Buk-Auto A/S

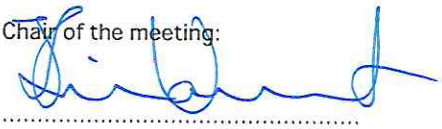
Østre Havnevej 16A, 5700 Svendborg

CVR no. 27 34 23 96

Annual report 2024

Approved at the Company's annual general meeting on 12 May 2025

Chair of the meeting:



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Kim Ole Vandbæk

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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 Buk-Auto A/S for the financial year 1 January - 31 December 2024.

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

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Company at 31 December 2024 and of the results of the Group's and the Company's operations and of the consolidated cash flows for the financial year 1 January - 31 December 2024.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Svendborg, 12 May 2025
Executive Board:

Kim Ole Vandbæk

Board of Directors:

Leonid Zikeev
Chairman

Kim Ole Vandbæk

Peter Pasgaard Madsen

Kenn Janerka Olsen

Independent auditor's report

To the shareholders of Buk-Auto A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Buk-Auto A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2024, and of the results of the Group's and Parent Company's operations as well as the consolidated cash flows for the financial year 1 January - 31 December 2024 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 consolidated financial statements and the parent Company financial statements" (herinafter collectively referred to as "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 Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

Management is responsible for the preparation of consolidated financial statements and parent company 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 Group's and the Parent 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 Group or the Parent 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:

Independent auditor's report

- 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 Group's and the Parent Company's internal control.
- 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 Group's and the Parent 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 Group and the Parent 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements and the parent company financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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.

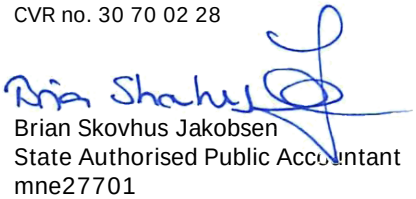
Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

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 Statements Act. We did not identify any material misstatement of the Management's review.

Odense, 12 May 2025
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Brian Skovhus Jakobsen
State Authorised Public Accountant
mne27701

Management's review

Company details

Name	Buk-Auto A/S
Address, Postal code, City	Østre Havnevej 16A, 5700 Svendborg
CVR no.	27 34 23 96
Established	15 September 2003
Registered office	Svendborg
Financial year	1 January - 31 December
Website	www.bukauto.com
Telephone	+45 62 22 88 88
Board of Directors	Leonid Zikeev, Chairman Kim Ole Vandbæk Peter Pasgaard Madsen Kenn Janerka Olsen
Executive Board	Kim Ole Vandbæk
Auditors	EY Godkendt Revisionspartnerselskab Cortex Park Vest 3, 5230 Odense M, Denmark

Management's review

Financial highlights for the Group

DKK'000	2024	2023	2022	2021	2020
Key figures					
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	31,695	17,687	4,280	3,417	6,289
Net financials	-2,823	-4,525	2,705	-1,285	-2,073
Profit for the year	20,936	9,711	6,223	1,592	3,086
Total assets	103,099	107,627	82,263	78,795	55,928
Investments in property, plant and equipment	7	26	0	-36	-36
Equity	35,663	26,730	18,612	12,660	18,476
Financial ratios					
Return on assets	25.9%	15.7%	3.4%	5.0%	9.3%
Current ratio	165.3%	138.2%	131.5%	124.8%	161.6%
Equity ratio	34.6%	24.8%	22.6%	16.1%	33.0%
Return on equity	67.1%	42.8%	39.8%	10.2%	18.4%
Average number of full-time employees	11	14	13	15	16

For terms and definitions, please see the accounting policies.

Management's review

Management commentary

Principal activities

The Company is similar to previous years engaged in trading with specialized vehicles, spare parts and related services.

Development in activities and financial matters

As of 1 January 2024, Buk-Auto A/S was merged with the subsidiary Africa Automotive A/S, with Buk-Auto A/S as the continuing company.
As a result, the comparative figures for 2023 has been adjusted.

The income statement for 2024 showes a profit of DKK 20,936,267 against a profit of 9,711,097 last year, and the balance sheet at 31 December 2024 shows equity of DKK 35,663,436.

The result for the year is higher than expected caused by slightly improved margins in the business combined with improved sales in Global Automotive Inc.
The result is considered very 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 profit before tax in the range of DKK 12-15 million for the fiscal year 2025.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Income statement

Note	DKK	Group 2024	Group 2023	Parent company 2024	Parent company 2023
	Gross profit	52,625,729	31,773,579	20,945,655	17,239,101
2	Staff costs	-20,930,904	-14,086,146	-13,183,462	-10,665,550
	Depreciation and impairment of plant and equipment	-14,176	-27,940	-14,176	-27,940
	Profit before net financials	31,680,649	17,659,493	7,748,017	6,545,611
	Income from investments in subsidiaries	0	0	14,711,101	6,085,046
3	Financial income	1,564,035	264,374	3,849,563	2,789,237
4	Financial expenses	-4,387,519	-4,789,494	-3,590,307	-4,664,793
	Profit before tax	28,857,165	13,134,373	22,718,374	10,755,101
5	Tax for the year	-7,920,898	-3,423,276	-1,782,107	-1,044,004
	Profit for the year	20,936,267	9,711,097	20,936,267	9,711,097

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

Note	DKK	Group 2024	Group 2023	Parent company 2024	Parent company 2023
	ASSETS				
	Fixed assets				
7	Property, plant and equipment				
	Other fixtures and fittings, tools and equipment	0	2,496	0	2,496
	Leasehold improvements	17,069	21,500	17,069	21,500
		17,069	23,996	17,069	23,996
8	Investments				
	Investments in subsidiaries	0	0	12,844,499	7,859,827
	Deposits, investments	38,900	38,900	38,900	38,900
		38,900	38,900	12,883,399	7,898,727
	Total fixed assets	55,969	62,896	12,900,468	7,922,723
	Non-fixed assets				
	Inventories				
	Finished goods and goods for resale	32,620,374	23,534,861	10,244,193	26,671,685
	Prepayments for goods	4,724,490	7,318,229	4,724,490	539,148
		37,344,864	30,853,090	14,968,683	27,210,833
	Receivables				
	Trade receivables	38,754,894	66,725,066	3,305,631	6,057,538
	Receivables from subsidiaries	0	0	31,993,147	56,287,771
11	Deferred tax assets	0	108,854	0	108,854
	Corporation tax receivable	488,585	0	488,585	0
	Other receivables	1,714,542	4,804,636	320,805	1,567,376
9	Prepayments	124,102	707,601	124,102	707,601
		41,082,123	72,346,157	36,232,270	64,729,140
	Cash	24,616,062	4,364,672	16,224,047	99,981
	Total non-fixed assets	103,043,049	107,563,919	67,425,000	92,039,954
	TOTAL ASSETS	103,099,018	107,626,815	80,325,468	99,962,677

Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

		Group		Parent company	
Note	DKK	2024	2023	2024	2023
	EQUITY AND LIABILITIES				
	Equity				
10	Share capital	683,980	683,980	683,980	683,980
	Net revaluation reserve according to the equity method	0	0	12,656,640	7,671,967
	Translation reserve	305,530	-59,442	0	0
	Hedging reserve	-848,911	18,768	-848,911	18,768
	Retained earnings	20,522,837	19,586,570	8,171,726	11,855,160
	Dividend proposed	15,000,000	6,500,000	15,000,000	6,500,000
	Total equity	35,663,436	26,729,876	35,663,435	26,729,875
	Provisions				
11	Deferred tax	139,108	0	139,108	0
	Total provisions	139,108	0	139,108	0
	Liabilities other than provisions				
12	Non-current liabilities other than provisions				
13	Subordinate loan capital	4,655,090	2,640,000	4,655,090	2,640,000
	Other payables	315,645	439,835	315,645	439,835
		4,970,735	3,079,835	4,970,735	3,079,835
	Current liabilities other than provisions				
12	Short-term part of long-term liabilities other than provisions	0	41,757	0	41,757
	Bank debt	12,708,136	37,439,719	12,708,136	37,439,719
	Prepayments received from customers	4,946,470	10,846,622	4,071,500	10,616,092
	Trade payables	19,847,720	7,243,673	4,780,072	5,096,893
	Corporation tax payable	3,554,007	2,968,557	0	808,875
	Payables to shareholders and management	17,683,153	14,040,347	14,413,055	11,264,950
	Other payables	3,586,253	5,236,429	3,579,427	4,884,681
		62,325,739	77,817,104	39,552,190	70,152,967
	Total liabilities other than provisions	67,296,474	80,896,939	44,522,925	73,232,802
	TOTAL EQUITY AND LIABILITIES	103,099,018	107,626,815	80,325,468	99,962,677

1 Accounting policies
6 Appropriation of profit
15 Contractual obligations and contingencies, etc.
16 Security and collateral
17 Related parties

Consolidated financial statements and parent company financial statements 1 January - 31 December

Statement of changes in equity

Note	DKK	Group					
		Share capital	Translation reserve	Hedging reserve	Retained earnings	Dividend proposed	Total
	Equity at 1 January 2023	683,980	108,002	627,416	17,192,606	0	18,612,004
	Transfer through appropriation of profit	0	0	0	3,211,097	6,500,000	9,711,097
	Adjustment of investments through foreign exchange adjustments	0	-167,444	0	0	0	-167,444
	Adjustment of hedging instruments at fair value	0	0	-780,317	0	0	-780,317
	Tax on items recognised directly in equity	0	0	171,669	0	0	171,669
	Sale of treasury shares	0	0	0	3,924,391	0	3,924,391
	Dividend distributed	0	0	0	0	-4,741,524	-4,741,524
	Proposed extraordinary dividend recognised under equity	0	0	0	-6,322,032	6,322,032	0
	Dividend, treasury shares	0	0	0	1,580,508	-1,580,508	0
	Equity at 1 January 2024	683,980	-59,442	18,768	19,586,570	6,500,000	26,729,876
	Transfer through appropriation of profit	0	0	0	5,936,267	15,000,000	20,936,267
	Adjustment of investments through foreign exchange adjustments	0	364,972	0	0	0	364,972
	Adjustment of hedging instruments at fair value	0	0	-1,112,409	0	0	-1,112,409
	Tax on items recognised directly in equity	0	0	244,730	0	0	244,730
	Dividend distributed	0	0	0	0	-11,500,000	-11,500,000
	Proposed extraordinary dividend recognised under equity	0	0	0	-5,000,000	5,000,000	0
	Equity at 31 December 2024	683,980	305,530	-848,911	20,522,837	15,000,000	35,663,436

Consolidated financial statements and parent company financial statements 1 January - 31 December

Statement of changes in equity (continued)

		Parent company					
Note	DKK	Share capital	Net revaluation reserve according to the equity method	Hedging reserve	Retained earnings	Dividend proposed	Total
	Equity at 1 January 2023	683,980	326,391	0	17,601,632	0	18,612,003
6	Transfer, see "Appropriation of profit"	0	8,299,191	0	-5,088,094	6,500,000	9,711,097
	Equity transfers to reserves	0	-158,755	0	158,755	0	0
	Adjustment of investments through foreign exchange adjustments	0	-167,444	0	0	0	-167,444
	Non-cash contribution	0	-627,416	0	0	0	-627,416
	Adjustment of hedging instruments at fair value	0	0	24,062	0	0	24,062
	Tax on items recognised directly in equity	0	0	-5,294	0	0	-5,294
	Sale of treasury shares	0	0	0	3,924,391	0	3,924,391
	Dividend distributed	0	0	0	0	-4,741,524	-4,741,524
	Proposed extraordinary dividend recognised under equity	0	0	0	-6,322,032	6,322,032	0
	Dividend, treasury shares	0	0	0	1,580,508	-1,580,508	0
	Equity at 1 January 2024	683,980	7,671,967	18,768	11,855,160	6,500,000	26,729,875
6	Transfer, see "Appropriation of profit"	0	4,619,701	0	1,316,566	15,000,000	20,936,267
	Adjustment of investments through foreign exchange adjustments	0	364,972	0	0	0	364,972
	Adjustment of hedging instruments at fair value	0	0	-1,112,409	0	0	-1,112,409
	Tax on items recognised directly in equity	0	0	244,730	0	0	244,730
	Dividend distributed	0	0	0	0	-11,500,000	-11,500,000
	Proposed extraordinary dividend recognised under equity	0	0	0	-5,000,000	5,000,000	0
	Equity at 31 December 2024	683,980	12,656,640	-848,911	8,171,726	15,000,000	35,663,435

Consolidated financial statements and parent company financial statements 1 January - 31 December

Cash flow statement

Note	DKK	Group 2024	2023
	Profit for the year	20,936,267	9,711,097
18	Adjustments	8,300,046	3,283,772
	Cash generated from operations (operating activities)	29,236,313	12,994,869
19	Changes in working capital	31,141,497	-29,809,358
	Cash generated from operations (operating activities)	60,377,810	-16,814,489
	Income taxes paid	-7,331,341	-880,895
	Cash flows from operating activities	53,046,469	-17,695,384
	Additions of property, plant and equipment	-7,249	-26,420
	Cash flows to investing activities	-7,249	-26,420
	Dividends paid	-11,500,000	-4,741,524
	Subordinated loan capital	2,015,090	0
	Changes in debt to shareholders and other related parties	1,428,663	10,150,037
	Changes in debt to credit institutions	-24,731,583	7,518,445
	Sale of treasury shares	0	3,924,391
	Cash flows from financing activities	-32,787,830	16,851,349
	Net cash flow	20,251,390	-870,455
	Cash and cash equivalents at 1 January	4,364,672	5,235,127
20	Cash and cash equivalents at 31 December	24,616,062	4,364,672

The cash flow statement cannot be directly derived from the other components of the consolidated financial statements.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Buk-Auto A/S for 2023 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year, except that individual reclassifications have been made in comparison figurs.

Change in the Company's activities, including effect of intra-group business combinations

The Company has carried out an intra-group business combination applying the uniting-of-interests method. Subsequently, the comparative figures have been restated as if the entities had been combined as from the earliest accounting period included in the financial statements.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Consolidated financial statements

Control

The consolidated financial statements comprise the Parent Company and group entities controlled by the Parent Company.

Control means a parent company’s power to direct a group entity’s financial and operating policy decisions. Besides the above power, the parent company should also be able to yield a return from its investment.

In assessing if the parent company controls an entity, de facto control is taken into consideration as well.

The existence of potential voting rights which may currently be exercised or converted into additional voting rights is considered when assessing if an entity can become empowered to direct another entity’s financial and operating decisions.

Preparation of consolidated financial statements

The consolidated financial statements are prepared as a consolidation of the parent company's and the individual group entities' financial statements, which are prepared according to the group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains on intra-group transactions are eliminated. Unrealised gains on transactions with associates are eliminated in proportion to the group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains if they do not reflect impairment.

In the consolidated financial statements, the accounting items of group entities are recognised in full. Non-controlling interests' share of the profit/loss for the year and of the equity of group entities which are not wholly-owned are included in the group's profit/loss and equity, respectively, but are disclosed separately.

Acquisitions and disposals of non-controlling interests which are still controlled are recognised directly in equity as a transaction between shareholders.

Investments in associates are recognised in the consolidated financial statements using the equity method.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

External business combinations

Recently acquired entities are recognised in the consolidated financial statements from the date of acquisition. Entities sold or otherwise disposed of are recognised up to the date of disposal. Comparative figures are not restated to reflect newly acquired entities. Discontinued operations are presented separately, see below.

The date of acquisition is the date when the group actually obtains control of the acquiree.

The acquisition method is applied to the acquisition of new entities of which the group obtains control. The acquirees' identifiable assets, liabilities and contingent liabilities are measured at fair value at the date of acquisition. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax related to the revaluations is recognised.

Positive differences (goodwill) between, on the one hand, the consideration for the acquiree, the value of non-controlling interests in the acquired entity and the fair value of any previously acquired equity investments and, on the other hand, the fair value of the assets, liabilities and contingent liabilities acquired are recognised as goodwill under "Intangible assets". Goodwill is amortised on a straight-line basis in the income statement based on an individual assessment of the economic life of the asset.

Negative differences (negative goodwill) are recognised in the income statement at the date of acquisition.

Upon acquisition, goodwill is allocated to the cash-generating units, which subsequently form the basis for impairment testing. Goodwill and fair value adjustments in connection with the acquisition of a foreign entity with a functional currency different from the presentation currency used in the consolidated financial statements are accounted for as assets and liabilities belonging to the foreign entity and are, on initial recognition, translated into the foreign entity's functional currency using the exchange rate at the transaction date.

The consideration paid for an entity consists of the fair value of the agreed consideration in the form of assets transferred, liabilities assumed and equity instruments issued. If part of the consideration is contingent on future events or compliance with agreed terms, such part of the consideration is recognised at fair value at the date of acquisition. Subsequent adjustments of contingent considerations are recognised in the income statement.

Expenses incurred to acquire entities are recognised in the income statement in the year in which they are incurred.

Where, at the date of acquisition, the identification or measurement of acquired assets, liabilities or contingent liabilities or the determination of the consideration is associated with uncertainty, initial recognition will take place on the basis of provisional amounts. If it turns out subsequently that the identification or measurement of the consideration transferred, acquired assets, liabilities or contingent liabilities was incorrect on initial recognition, the statement will be adjusted retrospectively, including goodwill, until 12 months after the acquisition, and comparative figures will be restated. Hereafter, any adjustments are recognised as misstatements.

Gains or losses from disposal of group entities which result in loss of control are calculated as the difference between, on the one hand, the fair value of the selling price less selling expenses and, on the other hand, the carrying amount of net assets.

Intra-group business combinations

The book value method is applied to business combinations such as acquisition and disposal of investments, mergers, demergers, contributions of assets and share conversions, etc. in which entities controlled by the parent company are involved, provided that the combination is considered completed at the time of acquisition without any restatement of comparative figures. Differences between the agreed consideration and the carrying amount of the acquiree are recognised directly in equity.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

For vertical and downstream intra-group mergers the group method is applied for the combination of the entities. Thereby, the entities are combined at the revaluation value recognised in the consolidated financial statements or which would have been recognised in the consolidated financial statements for the parent company included in the merger. The group method is applied as if the entities had been combined from the date when the parent company acquired the equity investments in the entities included in the merger, and therefore, the comparative figures were restated.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Foreign group entities

Foreign group entities and associates are considered separate entities. Items in such entities' income statements are translated at an average exchange rate for the month, and balance sheet items are translated at closing rates. Foreign exchange differences arising on translation of the opening equity of foreign group entities to closing rates and on translation of the income statements from average exchange rates to closing rates are taken directly to equity.

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.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

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, other income and external expenses have been aggregated into one item in the income statement called gross margin in accordance with section 32 of the Danish Financial Statements Act.

Other operating income

Other operating income comprise items secondary to the principal activities of the Company, including rental income from the temporary lease out of production facilities, compensation, government grants, refund of wages and salaries, gains on the disposal of intangible assets and property, plant and equipment, etc. Compensation and grants are recognised when there is reasonable assurance that the entity will comply with the conditions attaching to them and the grants will be received.

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 comprise wages and salaries, including holiday allowance and pensions, and other social security costs, etc., for the Company's employees.

Amortisation/depreciation and impairment

The item comprises depreciation and impairment 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:

Other fixtures and fittings, tools and equipment	5 years
Leasehold improvements	5 years

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Profit/loss from investments in group entities

The income statement includes the proportional share of the underlying companies' profit or loss after elimination of internal profit/loss and after tax. In group entities, the full elimination of internal profit and loss is carried out without regard to ownership shares.

The proportionate share of the individual group entities' profit/loss after tax after full elimination of internal gains/losses are recognised in the parent company's income statement.

The item includes dividend received from group entities.

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.

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 group entities

Equity investments in subsidiaries are measured according to the equity method. Equity investments in joint ventures are also measured according to the equity method in the consolidated financial statements.

On initial recognition, equity investments in group entities 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 deduced from the carrying amount.

Equity investments in group entities measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Gains and losses on disposal of group entities 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.

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

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the expected cash flows.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Equity

Treasury shares

Purchases of treasury shares are taken directly to equity under "Retained earnings".

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.

Translation reserve

The translation reserve comprises the share of foreign exchange differences arising on translation of financial statements of entities that have a functional currency other than DKK, foreign exchange adjustments of assets and liabilities considered part of the Company's net investments in such entities and foreign exchange adjustments regarding hedging transactions that hedge the Company's net investments in such entities. The reserve is dissolved on the sale of foreign entities or if the conditions for effective hedging no longer exist. When equity investments in group entities and associates in the parent company financial statements are subject to the limitation requirement in the net revaluation reserve according to the equity method, foreign exchange adjustments will be included in this equity reserve instead.

Hedging reserve

The hedging reserve comprises the cumulative net change in the fair value of hedging transactions that qualify for recognition as a cash flow hedge and where the hedged transaction has not yet been realised. The reserve is dissolved when the hedged transaction is realised, if the hedged cash flows are no longer expected to be realised or if the hedging relationship is no longer effective. The reserve does not represent a limitation under company law and may therefore be negative.

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".

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.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Liabilities

The Company has chosen IAS 39 as interpretation for 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.

Fair value

The fair value measurement is based on the principal market. If no principal market exists, the measurement is based on the most advantageous market, i.e. the market that maximises the price of the asset or liability less transaction and/or transport costs.

All assets and liabilities which are measured at fair value, or whose fair value is disclosed, are classified based on the fair value hierarchy, see below:

Level 1: Value in an active market for similar assets/liabilities

Level 2: Value based on recognised valuation methods on the basis of observable market information

Level 3: Value based on recognised valuation methods and reasonable estimates (non-observable market information).

If a reliable fair value cannot be stated according to the above levels, the asset or liability is measured at cost.

Cash flow statement

The cash flow statement shows the Company's net cash flows broken down according to operating, investing and financing activities, the year's changes in cash and cash equivalents as well as the cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non cash operating items, changes in working capital and paid corporate income tax.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related expenses as well as raising of loans, repayment of interest bearing debt and payment of dividends to shareholders.

Cash and cash equivalents comprise cash and short term securities which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Financial ratios

The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating profit/loss	Profit/loss before net financials +/- Other operating income and other operating expenses
Return on assets	$\frac{\text{Profit/loss from operating activites x 100}}{\text{Average assets}}$
Current ratio	$\frac{\text{Current assets x 100}}{\text{Current liabilities}}$
Equity ratio	$\frac{\text{Equity, year-end x 100}}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\frac{\text{Profit/loss after tax x 100}}{\text{Average equity}}$

		Group		Parent company	
	DKK	2024	2023	2024	2023
2	Staff costs				
	Wages/salaries	20,857,375	14,011,973	13,109,933	10,591,377
	Other social security costs	73,529	74,173	73,529	74,173
		20,930,904	14,086,146	13,183,462	10,665,550
	Average number of full-time employees	11	14	9	12
3	Financial income				
	Interest receivable, subsidiaries	0	0	2,582,637	2,524,859
	Other financial income	1,564,035	264,374	1,266,926	264,378
		1,564,035	264,374	3,849,563	2,789,237
4	Financial expenses				
	Other financial expenses	4,387,519	4,789,494	3,590,307	4,664,793
		4,387,519	4,789,494	3,590,307	4,664,793
5	Tax for the year				
	Estimated tax charge for the year	7,672,936	3,413,816	1,534,145	1,034,544
	Deferred tax adjustments in the year	247,962	9,460	247,962	9,460
		7,920,898	3,423,276	1,782,107	1,044,004

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

		Parent company	
	DKK	2024	2023
6	Appropriation of profit		
	Recommended appropriation of profit		
	Proposed dividend recognised under equity	15,000,000	6,500,000
	Extraordinary dividend distributed in the year	5,000,000	6,322,032
	Net revaluation reserve according to the equity method	4,619,701	8,299,191
	Retained earnings/accumulated loss	-3,683,434	-11,410,126
		20,936,267	9,711,097

7 Property, plant and equipment

	Group		
DKK	Other fixtures and fittings, tools and equipment	Leasehold improvements	Total
Cost at 1 January 2024	177,725	106,420	284,145
Additions	0	7,249	7,249
Cost at 31 December 2024	177,725	113,669	291,394
Impairment losses and depreciation at 1 January 2024	175,229	84,920	260,149
Depreciation	2,496	11,680	14,176
Impairment losses and depreciation at 31 December 2024	177,725	96,600	274,325
Carrying amount at 31 December 2024	0	17,069	17,069

	Parent company		
DKK	Other fixtures and fittings, tools and equipment	Leasehold improvements	Total
Cost at 1 January 2024	177,725	106,420	284,145
Additions	0	7,249	7,249
Cost at 31 December 2024	177,725	113,669	291,394
Impairment losses and depreciation at 1 January 2024	175,229	84,920	260,149
Depreciation	2,496	11,680	14,176
Impairment losses and depreciation at 31 December 2024	177,725	96,600	274,325
Carrying amount at 31 December 2024	0	17,069	17,069

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

8 Investments

	Group
DKK	Deposits, investments
Cost at 1 January 2024	38,900
Cost at 31 December 2024	38,900
Carrying amount at 31 December 2024	38,900

	Parent company		
DKK	Investments in subsidiaries	Deposits, investments	Total
Cost at 1 January 2024	187,860	38,900	226,760
Cost at 31 December 2024	187,860	38,900	226,760
Value adjustments at 1 January 2024	7,671,967	0	7,671,967
Foreign exchange adjustments	364,972	0	364,972
Dividend received	-10,091,401	0	-10,091,401
Profit/loss for the year	14,711,101	0	14,711,101
Value adjustments at 31 December 2024	12,656,639	0	12,656,639
Carrying amount at 31 December 2024	12,844,499	38,900	12,883,399

Parent company

Name	Legal form	Domicile	Interest
Global Automotive Inc.	Inc.	USA	100%

9 Prepayments

Prepayments include accrual of expenses relating to subsequent financial years, including fair value adjustments of derivative financial instruments.

	Parent company	
DKK	2024	2023

10 Share capital

Analysis of the share capital:

683,980 shares of DKK 1.00 nominal value each	683,980	683,980
	683,980	683,980

The parent's share capital has remained DKK 683,980 over the past 6 years.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

		Group		Parent company	
	DKK	2024	2023	2024	2023
11	Deferred tax				
	Deferred tax at 1 January	-108,854	-118,314	-108,854	-118,314
	Annual adjustment of deffered tax in income statement	247,962	9,460	247,962	9,460
	Deferred tax at 31 December	139,108	-108,854	139,108	-108,854
	Deferred tax relates to:				
	Property, plant and equipment	-5,176	-4,928	-5,176	-4,928
	Inventories	116,982	-92,743	116,982	-92,743
	Receivables	27,302	-11,183	27,302	-11,183
		139,108	-108,854	139,108	-108,854

12 Non-current liabilities other than provisions

	Group			
DKK	Total debt at 31/12 2024	Short-term portion	Long-term portion	Outstanding debt after 5 years
Subordinate loan capital	4,655,090	0	4,655,090	0
Other payables	315,645	0	315,645	315,645
	4,970,735	0	4,970,735	315,645

Other payables consist of holiday liabilities in connection with the New Danish Holiday Act.

	Parent company			
DKK	Total debt at 31/12 2024	Short-term portion	Long-term portion	Outstanding debt after 5 years
Subordinate loan capital	4,655,090	0	4,655,090	0
Other payables	315,645	0	315,645	0
	4,970,735	0	4,970,735	0

Other payables consist of holiday liabilities in connection with the New Danish Holiday Act.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

13 Subordinate loan capital

Group

Loan DKK 4,655 thousand has been granted by shareholders 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.

Parent company

Loan DKK 4.655 thousand has been granted by shareholders 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.

14 Derivative financial instruments

The Group uses hedging instruments such as forward exchange contracts and currency swaps to hedge recognised and non-recognised transactions.

Recognised transactions

Hedging of recognised transactions primarily includes receivables and payables.

At 31 December 2024 the value according to contract amounts to DKK 21,099 thousand and the net position amounts to DKK 3 thousand, which are reconised in the income statement.

Forecast transactions

The Group uses forward exchange contracts to hedge expected currency risks relating to sale and purchase of goods in the coming year.

At 31 December 2024 the value according to contract amounts to DKK 20,210 thousand and the net position amounts to DKK -1,088 thousand, which are reconised in the hedging reserve.

Fair value disclosures

The Group has the following assets and liabilities measured at fair value:

DKK	Financial instruments
Group	
Fair value at year end	-1,085,429
Unrealised fair value adjustments for the year, recognised in the income statement	-598,253
Unrealised fair value adjustments for the year, recognised in hedging reserve	-1,112,409
Fair value level	2
Parent Company	
Fair value at year end	-1,085,429
Unrealised fair value adjustments for the year, recognised in the income statement	-598,253
Unrealised fair value adjustments for the year, recognised in hedging reserve	-1,112,409
Fair value level	2

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Notes to the financial statements

15 Contractual obligations and contingencies, etc.

Other contingent liabilities

	Group		Parent company	
DKK	2024	2023	2024	2023
Rent agreement	39,000	39,000	39,000	39,000
	39,000	39,000	39,000	39,000

16 Security and collateral

Buk-Auto A/S has provided a company charge comprising all the Company's assets, however with an upper limit of DKK 20 million, as collateral for the Group's commitments with Jyske Bank. At 31 December 2024, the amount drawn in respect of these commitments was DKK 0 million.

Buk-Auto A/S has provided a guarantee whereby the guarantor assumes primary liability in relation to Buk-Auto Ltd.'s commitments with Jyske Bank. At 31 December 2024, the amount drawn in respect of these commitments was DKK 0 million.

Parent company

The parent company has provided a company charge comprising all the Company's assets, however with an upper limit of DKK 20 million, as collateral for the Group's commitments with Jyske Bank. At 31 December 2024, the amount drawn in respect of these commitments was DKK 0 million.

The parent company has provided a guarantee whereby the guarantor assumes primary liability in relation to Global Automotive Inc.'s and Buk-Auto Ltd.'s commitments with Jyske Bank. At 31 December 2024, the amount drawn in respect of these commitments was DKK 0 million.

Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

17 Related parties

Related party transactions

DKK	2024	2023
Group		
Sale of goods to other related party	2,616,902	1,864,696
Purchase of goods other related party	4,427,464	0
Management fee from other related party	173,880	128,760
Salery and bonus to shareholders	14,383,479	8,442,610
Interest expenses to other related party	210,757	154,944
Interest expenses to shareholders	1,189,485	425,751
Payable to other related party	1,632,160	3,846,304
Payable to shareholders and management	22,338,243	16,680,347
Parent Company		
Sale of goods to subsidiaries	3,940,296	13,927,975
Sale of goods to other related party	2,616,902	1,864,696
Purchase of goods from subsidiaries	3,266,588	0
Purchase of goods from other related party	4,427,464	0
Management fee from subsidiaries and other related party	4,423,302	1,689,444
Salery and bonus to shareholders	6,454,307	4,781,972
Interest income from subsidiaries and other related party	2,582,637	2,524,859
Interest expenses to subsidiaries and other related party	210,756	154,944
Interest expenses to shareholders	1,189,485	425,751
Receivables from subsidiaries	31,993,147	56,287,771
Payables to other related party (Included in Other payables)	1,632,160	3,846,304
Payables to shareholders and management	19,068,145	13,904,950

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
KJO1965 ApS	Svendborg
CPT Invest ApS	Svendborg
Watercreek Holding ApS	Svendborg
Leonid Zikeev	Portugal

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Notes to the financial statements

		Group	
	DKK	2024	2023
18	Adjustments		
	Amortisation/depreciation and impairment losses	14,176	27,940
	Tax for the year	7,920,898	3,423,276
	Exchange rate adjustment etc.	364,972	-167,444
		8,300,046	3,283,772
19	Changes in working capital		
	Change in inventories	-6,491,774	16,905,549
	Change in receivables	31,643,765	-47,760,574
	Change in trade and other payables	5,989,506	1,045,667
		31,141,497	-29,809,358
20	Cash and cash equivalents at year-end		
	Cash according to the balance sheet	24,616,062	4,364,672
		24,616,062	4,364,672