payments in connection with operational leasing and other rental agreements are recognised in the profit and loss account over the term of the contract. The company's total liabilities concerning operational leasing and rental agreements are recognised under contingencies etc.

Financial fixed assets

Equity investment in group enterprise

Equity investment in group enterprise is recognised in the balance sheet at a proportional share under the equity method, the value being calculated on the basis of the accounting policies of the parent company.

To the extent the equity exceeds the cost, the net revaluation of equity investment in group enterprise is transferred to the reserves under the equity for net revaluation as per the equity method. Dividend from group enterprise expected to be decided before the approval of this annual report are not subject to a limitation of the revaluation reserves. The reserves are adjusted by other equity movements in group enterprise.

Inventories

Inventories are measured at cost on basis of measured average prices. In case the net realisable value is lower than the cost, writedown takes place at this lower value.

Accounting policies used

The cost for trade goods comprises the acquisition cost with the addition of the delivery costs.

The net realisable value for inventories is recognised as the market price with deduction of completion costs and selling costs. The net realisable value is determined taking into consideration the negotiability, obsolescence, and development of the expected market price.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Equity

Reserves for net revaluation as per the equity method

Reserves for net revaluation as per the equity method comprise net revaluation of equity investments in subsidiaries and associates in proportion to cost.

The reserves may be eliminated in case of losses, realisation of equity investments or changes in the financial estimates.

It is not possible to recognise the reserves with a negative amount.

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

According to the rules of joint taxation, Hella Gutmann Solutions A/S is unlimited, jointly and severally liable towards the Danish tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities

Liabilities are measured at amortised cost which usually corresponds to the nominal value.

Accounting policies used

The cash flow statement

The cash flow statement shows the cash flow of the company for the year, divided in cash flows deriving from operating activities, investment activities, and financing activities, respectively, the changes in the liabilities, and the available funds at the beginning and the end of the year respectively.

Cash flow from operating activities

Cash flow from operating activities are calculated as the results for the year adjusted for non-cash operating items, the change in the working capital, and corporate tax paid.

Cash flow from investment activities

Cash flow from investment activities comprises payments in connection with the acquisition and sale of enterprises and activities as well as the acquisition and sale of intangible and tangible fixed assets and fixed asset investments respectively.

Cash flow from financing activities

Cash flow from financing activities comprises changes in the size or the composition of the share capital and the costs in this connection. Furthermore, these activities comprise borrowings, instalments on interestbearing debt, and payment of dividend to the shareholders.

Available funds

Available funds comprise cash funds with deduction of short-term bank debt and short-term securities with a term of less than 3 months which can easily be converted into cash funds and on which only an insignificant risk of value changes exists.

Profit and loss account 1 June - 31 May

All amounts in DKK.

<u>Note</u>	<u>2017/18</u>	<u>2016/17</u>
Gross profit	38.893.780	45.493.378
2 Staff costs	-30.688.462	-30.795.425
Depreciation and writedown relating to tangible fixed assets	-448.184	-599.460
Results before net financials	7.757.134	14.098.493
3 Income from equity investment in group enterprise	1.089.733	2.799.784
Other financial income	50.909	1.310
Other financial costs	-242.476	-224.084
Results before tax	8.655.300	16.675.503
4 Tax on ordinary results	-1.709.459	-3.045.708
5 Results for the year	6.945.841	13.629.795

Balance sheet 31 May

All amounts in DKK.

Assets			
<u>Note</u>		<u>2018</u>	<u>2017</u>
Fixed assets			
6	Other plants, operating assets, and fixtures and furniture	342.365	735.464
	Tangible fixed assets in total	<u>342.365</u>	<u>735.464</u>
7	Equity investment in group enterprise	8.252.104	7.240.375
	Financial fixed assets in total	<u>8.252.104</u>	<u>7.240.375</u>
	Fixed assets in total	<u>8.594.469</u>	<u>7.975.839</u>
Current assets			
	Trade goods	2.505.743	2.470.024
	Inventories in total	<u>2.505.743</u>	<u>2.470.024</u>
	Trade debtors	944.584	1.248.544
8	Amounts owed by group enterprises	44.957.598	38.056.817
9	Deferred tax assets	146.000	162.000
	Other debtors	20.791	27.359
10	Accrued income and deferred expenses	355.843	340.966
	Debtors in total	<u>46.424.816</u>	<u>39.835.686</u>
	Current assets in total	<u>48.930.559</u>	<u>42.305.710</u>
	Assets in total	<u>57.525.028</u>	<u>50.281.549</u>

Balance sheet 31 May

All amounts in DKK.

<u>Note</u>	<u>2018</u>	<u>2017</u>
Equity and liabilities		
Equity		
12 Share capital	502.000	502.000
13 Reserves for net revaluation as per the equity method	8.251.873	7.240.145
14 Retained earnings	37.529.679	31.404.705
Equity in total	<u>46.283.552</u>	<u>39.146.850</u>
Liabilities		
Deposits	6.270	37.137
Long-term liabilities in total	<u>6.270</u>	<u>37.137</u>
Bank debts	248.822	186.586
Trade creditors	795.943	798.344
Debt to group enterprises	27.851	27.426
Corporate tax	1.647.470	3.027.829
Other debts	8.515.120	7.057.377
Short-term liabilities in total	<u>11.235.206</u>	<u>11.097.562</u>
Liabilities in total	<u>11.241.476</u>	<u>11.134.699</u>
Equity and liabilities in total	<u>57.525.028</u>	<u>50.281.549</u>

1 Special items

15 Mortgage and securities

16 Contingencies

17 Related parties

Cash flow statement 1 June - 31 May

All amounts in DKK.

	<u>2017/18</u>	<u>2016/17</u>
Results for the year	6.945.841	13.629.795
Adjustments	1.254.257	740.106
Change in working capital	<u>-5.185.082</u>	<u>-12.235.417</u>
Cash flow from operating activities before net financials	3.015.016	2.134.484
Interest received and similar amounts	8.789	1.310
Interest paid and similar amounts	<u>-7.841</u>	<u>-668</u>
Cash flow from ordinary activities	3.015.964	2.135.126
Corporate tax paid	<u>-3.073.818</u>	<u>-1.986.417</u>
Cash flow from operating activities	<u>-57.854</u>	<u>148.709</u>
Sale of tangible fixed assets	<u>219.000</u>	<u>0</u>
Cash flow from investment activities	<u>219.000</u>	<u>0</u>
Repayments of long-term debt	<u>-30.867</u>	<u>-47.967</u>
Cash flow from financing activities	<u>-30.867</u>	<u>-47.967</u>
Changes in available funds	130.279	100.742
Available funds opening balance	-186.586	-63.912
Exchange rate adjustments (available funds)	<u>-192.515</u>	<u>-223.416</u>
Available funds closing balance	<u>-248.822</u>	<u>-186.586</u>
Available funds		
Short-term bank debts	<u>-248.822</u>	<u>-186.586</u>
Available funds closing balance	<u>-248.822</u>	<u>-186.586</u>

Notes

All amounts in DKK.

	<u>2017/18</u>	<u>2016/17</u>
1. Special items		
Special items include significant income and expenses of a special nature in proportion to the enterprise's ordinary operating activities, such as the cost of extensive structuring of processes and fundamental structural adjustments and any gains and losses related and which over time have a significant impact. Special items also include other significant amounts of non-recurring nature.		
Special items for the year are specified below, showing where these are recognised in the income profit and loss account.		
Income:		
Sale of software	<u>0</u>	<u>7.451.615</u>
	<u>0</u>	<u>7.451.615</u>
Costs:		
Legal fees	<u>3.453.744</u>	<u>0</u>
	<u>3.453.744</u>	<u>0</u>
Special items are recognised in the following items in the annual accounts:		
Other operating income	0	7.451.615
Administration costs	<u>-3.453.744</u>	<u>0</u>
Results of special items, net	<u>-3.453.744</u>	<u>7.451.615</u>
2. Staff costs		
Salaries and wages	25.962.480	26.037.349
Pension costs	3.188.397	3.379.111
Other costs for social security	500.408	457.701
Other staff costs	<u>1.037.177</u>	<u>921.264</u>
	<u>30.688.462</u>	<u>30.795.425</u>
Average number of employees	<u>59</u>	<u>60</u>
3. Income from equity investment in group enterprise		
Hella Gutmann Solutions AS	<u>1.089.733</u>	<u>2.799.784</u>
	<u>1.089.733</u>	<u>2.799.784</u>

Notes

All amounts in DKK.

	<u>2017/18</u>	<u>2016/17</u>
4. Tax on ordinary results		
Tax of the results for the year	1.647.470	3.059.452
Adjustment for the year of deferred tax	16.000	-7.000
Adjustment of tax for previous years	45.989	-6.744
	<u>1.709.459</u>	<u>3.045.708</u>
5. Proposed distribution of the results		
Reserves for net revaluation as per the equity method	820.867	3.068.649
Allocated to results brought forward	6.124.974	10.561.146
Distribution in total	<u>6.945.841</u>	<u>13.629.795</u>
	<u>31/5 2018</u>	<u>31/5 2017</u>
6. Other plants, operating assets, and fixtures and furniture		
Cost opening balance	3.650.227	3.650.227
Disposals during the year	-493.680	0
Cost closing balance	<u>3.156.547</u>	<u>3.650.227</u>
Depreciation and writedown opening balance	-2.914.763	-2.374.490
Depreciation for the year	-321.104	-540.273
Depreciation, assets disposed of	421.685	0
Depreciation and writedown closing balance	<u>-2.814.182</u>	<u>-2.914.763</u>
Book value closing balance	<u>342.365</u>	<u>735.464</u>

Notes

All amounts in DKK.

	<u>31/5 2018</u>	<u>31/5 2017</u>
7. Equity investment in group enterprise		
Acquisition sum opening balance	230	230
Cost closing balance	230	230
Revaluations opening balance	7.240.145	4.759.876
Translation by use of the exchange rate valid on balance sheet date	-78.004	-319.515
Results for the year before goodwill amortisation	1.089.733	2.799.784
Revaluation closing balance	8.251.874	7.240.145
Book value closing balance	8.252.104	7.240.375

The financial highlights for the enterprise according to the latest approved annual report

	Share of ownership	Equity	Results for the year
Hella Gutmann Solutions AS, Hagan, Norway	100 %	8.252.104	1.089.733

8. Amounts owed by group enterprises

The company's daily cash resources in the form of cash in the cash pool arrangement is included on the balance sheet under "Amounts owed by group enterprises". The balance of the cash pool arrangement was DKK 34,824,805 (DKK 34,214,017)

9. Deferred tax assets

Deferred tax assets opening balance	162.000	170.000
Deffered tax of the results for the year	-16.000	-8.000
	146.000	162.000

The following items are subject to deferred tax:

Tangible fixed assets	146.000	162.000
	146.000	162.000

10. Accrued income and deferred expenses

Prepaid subscriptions	355.843	340.966
	355.843	340.966

Notes

All amounts in DKK.

	<u>31/5 2018</u>	<u>31/5 2017</u>
11. Cash funds		
The company's daily cash resources in the form of cash in the cash pool arrangement is included in the balance sheet under "Amounts owed by group enterprises". The balance of the cash pool arrangement is disclosed in note 8.		
12. Share capital		
Share capital opening balance	502.000	502.000
	<u>502.000</u>	<u>502.000</u>
The share capital consists of 10,040 shares, each with a nominal value of DKK 50. No shares hold particular rights.		
13. Reserves for net revaluation as per the equity method		
Reserves for net revaluation opening balance	7.240.145	4.759.876
Share of results	820.867	3.068.649
Exchange rate adjustments	190.861	-588.380
	<u>8.251.873</u>	<u>7.240.145</u>
14. Retained earnings		
Retained earnings opening balance	31.404.705	20.843.559
Profit or loss for the year	6.124.974	10.561.146
	<u>37.529.679</u>	<u>31.404.705</u>
15. Mortgage and securities		
None.		
16. Contingencies		
Contingent liabilities		
The company has entered into operational leasing contracts with an average annual leasing payment of DKK 342,000. The leasing contracts have 8-32 months left to run, and the total outstanding leasing payment is DKK 444,000.		

Notes

All amounts in DKK.

16. Contingencies (continued)

Contingent liabilities (continued)

The company has entered into a tenancy agreement with an annual rent of DKK 530,000. The agreement can not be terminated until 31 May 2020. After that the tenancy may be terminated by giving 6 month's notice.

The company has entered into a tenancy agreement with an annual rent of DKK 172,000. The agreement can not be terminated until 28 February 2019. After that the tenancy may be terminated by giving 12 month's notice.

The company has a payment bond of DKK 172,000 concerning the lease of Lundborgvej 10, 8800 Viborg.

The company has a payment bond of DKK 107,000 concerning the lease of premises.

Joint taxation

Hella A/S, company reg. no 15 23 59 18 being the administration company, the company is subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

The company is unlimited jointly and severally liable with the other jointly taxed companies for any obligation to withhold tax on interest, royalties and dividends.

The jointly taxed enterprises' total, known net liability to the Danish tax authorities appears from the annual accounts of the administration company.

Any subsequent adjustments of corporate taxes or withheld taxes etc. may cause changes in the company's liabilities.

17. Related parties

Controlling interest

Hella Gumann Holding GmbH
Am Krebsbach 2
D-79241 Ihringen
Germany

Majority shareholder

Notes

All amounts in DKK.

17. Related parties (continued)

Other related parties

Andreas Thomas Ashok Habeck, Erkrath, Germany	Board member
Lars Bertz Thomsen, Haderslev, Denmark	Board member and manager
Michael Pedersen, Rødkjærsbro, Denmark	Board member and manager
Rolf Kunold, Gauting, Germany	Board member
Simon Martin Schädler, Freiburg, Germany	Board member
Hella Gutmann Solutions AS, Norway	Subsidiary
Hella Gutmann Solutions GmbH, Germany	Sister company
Hella S.A., Spain	Sister company
FTZ Autodele & Værktøj A/S, Denmark	Sister company
Hella A/S, Denmark	Sister company and administration company in joint taxation
Hella GmbH & Co. KGaA, Germany	Ultimate parent company

Transactions

Hella Gutmann Solutions A/S sells a number of goods to related parties. All intra-group transactions take place on an arm's length basis, as sales takes place on the same terms as are valid for other customers of the company.

Apart from management remuneration, no transactions have taken place in relation to the Board of Directors, the executive employees, or other related parties.