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WORDS FROM THE CEO

Continuous development and improvement define the practices of Anders Hedin invest. As a holding company we strive to invest in enterprises that complements our business model and carries a clear development potential for progression. As an active owner, we want to create the best conditions possible for our subsidiaries and as of today we stand stronger than ever before. We've built a portfolio of subsidiaries that creates synergies and possibilities through collaboration. We put our heart and soul into each business, and every acquisition made.

I.A. Hedin Bil AB continued to grow through acquisitions throughout 2019, although at a slower pace than previous years. We've mainly focused on the development and digitalization of products and services that streamlines our routines while the offer to our customers keeps improving further.

We launched **Hedin Auction**, an internet-based platform for sales towards dealerships.

Hedin Automotive Norway with the subsidiaries Bavaria Sverige Bil AB, Bavaria Norge AS and GS Bildeler AS kept delivering throughout 2019. The operations in Norway expanded with the addition of three BMW-dealerships in Ålesund, Molde and Kristiansund. At the same time the construction of a new facility started in Oslo.

With the acquisitions of another three Mercedes-Benz dealerships in the North of Belgium **Hedin Automotive Belgium** fulfilled the strategic acquisition plan that was set nearly four years ago.

Hedin Performance Cars AB, with responsibility for the operation of Porsche Center in Norway and Sweden, opened two new dealerships – one in Kristianstad, Norway, and one in Jönköping, Sweden.

Under the brand **Carplus**, our private leasing offer showed a strong expansion throughout 2019. The success leans on the combination of competitive offers, simple and user-friendly products and a market that expects agile overall solutions.

Within **Unifleet** we established our digitalized car fleet administration with financing during this autumn. The growth rate has been impressive and we see a strong opportunity in offering companies with smaller car fleets a cost-effective solution.

Within **Klintberg & Way Group AB** we've seen a positive development for **KW Parts** over the year. The market for tires kept the trend of being pushed to the margin which in turn effected **KW Tires**. A new strategy for logistics was set to increase efficiency and will be implemented in the upcoming year. The tire wholesale business **Inter Wheel Sweden AB** was acquired during November. This company deals in rims and tires and has a customer base of over 500 car dealerships, primarily in Sweden but also in Norway, Finland and Denmark. **KW Automotive** underwent a re-organization with the purpose of strengthening the logistic flow and streamlining the internal processes. They've also opened a new facility in Bremerhaven, Germany, for the homologation of imported cars.

Mabi Mobility AB increased their market share from 9.8 % to 10.5 % of the Swedish market for car rentals during 2019, compared to 2018. Our aim is to increase this number even further in the years to come.

Hedin IT AB has continued to in-house IT-support from external suppliers with the set goal to be able to handle the needs of the entire concern centrally. Meanwhile we are undertaking several digitalization- and development projects.

The 2019 re-organization of **Tuve Bygg AB** was made to improve the project coordination ability after suffering losses in projects during 2018. The business made a recovery over the year.

Consensus Asset Management AB is experiencing a strong growth and expansion. The company is active in Sweden and the HQ is located in Mölndal, with subsidiaries in Stockholm and Malmö, in addition to Meeting Points in Värnamo, Borås and Jönköping. The company is listed on the Spotlight Stock Market.

Lasingsoo Sverige AB is a digital platform for service bookings that compares workshops and prices in the customers general area. Under new management the company is now well positioned for growth as the share of digital bookings rises.

I.A. Hedin Fastighet AB divested several properties over the year and now owns a plot in Mölndal intended for the construction of office buildings.

Ripam Invest AB is the owner and operator, directly and through subsidiaries, of the hotel and restaurant activities at Societetshuset in Marstrand, as well as Marstrands Kurbadhus. At the same time there is an ongoing project to develop the northwestern parts of Marstrand that's been active since 2014. The goal is to re-instate Marstrand as a place for healing treatments in an environment that is defined by beautiful buildings and the ocean scenery. The project is divided into six subprojects. The first phase that consists of a Hotel is to be completed during the spring of 2020 with the opening of the hotel "Marstrands Kurhotell".

Since 2018 Anders Hedin Invest has successively acquired stocks in the British company **Pendragon PLC**. The company was founded in 1989 and is a listed enterprise that is focused on four different sections: UK Motor, Software, Leasing and US Motor. The strategical goal for Pendragon is to be the leading player in the digitalization of the automotive industry. As of now, the owned share is consisting of 13.34%. It is classified as a financial investment.

With the switch of the market- and product offerings, new opportunities arise. Since the new year we have commenced discussions about merging with the Dutch, listed car retailer Stern Groep NV, with revenue of 989 million euros during 2019, employing 1,858 people. We have signed a deal to become the strategic retail- and service partner for Byton in Norway and Sweden. Byton is a new car manufacturer that will be launching their new electric car M-Byte during the second half of 2021. We will be expanding with a new market through the acquisition of two BMW-retailers in the Zürich Area of Switzerland, with an expected closing during the second quarter. Meanwhile, BMW announced that they will be selling their own facility in Zürich to Hedin Automotive Switzerland. During this spring we've also signed an agreement to become the importer of Ford for the Swedish market. Finally, the brand Carstore has been launched within the Hedin-group to expand the important sales of used cars in Sweden. The first site is situated in Täby, outside of Stockholm.

Bearing in mind what came with the passing of 2019 and the coming of the challenges brought on by the COVID-19 virus, and the uncertainty that it brings, I would like to seize the opportunity to say this: We are a family-owned company that has successfully operated through good times and bad over a period of 35 years. Every crisis differs from the one that came before. But every crisis that passed made us stronger. This has been made possible by us being well prepared and through our ability to take swift actions when facing changing conditions. This applies now as well as before. I want to thank all of you that contributed to making 2019 a successful year. I also want to express my gratitude to all the straining efforts that is being made in this challenging time.



Anders Hedin, Owner And CEO



2019 IN BRIEF

- On January 17, Hedin Örebro Bil AB opened a dealership for Jaguar and Land Rover in Örebro.
- On February 12, Bavaria Haugesund AS acquired 51 % of the shares of MPS Micropaint Haugesund AS. The company's operations consist of the maintenance and reparation of vehicles.
- On February 18, Hedin Belgien Bil AB acquired a paint and body shop in connection to the car dealership in Lier, Belgium.
- GS Bildeler AS acquired 91 % of the stocks in EBC Brakes Norge AS as of February 26. EBC Brakes is a whole sales agent of brakes and auto detailing supplies for cars and motorcycles.
- On March 22, Hedin Stockholm AB communicated that DS Automobiles expands to also include Malmö Jägersro.
- Hedin Stockholm Bil AB expanded the commercial vehicle operations by moving it from Kista to both Spånga and Akalla on March 27.
- April 10 marked the launch of Hedin Auction. It is a Swedish net-auction site for car retailers that focuses on the used Hedin vehicles that are not sold to end consumers. The solution gives transparency and market prices for all parties involved.
- On June 7, Bavaria Norge AS agreed to acquire three BMW-dealerships in Ålesund, Molde and Kristiansund in Norway from Brages Bil AS. The transaction was closed on August 14.
- On August 21, Hedin Belgien Bil AB acquired two Mercedes-Benz full-service facilities located between Antwerp and Gent.
- On August 22, Hedin Belgien Bil AB agreed to acquire a Mercedes-Benz full-service facility located between Antwerp and Brussels. The acquisition was completed on September 16.
- September 17 marks the grand opening of Porsche Center in Kristiansand, Norway.
- October 10 marks the grand opening of a new Porsche Center in Jönköping.
- October 14 marks the grand opening of a new KIA dealership in Tagene outside of Göteborg.
- On October 17, a MoU was signed with the Chinese electric hybrid manufacturer BYTON, regarding sales in the Norwegian market through Hedin Automotive AS.
- On November 31, the dealership owned by Hedin Örebro Bil AB in Norrköping was closed.
- On December 1, the assets and liabilities of a FordStore-site in Västerås is acquired from HermiBil i Mälardalen AB in bankruptcy. The site in Västerås is the eighth owned by Hedin Mölndal Bil AB.
- On December 2 Klintberg & Way Group was acquired through their affiliate Klintberg & Way Parts AB, Inter Wheel Sweden AB from Däckia AB. Inter Wheel Sweden AB is a wholesale company focused on rims, tires and complete wheel-sets with a customer base consisting of car dealer customers in the Nordic countries.
- On December 3 the Klintberg & Way Automotive SA operations in Lugano, Switzerland was relocated to Bremerhaven, Germany.

Amounts in kSEK	2019	2018	2017	2016	2015
Net sales	25,971,315	24,184,096	14,551,763	10,706,901	8,725,618
Profit before tax	82,412	19,460	56,972	825,299	237,639
Total equity and liabilities	16,891,116	10,492,489	9,150,575	4,068,816	5,499,831
Return on equity	3	1	1	49	15
Equity to assets ratio (%)	11	18	21	44	24
Equity to assets ratio exklusive IFRS 16 (%)	15	18	21	44	24
Number of employees	3,238	2,939	2,008	1,626	1,322

Definitions see page 69

3,238
EMPLOYEES

25,971
NET SALES (MSEK)



BUSINESS CONCEPT, STRATEGY,

Anders Hedin Invest AB is a privately owned Swedish investment company that focuses on investing in companies related to the automotive industry. Our operation focuses on the development of current investments, along with investments that creates growth within our current activities. Our subsidiaries are mainly centered around five business areas: Sales of vehicles and aftermarket services, car rentals, vehicle related wholesale operations, spare parts, tires, real-estate management and construction.

The head office of Anders Hedin Invest AB, located in Mölndal, had a total turnover of 25.5 billion SEK during 2019 and employs ca. 3,600 employees.

BUSINESS CONCEPT

The business concept for Anders Hedin Invest is to administer and develop our subsidiaries. The business concept is also based on the investment in future businesses and opportunities with potential to support and propel current investments.

STRATEGY

Our overall strategy is based in profitable growth through constant progress and improvement. The profitability shall be improved through a higher degree of service, higher productivity and highly motivated co-workers in all subsidiaries. Growth shall be obtained within Anders Hedin Invest through our four fields of business areas. Being an active owner with close contact to all existing companies is an important part of to our overall strategy.

CORE VALUES

Our co-workers are our single most important component, and having the right competence in the right place is the core factor on which our success relies. We view our core values as a recipe for success. Our operations reaches over domestic- as well as international borders and even though there are common guidelines and policies to safeguard a high level of quality, we always take into account any cultural differences. In 2019 the number of employees within the group amounted 3,589.

SUSTAINABILITY

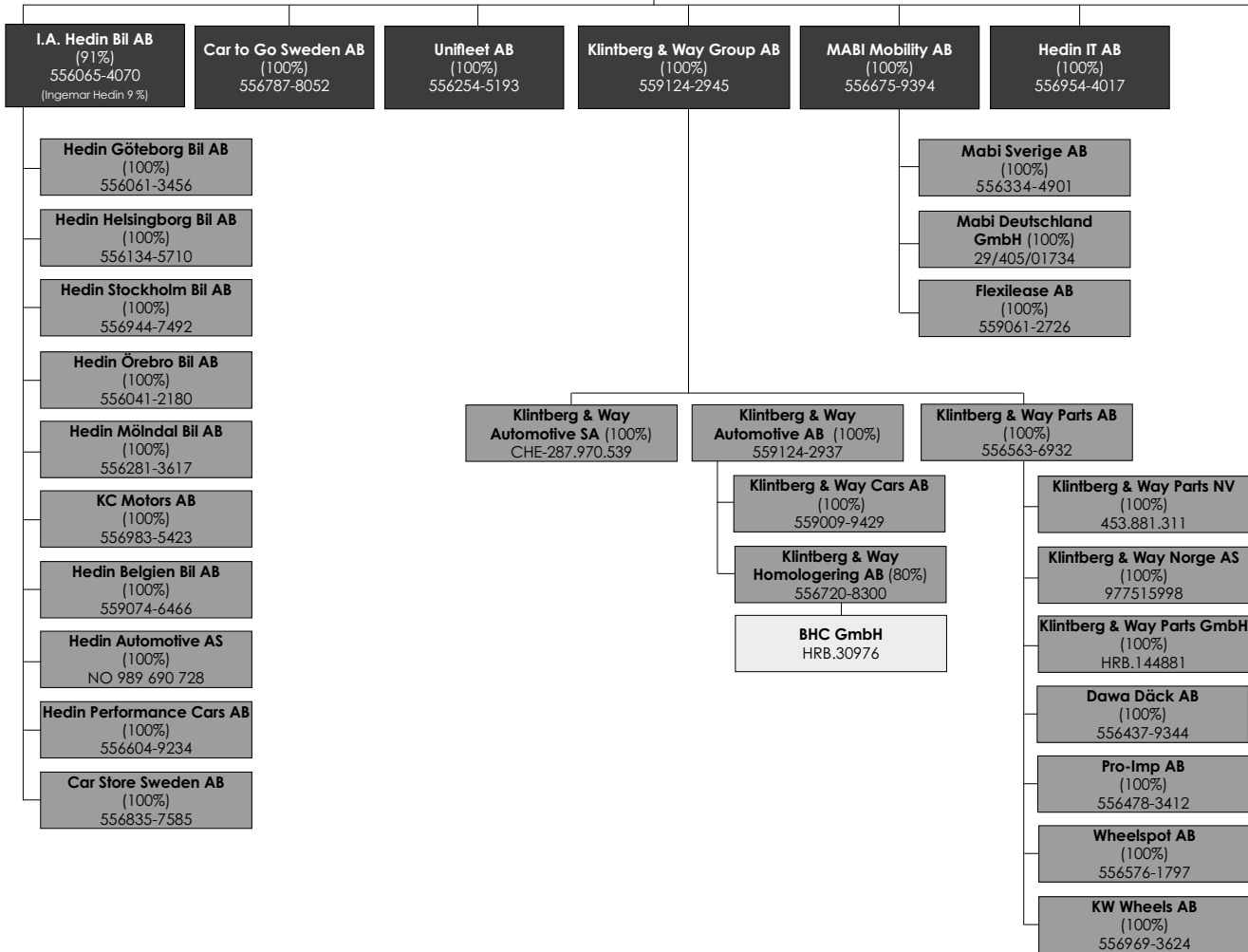
Sustainability is a highly prioritized subject that Anders Hedin Invest aim to implement in every aspect throughout our entire business. The goal of our sustainability policy is that the daily work and routines is defined by care of both environment, health and overall quality and that our workplaces are perceived as inspiring and stimulating to for our co-workers. A motivated and committed workforce and management strengthens the brand as well as our competitiveness.

Through an active collaboration between us as leaders, the board, management, co-workers, suppliers, authorities and trade organizations we make sure to keep our environmental impact to a minimum as well as preventing pollution. We are dedicated in maintaining an ongoing commitment for a sustainable work culture. We also make sure that our management and co-workers have the proper know-how to control and contribute to our sustainability work.

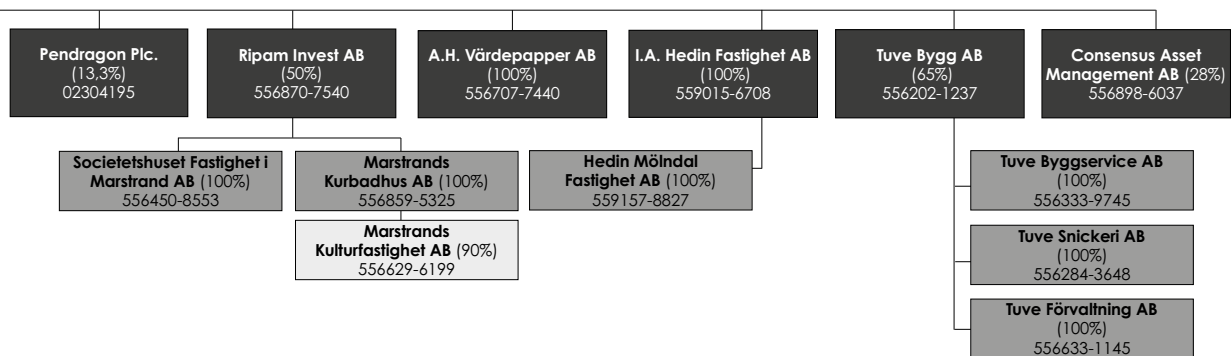
We have high demands on progressive environment, health and quality policies amongst our business partners and suppliers.

CORE VALUES AND SUSTAINABILITY

ANDERS HEDIN INVEST AB
556702-0655



ORGANIZATION



5

COUNTRIES

13

COMPANIES

26

BILLIONS



I.A. HEDIN BIL AB

I.A. Hedin Bil was founded in 1985 when father and son, Ingemar and Anders Hedin acquired Philipsons Bil in Borås. We started with two brands – Mercedes-Benz and Nissan. During the first year the company sold 800 vehicles, employed 40 people and had a turnover of 45 million SEK.

In the early 90s the Borås based company grew through acquisitions in Halmstad, Ängelholm, Helsingborg and Göteborg. At the beginning of 2000 the expansion continued as more facilities were acquired and Hedin Bil became one of the largest car dealerships in Sweden.

In 2017 Miklagruppen, with dealerships in Norway and Sweden, was acquired. During the same year the company name was changed to Hedin Automotive. With this acquisition, two additional brands were added to the Group – Bavaria and KC Motors. The operations were also expanded through the addition of three Porsche Centers in Norway.

During 2019 Hedin Bil expanded in Belgium and as of today there are a total of fifteen Mercedes-Benz dealerships under the brand Hedin Automotive.

I.A. Hedin Bil AB is owned by Anders Hedin Invest AB, holding 91 % and Ingemar Hedin, holding 9 %. The head office is located in Mölndal. At the beginning of 2019, I.A. Hedin represents 33 car brands in more than 100 locations in Sweden, Norway and Belgium.

SUBSIDIARIES

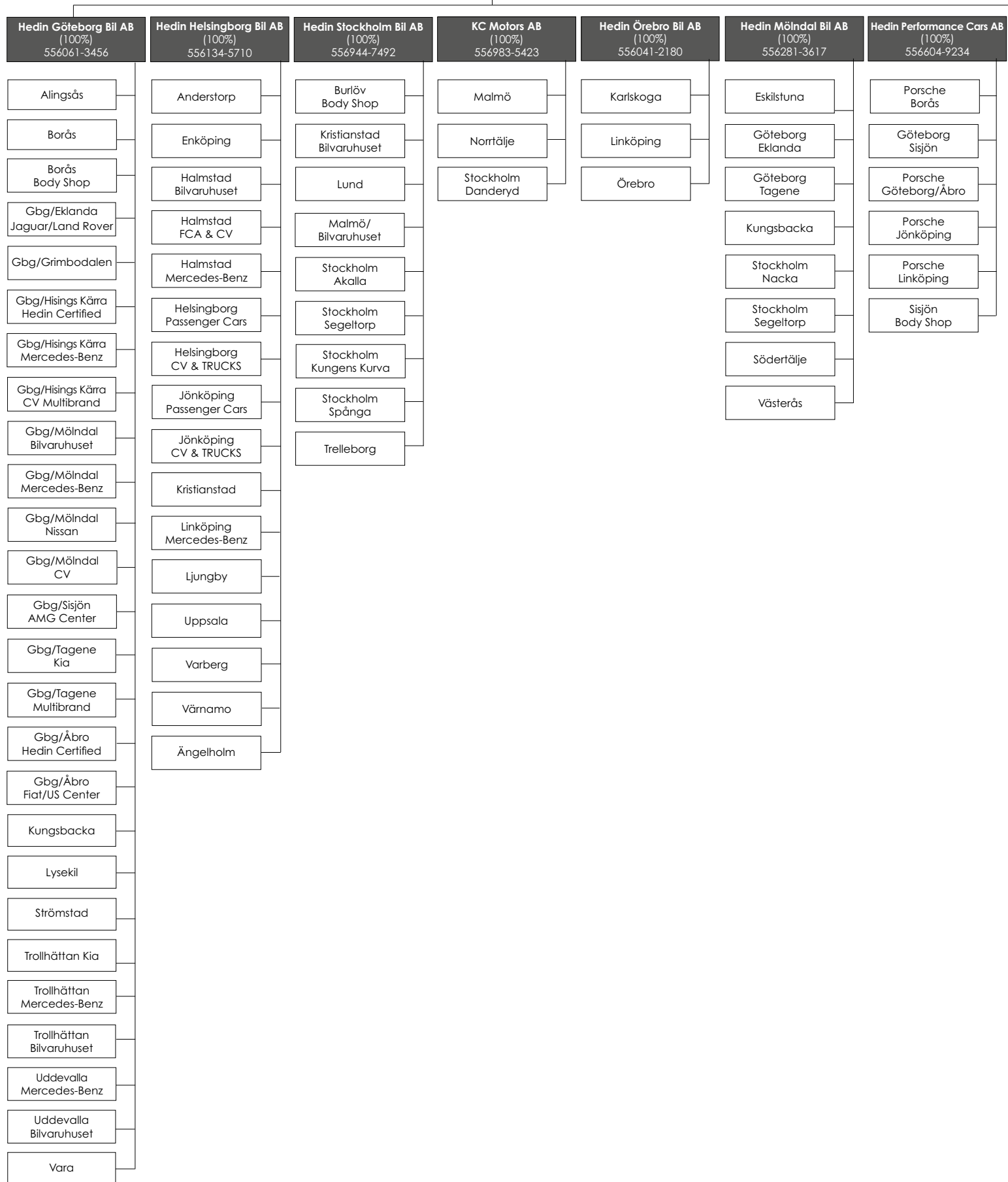
- Hedin Göteborg Bil AB
- Hedin Helsingborg Bil AB
- Hedin Stockholm Bil AB
- Hedin Örebro Bil AB
- Hedin Mölndal Bil AB
- KC Motors AB
- Hedin Belgien Bil AB
- Hedin Automotive AS
- Hedin Performance Cars AB

22,301
NET SALES (MSEK)

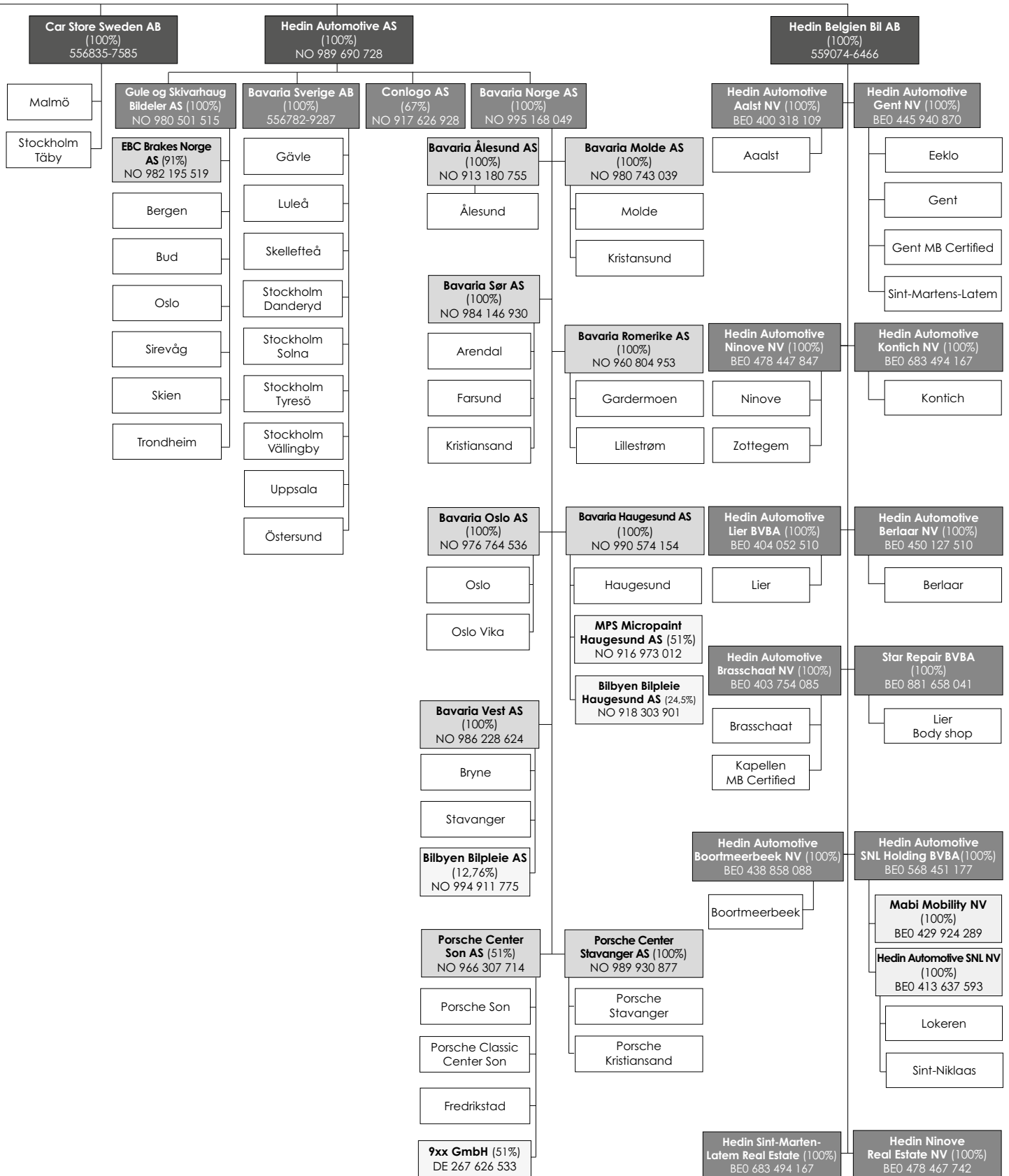
148
REVENUE (MSEK)

2,733
EMPLOYEES

78,423
RETAILED VEHICLES



ORGANIZATION I.A. HEDIN BIL AB



113

DEALERSHIPS

4

BODY SHOPS

6

WAREHOUSES



MERCEDES-BENZ
36

SWEDEN
Johan Stålhammar

Alingsås
Anderstorp
Borås
Enköping
Göteborg / Hisings Kärra
Göteborg / Mölndalsvägen
Göteborg / Sisjön
Halmstad / Stenlyckan
Helsingborg
Jönköping
Kristianstad
Kungsbacka
Linköping
Ljungby
Strömstad
Trollhättan
Uddevalla
Uppsala
Varberg
Värnamo
Ängelholm

BELGIUM
Henrik Lessèl

Aalst
Berlaar
Boortmeerbeek
Brasschaat
Eeklo
Gent
Gent MB Certified
Kapellen MB Certified
Kontich
Lier
Lokeren
Ninove
Sint-Martens-Latem
Sint Niklaas
Zottegem



Mercedes-Benz
Vans. Born to run.

MERCEDES-BENZ
26

SWEDEN
Lars Holmström

Alingsås
Borås
Enköping
Göteborg / Hisings Kärra
Halmstad / Stenlyckan
Helsingborg
Jönköping
Kristianstad
Kungsbacka
Linköping
Ljungby
Möndal
Trollhättan
Uddevalla
Uppsala
Varberg
Värnamo

BELGIUM
Henrik Lessèl

Aalst
Gent Zeehaven
Eeklo
Ninove
Lokaren
Sint Niklaas
Sint-Martens-Latem
Vertommen
Zottegem



PORSCHE


PORSCHE
9

SWEDEN
Rickard Magnusson

Borås
Göteborg / Åbro
Jönköping
Linköping

NORWAY
Helge Ellingsen

Fredrikstad
Kristiansand (Sør)
Son
Son Classic Center
Stavanger



JAGUAR
4

Rikard Alm


Göteborg / Eklanda
Linköping Bilvaruhuset
Jönköping
Örebro



FIAT
15

Ludvig Almgren

Göteborg / Grimbodalen
Göteborg / Åbro US Center
Halmstad / FCA & CV
Jönköping
Kristianstad Bilvaruhuset
Linköping Bilvaruhuset
Lund
Malmö / Jägersro
Stockholm / Akalla
Trelleborg
Uddevalla Bilvaruhuset
Uppsala
Varberg
Värnamo
Örebro



BMW
22

SWEDEN
Johan Frisk

Gävle
Luleå
Skellefteå
Stockholm / Danderyd
Stockholm / Solna
Stockholm / Tyresö
Stockholm / Vällingby
Uppsala
Östersund



CHEVROLET
2

Stefan Ernyrd

Göteborg / Åbro US Center
Stockholm / Kungens Kurva



FIAT PROFESSIONAL
17

Ludvig Almgren

Göteborg / Hisings Kärra CV
Halmstad / FCA & CV
Jönköping CV & TRUCKS
Kristianstad Bilvaruhuset
Linköping Bilvaruhuset
Lund
Malmö CV
Möndal CV
Stockholm / Akalla
Stockholm / Kungens Kurva
Stockholm / Spånga
Trelleborg
Uddevalla Bilvaruhuset
Uppsala
Varberg
Värnamo
Örebro



Mercedes-Benz
Trucks you can trust

MERCEDES-BENZ
13

SWEDEN
Björn Janström

Borås
Göteborg / Hisings Kärra CV
Halmstad / Stenlyckan
Helsingborg CV
Jönköping CV & TRUCKS
Kristianstad
Linköping
Uddevalla
Uppsala

BELGIUM
Henrik Lessèl

Aalst
Gent Zeehaven
Sint Niklaas
Vertommen



MERCEDES-BENZ AMG
4

SWEDEN
Johan Stålhammar

Göteborg / Sisjön Performance Center
Helsingborg
Jönköping

BELGIUM
Henrik Lessèl

Brasschaat AMG Performance Store



MINI
8

SWEDEN
Johan Frisk

Stockholm / Solna
Uppsala

NORWAY
Hallvard Vikeså

Kristiansand
Molde
Oslo Vika
Oslo Økern
Stavanger
Ålesund



LAND ROVER
4

Rikard Alm


Göteborg / Eklanda
Linköping Bilvaruhuset
Jönköping
Örebro



NISSAN
23

Victor Liljenberg


Alingsås
Anderstorp
Borås
Enköping
Göteborg / Hisings Kärra CV
Göteborg / Mölndalsvägen
Göteborg / Tagene
Halmstad Bilvaruhuset
Helsingborg
Helsingborg CV
Kristianstad
Kungsbacka
Ljungby
Möndal CV
Stockholm / Akalla
Strömstad
Trollhättan Bilvaruhuset
Uddevalla Bilvaruhuset
Uppsala
Vara
Varberg
Värnamo
Ängelholm



CORVETTE
2

Stefan Ernyrd


Göteborg / Åbro US Center
Stockholm / Kungens Kurva



CADILLAC
2

Stefan Ernyrd

Göteborg / Åbro US Center
Stockholm / Kungens Kurva



SMART
3

SWEDEN
Johan Stålhammar

Göteborg / Mölndalsvägen

BELGIUM
Henrik Lessèl

Aalst
Eeklo




ALFA ROMEO
10

Ludvig Almgren

Göteborg / Åbro US Center
Halmstad / FCA & CV
Jönköping
Kristianstad Bilvaruhuset
Linköping Bilvaruhuset
Malmö
Stockholm / Akalla
Stockholm / Kungens Kurva
Uppsala
Örebro

DEALERSHIPS & BRAND MANAGERS



NISSAN GTR
2

Victor Liljenberg
Göteborg / Mölndalsvägen
Stockholm / Akalla




RENAULT
6

Michael Bergström
Göteborg / Hisings Kärra CV
Göteborg / Tagene
Halmstad Bilvaruhuset
Halmstad / FCA & CV
Mölnadal Bilvaruhuset
Mölnadal CV




ISUZU
2

Olle Holmberg
Karlskoga
Örebro



CITROËN
17

Stefan Elmström
Borås
Enköping
Göteborg/Hisings Kärra CV
Halmstad Bilvaruhuset
Halmstad / FCA & CV
Jönköping
Jönköping CV & TRUCKS
Kungsbacka
Malmö
Malmö CV
Mölnadal Bilvaruhuset
Mölnadal CV
Stockholm / Akalla
Stockholm / Spånga
Strömstad
Trelleborg
Uppsala




DACIA
6

Micheal Bergström
Göteborg / Hisings Kärra CV
Göteborg / Tagene
Halmstad Bilvaruhuset
Halmstad CV
Mölnadal Bilvaruhuset
Mölnadal CV



JEEP
14

Ludvig Almgren
Göteborg / Grimbodalen
Göteborg / Åbro US Center
Halmstad / FCA & CV
Jönköping
Kristianstad
Linköping
Lund
Malmö
Stockholm / Akalla
Stockholm / Kungens Kurva
Uddevalle Bilvaruhuset
Uppsala
Värnamo
Örebro



KIA
22

Kenny Ohlsson
Alingsås
Borås
Göteborg / Tagene
Halmstad Bilvaruhuset
Helsingborg
Jönköping
Kungsbacka
Kristianstad Bilvaruhuset
Lysekil
Mölnadal Bilvaruhuset
Stockholm / Akalla
Stockholm / Segeltorp
Strömstad
Trelleborg
Trollhättan Bilvaruhuset
Uddevalle Bilvaruhuset
Västra
Värnamo
Ängelholm



OPEL
10

Henrik Hedlycke
Karlskoga
Kristianstad Bilvaruhuset
Linköping Bilvaruhuset
Malmö / Jägersro (only passenger cars)
Stockholm / Akalla
Stockholm / Segeltorp
Stockholm / Spånga
Trollhättan Bilvaruhuset
Uppsala
Örebro



DODGE
14

William Andreasson
Göteborg / Grimbodalen
Göteborg / Åbro US Center
Halmstad / FCA & CV
Helsingborg
Jönköping
Kristianstad Bilvaruhuset
Linköping Bilvaruhuset
Malmö Jägersro
Mölnadal Bilvaruhuset
Norrköping
Stockholm / Akalla
Stockholm / Kungens Kurva
Uppsala
Örebro



SUBARU
6

Selahattin Unsal
Karlskoga
Kristianstad Bilvaruhuset
Lund
Malmö
Stockholm / Akalla
Trelleborg




ABARTH
7

Ludvig Almgren
Göteborg / Åbro US Center
Halmstad / FCA & CV
Jönköping
Kristianstad
Malmö
Stockholm / Akalla
Stockholm / Kungens Kurva



MITSUBISHI
12

Stefan Elmström
Göteborg / Tagene
Halmstad / FCA & CV
Malmö / Jägersro
Malmö CV
Kristianstad Bilvaruhuset
Lund
Mölnadal Bilvaruhuset
Mölnadal CV
Stockholm / Akalla
Stockholm / Segeltorp
Stockholm / Spånga
Uppsala



RAM
15

William Andreasson
Göteborg / Grimbodalen
Göteborg / Åbro US Center
Halmstad / FCA & CV
Helsingborg CV
Jönköping
Kristianstad Bilvaruhuset
Linköping Bilvaruhuset
Malmö CV
Mölnadal Bilvaruhuset
Norrköping
Stockholm / Akalla
Stockholm / Kungens Kurva
Stockholm / Spånga
Uppsala
Örebro

HEDIN PERFORMANCE CARS


HEDIN PERFORMANCE CARS
2

Rickard Magnusson
Göteborg/Sisjön (used)
Göteborg/Sisjön (body shop)



HONDA
1

Victor Liljenberg
Mölnadal Bilvaruhuset



FORD
8

Jonas Hamnstedt
Eskilstuna
Göteborg / Eklanda
Göteborg / Tagene
Kungsbacka
Stockholm / Nacka
Stockholm / Segeltorp
Södertälje
Västerås

HEDIN CERTIFIED

HEDIN CERTIFIED
2

Hakim Chebil
Göteborg / Hisings Kärra
Göteborg / Åbro



DS
3

Selahattin Unsal
Malmö
Mölnadal Bilvaruhuset
Stockholm / Akalla

HEDIN CERTIFIED

CARSTORE

CARSTORE
2

Hakim Chebil
Malmö
Täby

113
DEALERSHIPS

33
BRANDS

3
COUNTRIES

During 2020 and 2021 the forecast predicts that the total amount of plug-in electric hybrids (PHEVs) and battery electric vehicles (BEVs) will increase on all markets where Hedin is present.



SWEDEN

Sales of new passenger cars in Sweden increased by 0.1 % in 2019 compared to 2018. Hedin Bil accounted for nearly 23 % of the total sales of passenger cars amongst the car brands represented. This is a decrease from 2018, when Hedin accounted for 25 %.

In anticipation of the new vehicle tax introduced on January 1, 2020, December became a record month with the registration of almost 50,000 new cars. The vehicle tax on passenger cars and commercial vehicles has been increased in several steps under a period of only 1.5 years. This has made the market increasingly volatile. All since the Bonus malus system was introduced, we saw a record in the sales of BEVs and PHEVs, increasing from a market share of 14 % to 20 %.

Commercial vehicles decreased by close to 5 % during 2019 compared to 2018. Hedin Bil accounted for approximately 19 % of the total sales of the brands that we represent, a decrease by approximately 1 % from 2018.

Truck sales increased and had a record year in 2019, with an increase of 7.2 % compared to 2018. Hedin Bil accounted for 34 % of the Mercedes-Benz truck sales, a decrease from 37 % in 2018.

Please note that the share of passenger cars and commercial vehicles might be somewhat misleading due to the number of preregistered vehicles.



NORWAY

The total market in Norway decreased by 3.8 %. Hedin Automotive, represented by Bavaria Norway and Porsche Norway, decreased by 22 % compared to the previous year.

Bavaria Norway AS acquired Brages Bil AS BMW facilities in Ålesund, Molde and Kristiansund during Q3, which led to an increase in BMW-sales by 4 %.

The Hedin Group accounted for nearly 28 % of the total sales of the brands that we represent compared to 35 % in 2018.



BELGIUM

2019 marked the year where all NEDC 2.0 cars were to be registered before September 1. As an effect, sales increased slightly and the Belgian car market was stable in comparison to 2018, with an increase of 0.1 %.

Hedin Automotive increased the market share of Mercedes-Benz passenger cars. Hedin Automotive accounted for 15.6 %, an increase compared to the 15.1 % in 2018.

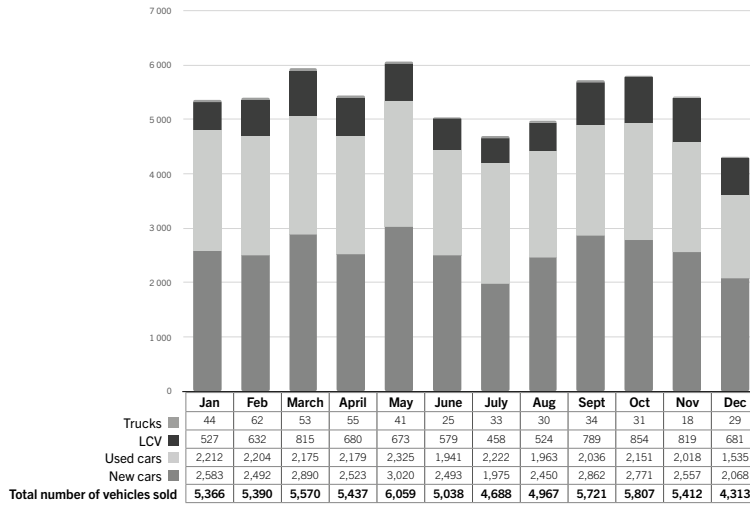
The registration numbers indicate that the market for BEVs and PHEVs increased from 2.4 % to 3.2 %. Since Belgium is traditionally a diesel market, the change in consumer behavior led to increased delivery times.

On the light truck market Hedin Automotive saw an increase of their share from 13.8 % in 2018 to 15.5 % in 2019.

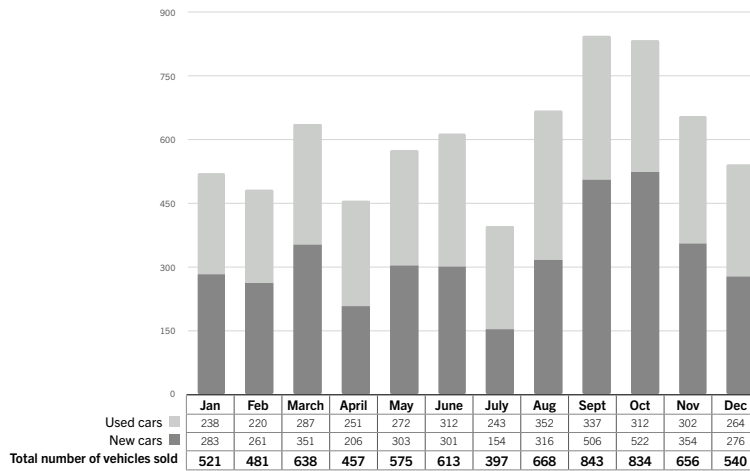
Hedin Bil accounted for 9.4 % of trucks, an increase compared to the 8.2 % in 2018.

AUTOMOTIVE INDUSTRY

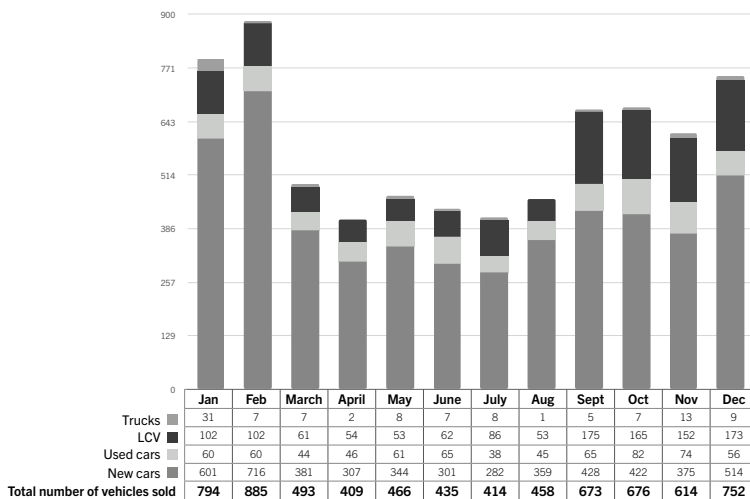
RETAILED VEHICLES SWEDEN 2019



RETAILED VEHICLES NORWAY 2019



RETAILED VEHICLES BELGIUM 2019



64,131
SWEDEN

7,223
NORWAY

7,069
BELGIUM





HEDIN BIL IN SWEDEN

www.hedinbil.se

Hedin Bil offers both new and used passenger- and commercial vehicles as well as trucks in addition to aftermarket services for the Swedish market. The offer includes financing, service contracts, tire hotels and insurances. All this combined serve to provide a simple, innovative and financially attractive concept for our customers.

Hedin Bil was founded by Ingemar and Anders Hedin in 1985. Today Hedin Bil is represented in 65 locations in Sweden, distributing 33 different car brands. The workforce of Hedin Bil in Sweden consists of a total of 1,727 employees. The company is divided into six subsidiaries spread throughout different geographical and business areas. The head office is located in Mölndal.

BUSINESS CONCEPT

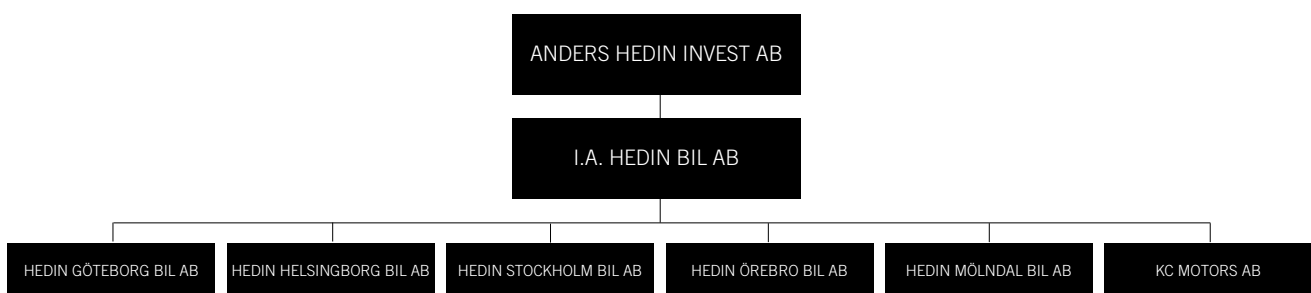
The Business concept of Hedin Bil is based on the principle of delivering the highest possible quality and service through the highest competence available. Hedin Bil shall always be efficient, responsive and focused on the customer. By doing so we create long lasting relations to clients and suppliers. Thereby Hedin Bil is the most financially viable partner for owners and importers of the 33 car brands that Hedin markets.

BUSINESS STRATEGY

The overall strategy of Hedin Bil is profitable growth. The profitability should always be improved by increasing the level of service, productivity and with a highly motivated workforce. The growth should be related to the automotive sector.

CORE VALUES

In a time where most things can be duplicated, our staff is our number one asset. This is why the continuous work with our core values is so important for Hedin Bil. Throughout 2019 we have continued our efforts to create uniform work procedures and a mutual structure. The keywords of Hedin Bil are reliability, availability and trustworthiness. These words guide in all situations in the interaction with co-workers, clients and suppliers. Aspects such as developing a strong corporate culture, to work towards becoming a more attractive employer and to strive to achieve a greater gender balance are all highly prioritized. World class customer service is an important competitive advantage for Hedin Bil. Each and every client and co-worker shall feel that they are both seen and significant.



65
DEALERSHIPS

33
BRANDS

1,727
EMPLOYEES

57,627
RETAILED VEHICLES



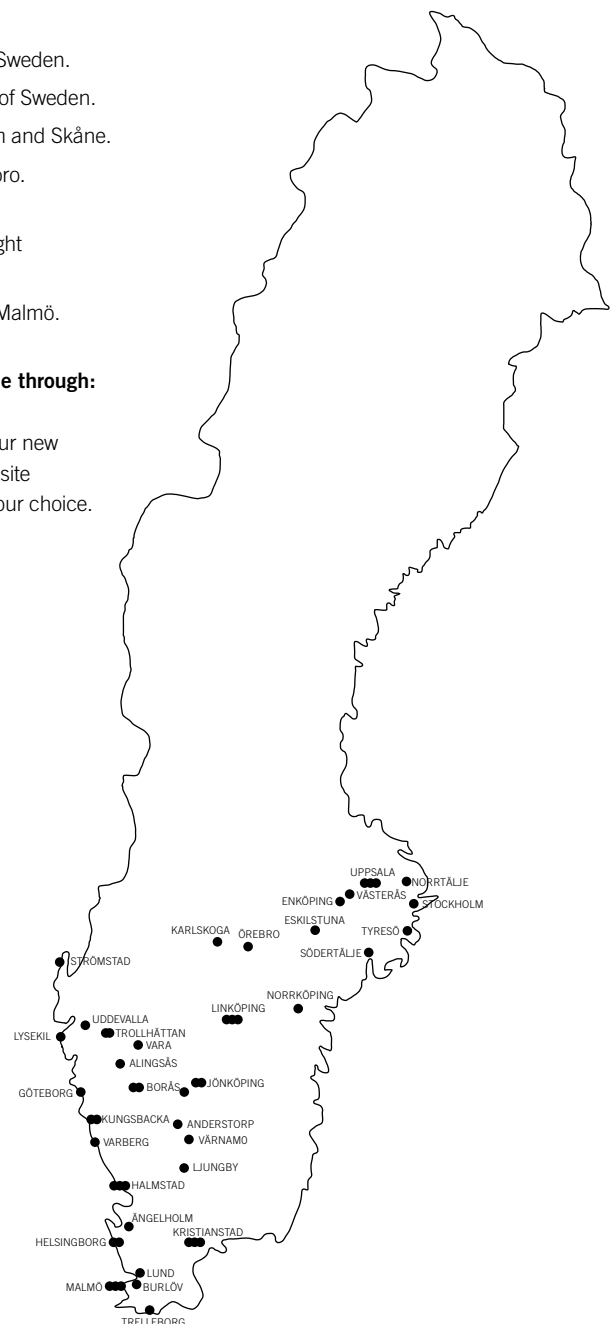
HEDIN BIL IN SWEDEN CONTINUED

Hedin Bil is represented in 65 locations in Sweden and is a retailer for 33 car brands, from Trelleborg in the south to Uppsala in the north. The company is divided into six subsidiaries:

- Hedin Göteborg Bil AB retails through dealerships in 26 locations in the south of Sweden.
- Hedin Helsingborg Bil AB retails through dealerships in 16 locations in the south of Sweden.
- Hedin Stockholm Bil AB retails through dealerships in nine locations in Stockholm and Skåne.
- Hedin Örebro Bil AB retails through dealerships in Karlskoga, Linköping and Örebro.
- Hedin Mölndal Bil AB retails dealerships dedicated to Ford in Stockholm, Göteborg, Kungälv, Södertälje and Eskilstuna. Hedin Bil operates a total of eight Ford dealerships in Sweden.
- KC Motors AB is a retailer and service partner for Kia in Norrtälje, Danderyd and Malmö.

Hedin Bil is also available digitally from your chosen location and at any given time through:

- Hedinbil.se – Where you find our total offer, giving you the possibility of finding your new car amongst 33 different brands, or your new used car from Hedin Certified. The site also offers the possibility to book a service appointment at the Hedin location of your choice.
- Hedinuction.se – An auction site for car retailers where all Hedin trades-in cars that are not sold through Hedin Certified are offered.







HEDIN BELGIEN BIL AB

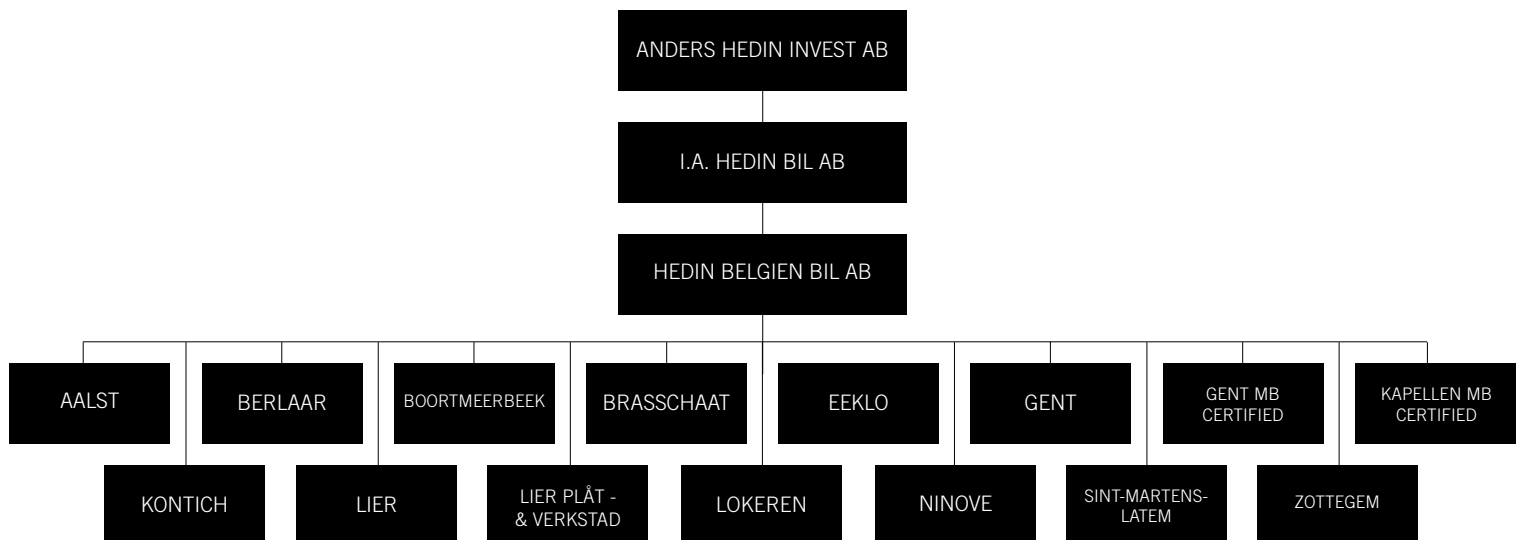
www.hedinautomotive.com

Hedin Belgien Bil AB, through the brand Hedin Automotive, supplies both brand new and used private cars for Mercedes-Benz and Smart as well as commercial vehicles and trucks from Mercedes-Benz. Hedin Automotive is the number one retailer of Mercedes-Benz in Belgium, controlling approximately 16 % of the national market.

2019 marks the year when Hedin Bil consolidated in Belgium. An additional three dealerships were added to the operation throughout the year. The sales of Mercedes Benz and Smart are carried out at 15 sites in Flanders in the north of Belgium under the brand Hedin Automotive. In Lier there is also a paint and body shop.

BUSINESS CONCEPT AND TARGET AIM

The concept originates in the idea to offer the highest quality and service possible through the best competence available. By being efficient and accessible, we always place the client in focus.



15

DEALERSHIPS

2

BRANDS

502

EMPLOYEES

9,366

RETAILED VEHICLES





HEDIN BELGIEN BIL AB CONTINUED...







HEDIN AUTOMOTIVE AS

www.hedinautomotive.no

In 1996, two Norwegian families started a BMW dealership out of Stavanger. As the years passed the company grew, in Norway as well as in Sweden as an authorized retailer for BMW, Mini, Porsche and KIA. As of September 2017, the company was acquired by I.A. Hedin Bil AB and the name was subsequently changed to Hedin Automotive AS.

Hedin Automotive AS is organized into three subsidiaries with the aim to deliver an exceptional customer experience. Improvement, advancement and transformation are the pillars on which the company's strategy rests.

In 2019 the company, as well as its subsidiaries, were certified as a "Great Place to Work" for the third time, after a poll amongst the co-workers. This is the global standard for a good workplace.

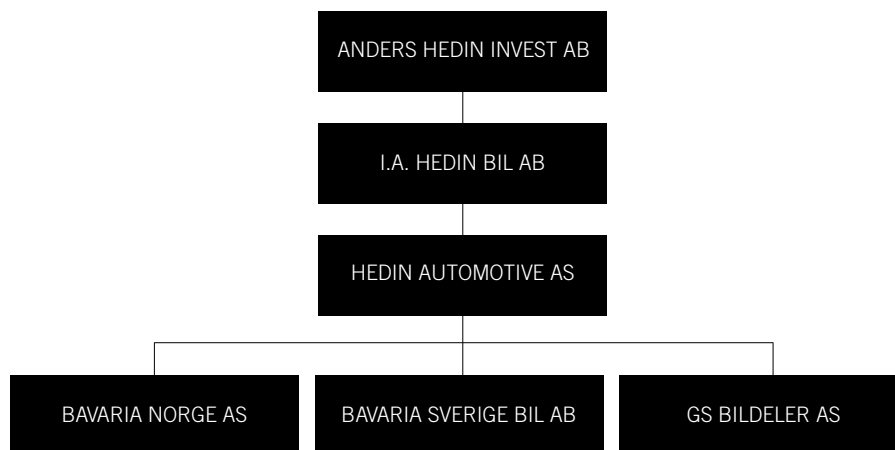
In 2020 Hedin Automotive AS will be given the operational responsibility for the BMW-operations currently controlled by Anders Hedin Invest AB.

TARGET AIM

Bavaria's aim is to create unique customer experiences.

VISION STATEMENT AND CORE VALUES

Bavaria is to be characterized by passion and innovation. The vision is to be in the lead of positive customer experiences and to take the entire trade to the next level. Bavaria stands for quality, and the DNA of the company is to be surprising, different and noticeably better than our competitors.



19

DEALERSHIPS

3

BRANDS

801

EMPLOYEES

17,082

RETAILED VEHICLES





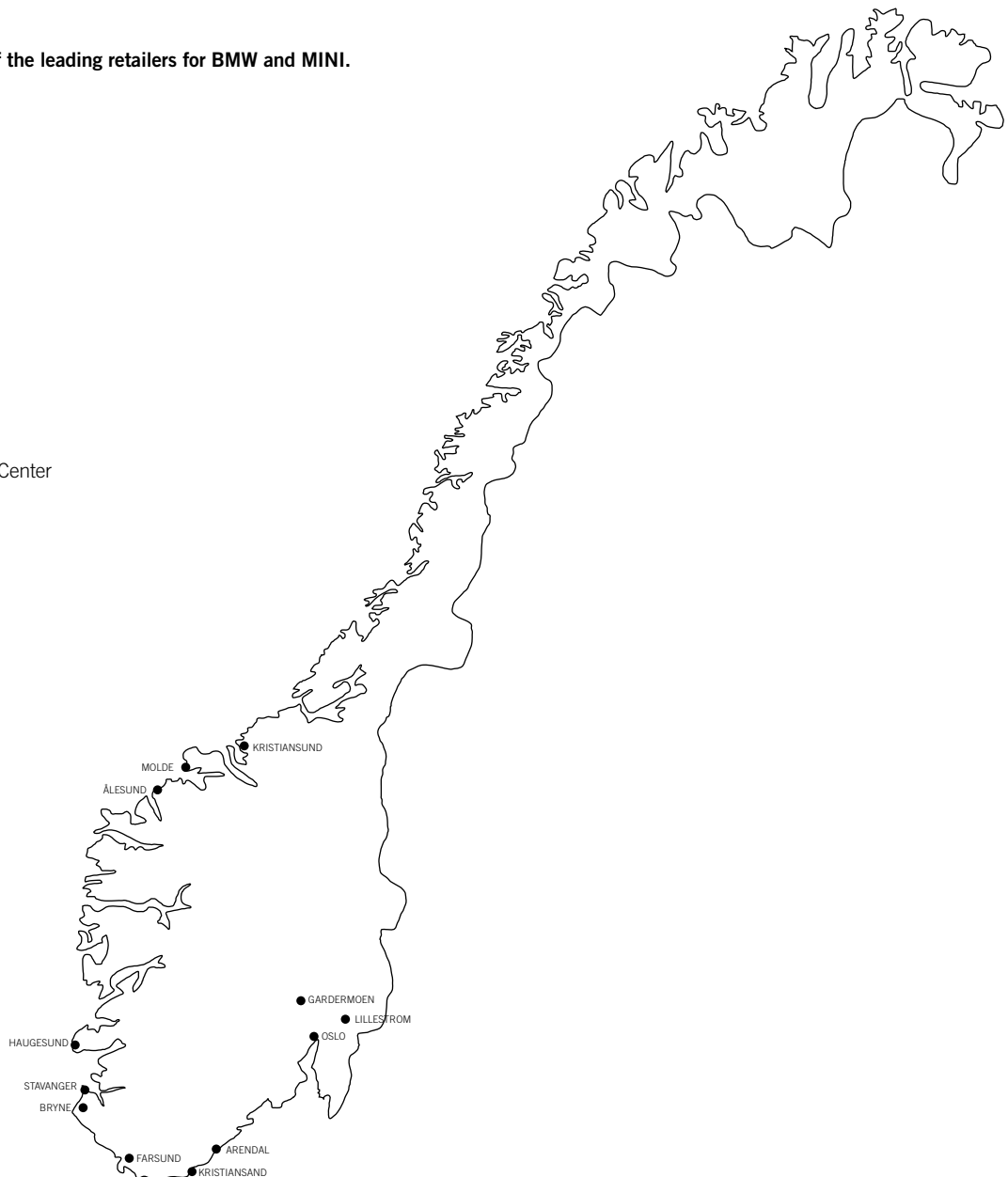
BAVARIA NORWAY

www.bavaria.no

Bavaria Norway is one of the leading retailers for BMW and MINI.

DEALERSHIPS

- Arendal
- Bryne
- Farsund
- Gardermoen
- Haugesund
- Kristiansand
- Kristiansund
- Lillestrøm
- Molde
- Oslo
- Stavanger
- Stavanger Used Cars Center
- Ålesund



13

DEALERSHIPS

2

BRANDS

401

EMPLOYEES

6,519

RETAILED VEHICLES





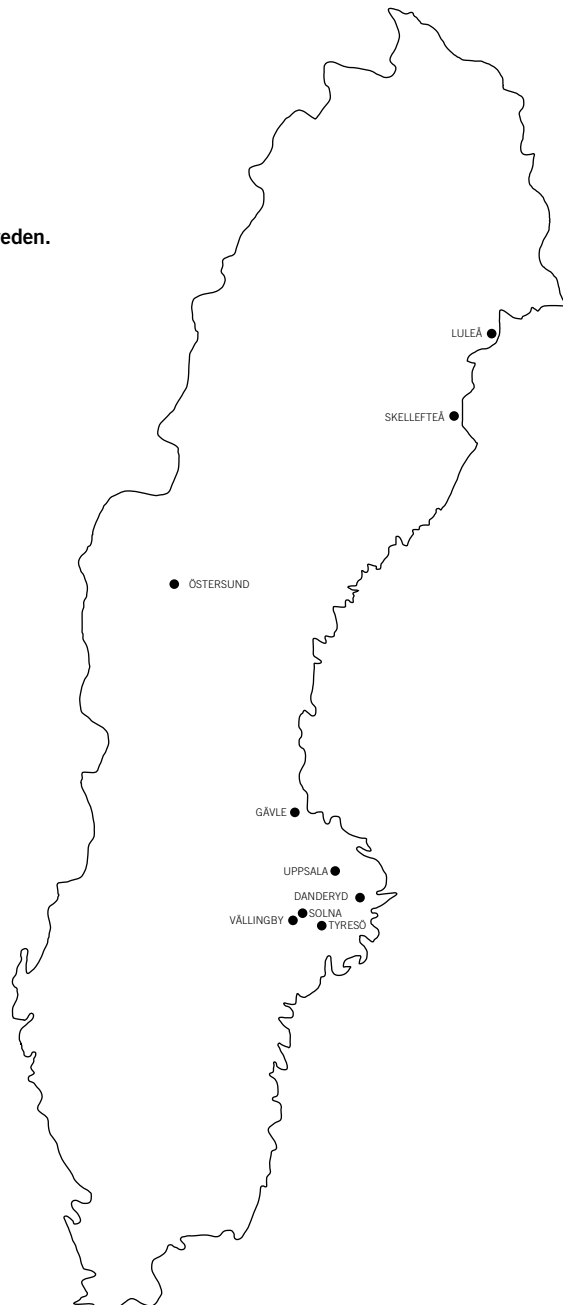
BAVARIA SWEDEN

www.bavariasverige.se

Bavaria Sweden is one of the leading retailers of BMW and MINI in Sweden.

DEALERSHIPS

- Gävle
- Luleå
- Skellefteå
- Stockholm Danderyd
- Stockholm Solna
- Stockholm Tyresö (body shop)
- Stockholm Vällingby
- Uppsala
- Östersund



9

DEALERSHIPS

2

BRANDS

307

EMPLOYEES

9,600

RETAILED VEHICLES



GS BILDELER AS

www.gsbildeler.no

In 1993 GS Bildeler, the largest independent supplier of spare parts for BMW and MINI, was founded. GS Bildeler is represented in six locations and employs 70 employees, with the head office located in Bud, in Møre and in Romsdal.

The company cooperates with over 150 GS Partner workshops for better monitoring practices, faster deliveries and technical support. For the past 26 years GS Bildeler has had a collaboration with BMW that evolved to include the retail of original parts, spare parts, accessories and lifestyle products.

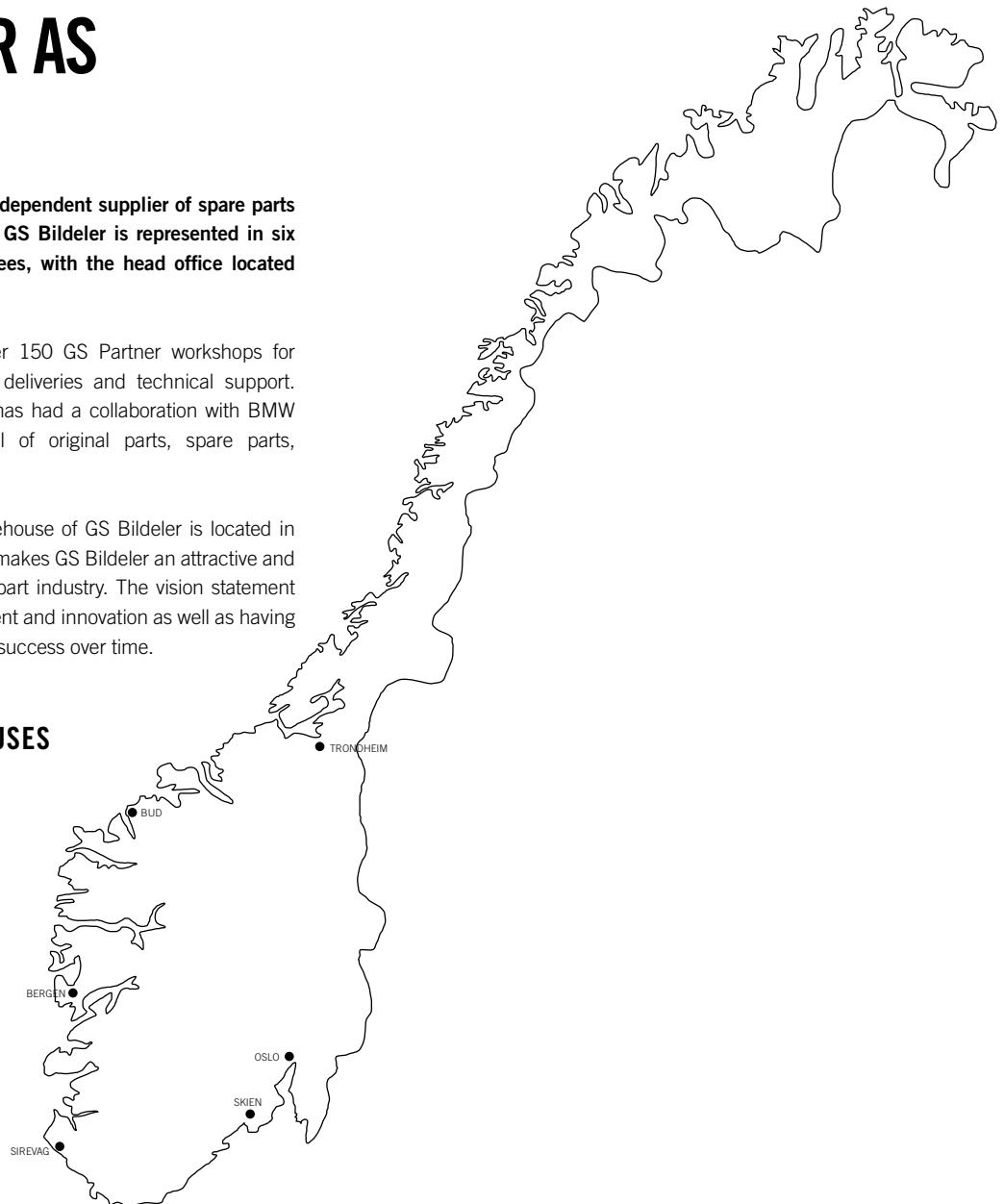
The state-of-the-art automated warehouse of GS Bildeler is located in Bud. The fast and simple deliveries makes GS Bildeler an attractive and competent player within the spare part industry. The vision statement of GS Bildeler is constant development and innovation as well as having a close customer relation leading to success over time.

WORKSHOPS

- Bud
- Skien
- Trondheim

WAREHOUSES

- Bergen
- Sirevåg
- Oslo



6

FACILITIES

70

EMPLOYEES

247

REVENUE MNOK





HEDIN PERFORMANCE CARS AB

www.porsche-goteborg.se | www.porsche-boras.se | www.porsche-jonkoping.se | www.porsche-linkoping.se

In 2017 I.A. Hedin Bil AB acquired two companies that marked the beginning of Hedin Performance Cars. The company has been growing rapidly and is now one of the strongest brands within the premium segment for cars. Hedin Performance Cars consists of eleven dealerships in Sweden and Norway and is mainly a retailer for the Porsche brand through dedicated Porsche Centers. One of the dealerships sells used exclusive cars, and one is a body shop.

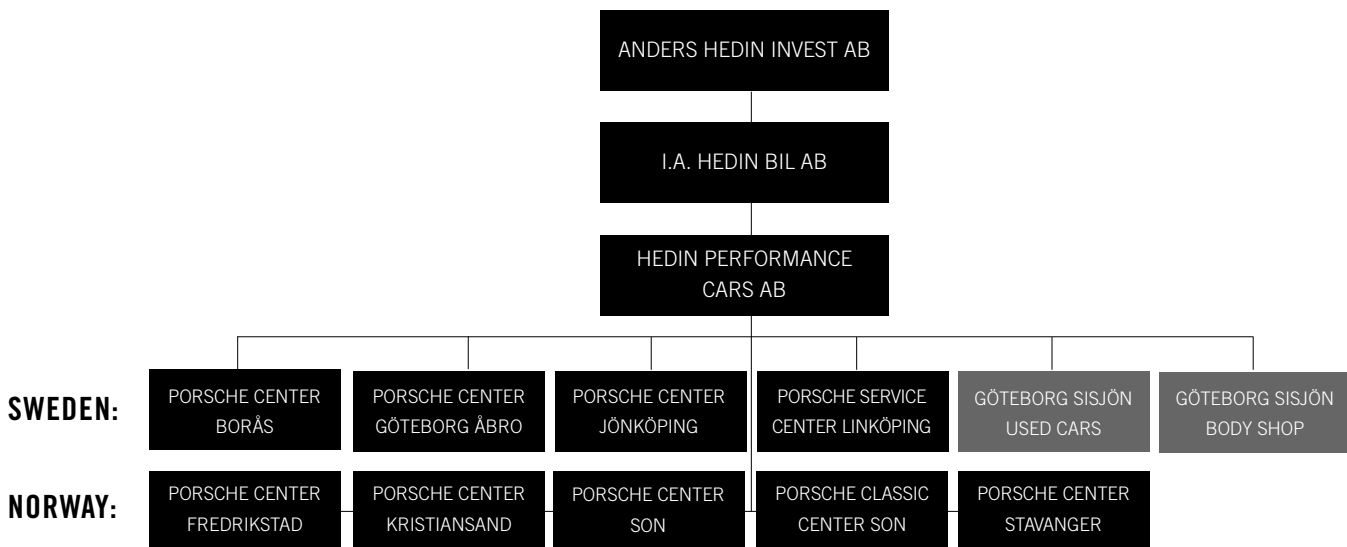
Porsche Center i Väst AB was founded in Borås in 1992. The company grew to a total of three full-service Porsche facilities in Borås, Göteborg and Linköping. As of April 2017, the company was sold to I.A. Hedin Bil AB. In September the same year I.A. Hedin Bil AB also acquired the Norwegian company Miklagruppen, that at the time were retailers for Porsche in Stavanger, Son and Sør.

In connection to these acquisitions a strategic decision to coordinate the two Porsche businesses into one operational organization was made, and Hedin Performance Cars was founded. This was mainly done to control sales and service and to benefit from the possibilities of growth through organic expansion, cooperation and synergies between the companies.

TARGET

The goal of Hedin Performance Cars is to have the most content owners of Porsches in the Nordic region. Regardless of which model of Porsche you own or is planning to purchase, the driving pleasure is always the highest priority.

Driven by a high demand for new Porsche models, and with a service market that has seen a positive development, the revenues for Hedin Performance Cars has seen a substantial raise during 2019. Internally, a large focus has been that of simplifying processes and logistics. Together with our highly skilled co-workers, the goal of Hedin Performance Cars is to constantly strive towards improvement and keeping a forward looking mindset.



11
DEALERSHIPS

1,848
REVENUE (MSEK)

123
EMPLOYEES

1,861
RETAILED VEHICLES



PORSCHE LINKÖPING





LEDIN PERFORMANCE CARS AB CONTINUED...

PORSCHE CENTER SWEDEN

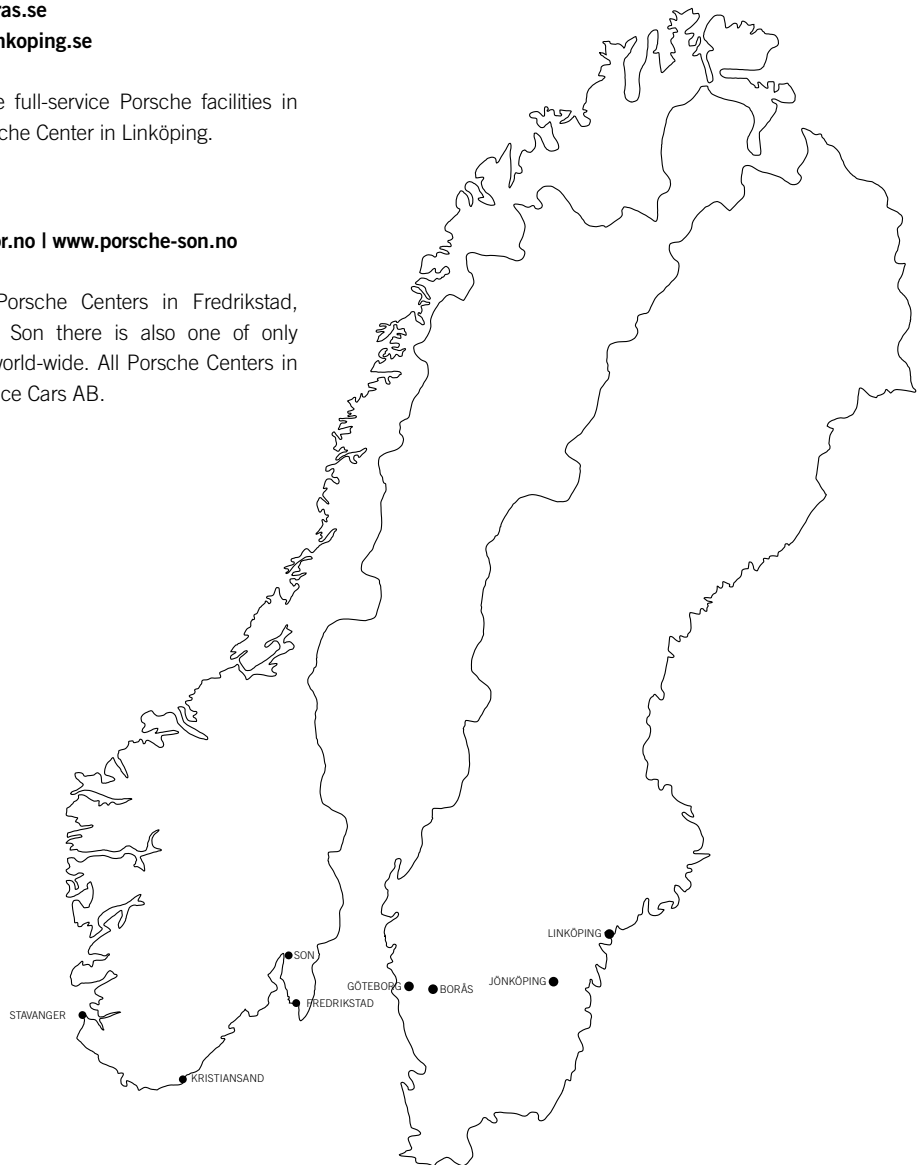
www.porsche-goteborg.se | www.porsche-boras.se
www.porsche-linkoping.se | www.porsche-jonkoping.se

The operations in Sweden consists of three full-service Porsche facilities in Borås, Jönköping, Göteborg as well as a Porsche Center in Linköping.

PORSCHE CENTER NORWAY

www.porsche-stavanger.no | www.porsche-sor.no | www.porsche-son.no

The operations in Norway includes the Porsche Centers in Fredrikstad, Stavanger, Kristiansand (Sør) and Son. In Son there is also one of only three stand-alone Porsche Classics Center world-wide. All Porsche Centers in Norway are operated under Hedin Performance Cars AB.



NORWAY



MOLDE

New construction of Bavaria dealership.
Completion in the first quarter of 2020.

MOLDE

OSLO

OSLO

Rebuild Bavaria dealership.
Completion in the second quarter of 2020.

BRYNE

BRYNE

New construction Bavaria dealership.
Completion in the second quarter of 2021.

CONSTRUCTION PROJECTS I.A. HEDIN BIL AB

SWEDEN



ALINGSÅS

New construction of Kia and Nissan dealership.
Completion in the fourth quarter of 2020.

DANDERYD, STOCKHOLM

New construction of Mini Concept Store, Bavaria dealership.
Completion in the fourth quarter of 2020.

SOLNA, STOCKHOLM

New construction of Bavaria dealership.
Completion in the first quarter of 2020.

KISTA, STOCKHOLM

Reconstruction of Bavaria dealership.
Completion in the fourth quarter of 2020.

HANINGE

New construction of Opel dealership.
Completion in the third quarter of 2020.

LINKÖPING

New construction of Porsche Center.
Completion during the first half-year of 2022.



LAGERBILSKAMPANJ!

Nissan Juke

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2 599:-/mån

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Hög

CAR TO GO SWEDEN AB

CTG is developing digital products and services within the vehicle industry. Products are developed- and mainly marketed under two brands; Carplus and Unifleet, as well as two legal units; Car to Go Sweden AB and Unifleet AB.

CARPLUS

www.carplus.se

The number one intermediary for private leasing in Sweden. All businesses are mediated via the website Caplus.se. The Carplus offer includes insurance and service as well as leasing. The transactions are carried out directly by the customers online via our two physical Carplus stores in Stockholm and Helsingborg, or online through our network of car retailers. In recent years, the business has experienced strong growth in both the number of transactions and market share.

UNIFLEET

www.unifleet.se

Unifleet mediates financial and operational leasing to companies through our own retailers, vehicle retailers or via our own website Unifleet.se. Unifleet also manages the administration of private leasing and service offers. In addition to the car purchase, Unifleet assists companies through a so called Fleet Management Services. Unifleet streamlines the management of the company's vehicle fleet by collecting vehicle costs and taxes on one invoice, customer adapted accounting record and salary record. Unifleet has created a unique administrative tool that handles vehicle fleets, a web portal for vehicle fleet owners and an app for professional drivers.

The operation was started in 2018 and is growing fast, and as of today Unifleet is one of the leading actors within fleet management in Sweden.

712,000
VISITOR WEBSITES

25
BRANDS

10,000
VEHICLES

16
EMPLOYEES

55
REVENUE (MSEK)



KLINTBERG & WAY GROUP AB

www.klintbergway.com

Klintberg & Way Group offers products and services to the automotive industry and is operational throughout Europe. The aim for the Group is to become a major player in Europe within products and service to the automotive industry and car retail business.

Klintberg & Way Group consists of KW Parts, KW Wheels, Dawa Däck, Pro-imp, Wheelspot, KW Automotive SA, KW Automotive AB, KW Cars, KW Technology Center and Inter Wheel Sweden AB. In 2019 the Klintberg & Way group has proven an organic growth both within the spare parts business in KW Parts as well as the automobile business in KW Automotive. The tire business has seen a small underlying decrease but has simultaneously grown through the acquisition of Inter Wheel Sweden AB in November. The Klintberg & Way Group head office is located in Kista outside of Stockholm.

KW PARTS

KW Parts, that was founded in 1975 is responsible for all of the after-market services for General Motors as well as the distribution of spare parts to all of Europe. KW Parts is also the official distributor of spare parts for MOPAR (Chrysler, Jeep, Dodge and RAM). The company is today the largest European wholesaler for American auto parts, with representation in more than 30 different countries.

KW Parts keeps an extensive storage with a wide range of around 50,000 articles of service, spare parts and accessories. During the year, a direct consumer channel was opened through the launch of TheDriveZone.com. The initial launch was in Sweden and it is based on existing functions and strengths within the Klintberg & Way Group.

Our vision statement is to maintain our position as the best supplier and distributor of spare parts and accessories for American vehicles.

KW WHEELS AB

The company is a wholesale retailer for tires and rims to the Nordic market that offers an extensive selection of products, including complete wheels for a large section of the Swedish new car market. KW Wheels offers premium products from renowned tire producers as well as quality entry level products. The company is also the Swedish distributor of Alutec-rims.

DAWA DÄCK AB

Dawa Tires is one of the largest wholesalers within the tire business. The company is the distributor of the tire brand Kumho. A very wide and complete assortment of several brands is offered to supply as large amounts of the market as possible. Dawa can also offer the Kumho line of truck tires.

PRO-IMP AB

Pro-imp is a tire supplier that has been importing and distributing Cooper-Tires, Avon Tyres, West Lake, Mickey Thompson and Kenda in Sweden since 1989. With a strong history within the tire segment for vans, JEEP and pickups, the company has a good opportunity for synergies with the other operations of Klintberg & Way Group. Pro-imp also has a wide assortment of classic car tires.

WHEELSPOT AB

The company is a wholesaler within e-commerce and focuses on complete tire sets to end consumer. The operation is currently dormant.

INTER WHEEL SWEDEN AB

Inter Wheel Sweden AB was acquired in November 2019 and is a wholesaler within the tire and rim business with the main office located in Karlstad. The client base consists of over 500 car retailers, primarily in Sweden but also in Norway, Finland and Denmark. The total number of employees is 17.

13

SUBSIDIARIES

32

COUNTRIES

1,895

REVENUE (MSEK)

175

EMPLOYEES





KLINTBERG & WAY AUTOMOTIVE SA

www.kwauto.com

Klintberg & way Automotive supplies management-, retail-, market- and technical development for the distribution of the car brands Dodge and RAM in Europe. The company is operational in all 27 of the EU-markets, including Norway and Switzerland.

KLINTBERG & WAY AUTOMOTIVE AB

2019 was a year of change as decisions were made to relocate the head office of Klintberg & Way Automotive SA in Lugano to KW Technology Center in Bremerhaven where the homologation is performed. Several synergies are realized with the relocation, streamlining the operation as everything is united under one roof. The neighboring facility in Bremerhaven underwent an extensive renovation where the capacity was expanded by nearly five times the previous levels. We are able to offer our clients the most modern site for homologation in Europe.

The company sold slightly less cars compared to 2018 and the number of authorized retailers amounted to 95, as well as 20 individual service workshops. Several prosperous events were carried out alongside our retailers and we took part in more than 50 local market ventures. Our primary focus has been on the relocation of the head office, as well as on streamlining processes and our customer offer.

KW TECHNOLOGY CENTER

KW Technology center is part of Klintberg & Way Automotive. Through the brand KW Technology Center, the company carries out type approvals of imported American vehicles in Bremerhaven, Germany. In our own premises and with a significantly improved capacity after the acquisition and renovation of the neighboring facility, KWT executes the type approval of Dodge and RAM for the European market. Thanks to the higher capacity we are now able to offer external clients the possibility of homologation and there are several ongoing discussions pending.

KW CARS

KW Cars import and retail American produced cars, mainly Chevrolet and Ford. In addition to standard passenger cars, pickups and SUV:s, custom-made vehicles is an area where KW Cars experience and know-how creates an opportunity for our customers to gain access to vehicles made for unique purposes.

29

COUNTRIES

2

BRANDS

33

EMPLOYEES

1,792

SOLD VEHICLES



MABI MOBILITY AB

www.mabi.se

Mabi is one of the largest independent car rental businesses. Today the car rentals are carried out at 152 stations in workshops, city offices and airports. The constant goal is to offer the latest rental cars at the most competitive prices.

ESTABLISHMENT

The company offers short-term rentals through a full range of cars, light and heavy trucks and minibuses, in addition to some specialized cars to profile the brand.

There is also a rental concept with long-term rentals for up to a year that is being marketed under the company brand Flexilease. It is a complement to company cars or a smart alternative to long-term rental contracts.

FUTURE DEVELOPMENT

As of today, Mabi has a market share of 10.5 % of the total car rental market in Sweden. The goal for the years to come is to increase this market share even further.

ENVIRONMENTAL IMPACT

Our actions regarding environmental issues is still guided by a comprehensive view, where we already taken into account to provide cars with low emission rates and alternative fuel. Furthermore, the purchase of environmentally efficient vehicles is highly prioritized, and the percentage of electric cars and hybrids increases continuously.

Mabi continues to certify rental offices in accordance with the official Swedish environmental guidelines.

152
STATIONS

23
BRANDS

49
EMPLOYEES

31
YEARS IN THE INDUSTRY



LASINGOO SVERIGE AB

www.lasingoo.se

Lasingoo is an industry owned online portal for the booking of maintenance services, mainly for passenger cars.

Lasingoo is owned and controlled mutually by AD Bildelar, Auto-experten, Bosch, Hedin Bil, OKQ8 and Mekonomen Group (MECA, Mekonomen, MekoPartner and Speedy). This is a unique venture carried out by the large body-shop players in Sweden and as of today around 2,000 workshops is connected to the service.

The portal gives the users control over all costs connected to car ownership and streamlines the workshops booking processes. The platform has been operational in Germany since 2012 and was launched in Sweden during the spring of 2015.

Over the past year the company, under new management, has commenced a process to change in order to bring the business to the next level. The results have been affected by acquisitions from the previous year and the unforeseen expenses connected to this.

The amount of conveyed bookings via the portal increased with 39 %, compared to the 2017 numbers.

5

YEARS IN THE INDUSTRY

2,000
BODY SHOPS



HEDIN IT AB

www.hedinit.se

Hedin IT AB was founded in 2014 and is 100 % owned by Anders Hedin Invest AB. The purpose is to provide IT-services to the core businesses and to create good conditions for digitalization throughout the entire group.

Hedin IT has developed during the year and is now a robust and efficient partner for the operations of the group. This ambition continues into 2020, with a keen focus and a clear vision for the future. We are driven by a pioneering-like mentality and we excel in drafting and keeping competence within our key areas of interest.

We consolidate, centralize and harmonize the IT-environment out of a cost-efficient perspective, where reliability, availability and increased performance are the key factors.

Our digital transformation is realized through investments drive in e-commerce, new and innovative ventures in traditional business systems where integrations between our key-systems are realized with our own IT-development.

The demand for digital services and systems directed towards the business and operations is changing alongside the technical advancement of today.

Together we drive the digitalization in a common direction where the end goal is to optimize every single component in a constantly changing business.

6

YEARS IN THE INDUSTRY

4

COUNTRIES

6

OWN SERVICES

21

COMPANIES

19

EMPLOYEES

2,700

USERS





RIPAM INVEST AB

www.marstrandskurhotell.com | www.societetshuset.se

Ripam Invest is the owner and developer of hotel- and restaurant ventures in Marstrand.

SOCIETETSHUSET

Societetshuset is located on the island of Marstrand, about 45 km north of Göteborg. The house was built in 1866 and quickly became a popular resort for the royalties and celebrities of that time. It was not until 1979 that the house was opened to the public. Today, Societetshuset hosts weddings and social events. Ripam Invest AB also owns Marstrands Kurbadhus and Båtellet, in addition to Societetshuset.

MARSTRANDS KURHOTELL (PREVIOUSLY BÅTELLET)

Båtellet was built as a hot bath in 1958. Today it is home to a first-class hotel that with much care for the original appearance has been upgraded to a hotel with 40 double rooms. The opening of Marstrands Kurhotel is set to April 2020.

KURBADHUSET

Kurbadhuset is a new business concept for Marstrand, with the intention that the business should offer clinical treatments as well as healing and rejuvenating SPA-treatments.

Since 2014, both companies are involved in a project to develop the part of Marstrand where the buildings are located. The goal is to once again turn Marstrand into a place of healing treatments in an environment characterized by beautiful buildings and ocean views. The medical SPA-treatment facility is central to the experience, but the area will also include hotels, hostels and restaurants. The project is divided into six phases and is to be completed in 2022.

6

YEARS IN THE INDUSTRY

40

ROOMS



CONSENSUS ASSET MANAGEMENT AB

www.consensusam.se

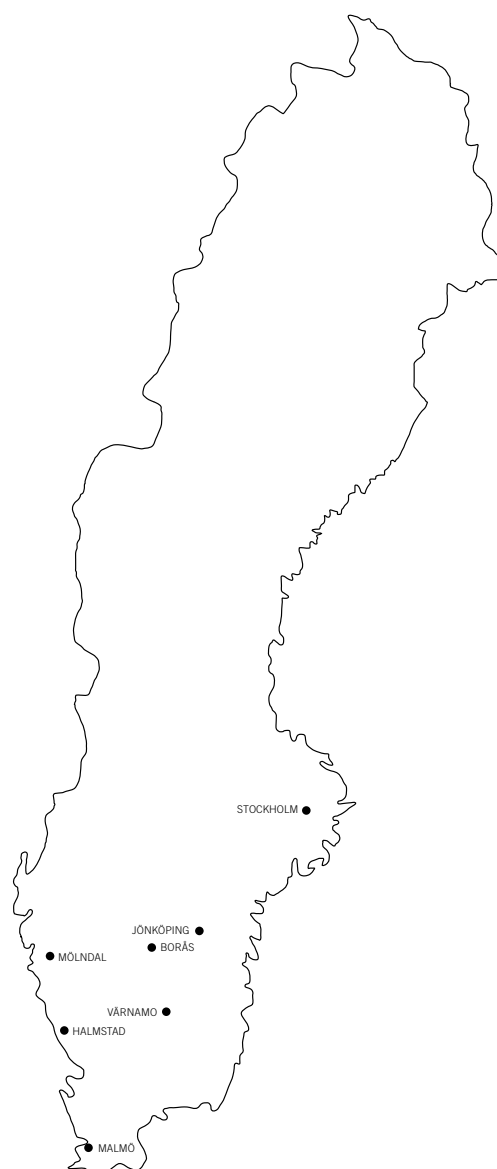
Consensus Asset Management AB (Consensus) is a financial securities company under the supervision of the Financial Supervisory Authority that is rapidly expanding and growing.

The company is active in Sweden and the main office is located in Mölndal, with branches in Stockholm, Halmstad and Malmö in addition to Meeting Points in Värnamo/Jönköping and Borås. The company is listed on the Spotlight Stock Market.

The business concept of Consensus is to create the best conditions possible for companies, trusts, institutions and individuals to achieve high revenues and good profitability growth, through active asset management, complete foundation services and occupational and pension management, while maintain the best personal service that the market has to offer.

Consensus also administers four trust funds of our own with different focuses towards the stock markets of Sweden, the Nordic regions and the rest of the world. The Consensus Small Business and Consensus Sweden Select are amongst the most successful stock funds of 2019, with revenues of 41.7 % and 38.3 % respectively.

Consensus manages a total of about 7 billion SEK, with a growth rate for new clients of about 150 million SEK a month.



6

OFFICES

7

BILLIONS

27

EMPLOYEES

71

REVENUE (MSEK)

11

MSEK PROFIT
BEFORE TAX



TUVE BYGG AB

www.tuvebygg.se

Anders Hedin Invest AB holds 65 % of the total stock of Tuve Bygg. Tuve Bygg consists of three areas of business; construction, carpentry and building services, and management. Tuve Bygg is a full-range construction company for public as well as private customers and has been producing everything from housing and offices to hospitals and car parks.

In order to make sure that the new building lives up to the expectations, every lead of the building process must function – machinery and material as well as human resources. Suppliers and partners are therefore very thoroughly vetted.

The offices in Göteborg, Stockholm and Uddevalla makes it possible to be active over a broad geographic area, focusing on the western parts of Sweden and the Stockholm region.

BUSINESS CONCEPT

Through local presence and sustainable execution in cooperation with our clients, Tuve Bygg creates value for people by building for the future. Tuve Bygg constructs housing, schools, office spaces and other public buildings where people can live, interact and grow.

The Vision of Tuve Bygg is: "Tuve Bygg – A value creating builder for the future"

STRATEGY

Tuve Bygg has seven overall main strategies. Tuve Bygg will pursue a profitable business on a shared value base. The business is characterized by developing customer relationships and forms of cooperation. Tuve Bygg want to grow through organic growth, effective systems and continuous learning. Tuve Bygg is actively working to be an attractive company for its employees. Tuve Bygg focuses on sustainable construction and community engagement. It is essential that Tuve Bygg communicates correctly, both to customers and partners as well as to employees.

CORE VALUES

Tuve Bygg builds success on our core values with the stated goal that every employee should feel safe, empowered, value creating and engaged. These core values, alongside over 250 co-workers helps us maintain the unique Tuve-spirit.

ENVIRONMENT

Up until 2020, Tuve Bygg is to reduce our mixed construction waste to a maximum of 15 %. Recycling takes place at every office and establishment. Tuve Bygg is also to reduce the use of energy. The energy consumed should in as high degree as possible come from renewable sources, e.g. district heating. Tuve Bygg shall also reduce the emissions of CO2. Part of the total profit should be invested in CSR. Since 2012, Tuve Bygg hold certificates in accordance to ISO 9001 and ISO 14001.

BUSINESS STRATEGY

CO-WORKERS

We're a flat organization with short decision paths, which in turn creates a great mobility with strong possibilities to affect the daily routines. The co-workers are our greatest resource.

PROFITABILITY

We're actively working on contractual prerequisites in all projects and in every stage to create predictability for us as well as our clients.

CLIENT FOCUS

We appreciate the importance of the customer experience. We deliver what we promise and maintain a high presence through a continuous dialogue during the entire process. Our resources allow us to navigate and follow our clients throughout the entire journey, from the first contact to the end of guarantee term.

SUSTAINABILITY

The concept of sustainability is broad. We're actively working with the reduction of mixed waste and zero tolerance against discrimination, amongst other things.

PARTNERS

We have strong and good partners that helps us realize our client's visions. A constant improvement of our cooperation with our partners is an important part of our operation.

BUSINESS PROCESSES AND SYSTEMS

Tuve Bygg has thoroughly incorporated processes that are always improving further in order for the construction projects to run smoothly. This calls for supporting systems that are present on site to make our every-day practices easier.

41

YEARS IN THE INDUSTRY

65%

OWNERSHIP

253

EMPLOYEES

2,053

REVENUE (MSEK)

1985-2011

1985

- Ingemar and Anders Hedin acquires the first Hedin-Bil facility in Borås. The car brands sold was Mercedes-Benz and Nissan.

1990

- Philipson Bil in Halmstad is acquired and a brand-new Nissan and Mercedes-Benz Retailer is opened in 1992.

1995

- Philipson Bil in Helsingborg and Ängelholm is acquired, as well as Philipson Trucks in Halmstad.

1998

- The Construction and real estate company K. I. Andersson Bygg AB in Borås is acquired.

1999

- Philipson Bil in Göteborg, Alingsås and Kungsbacka is acquired.
- A large and important reconstruction of the main office on Mölndalsvägen commences.

2001

- Aktiv Bil AB in Hisings Backa, A Nissan retailer at the time, is acquired.
- The Mercedes-Benz-site in Alingsås is re-opened during the autumn of 2001.

2002

- A retail contract for the new two seated city car Smart in the west of Sweden is signed.

2003

- Daimler-Chryslers retail operations, consisting of Mercedes-Benz retailing and work-shop in Hisings Kärra are acquired.
- In Åbro/Mölndal Chrysler and Jeeps dealerships and workshops is acquired.

2004

- Takes over the retailing businesses of Chevrolet in Göteborg from Bilstudion Göteborg AB.
- A retail contract with Cadillac Sverige AB for the right to sell the brand Cadillac, Chevrolet and Corvette is signed.
- Stjärnhuset Bil AB in Kristianstad is acquired. Through this acquisition the brand Mitsubishi is welcomed into Hedin Bil.

2005

- In Åbro/Mölndal Göteborgs Begagnat Center opens.
- Bilforum Uddevalla AB:s operations is acquired. By doing so Hedin Bil expands with four additional facilities in Uddevalla, Trollhättan, Strömstad and Vara.
- I.A Hedin Fastighet AB sells all shares of the KIA Fastighet AB.
- Klintberg & Way Group AB:s operations in Åbro/Mölndal is acquired.

2006

- Bilexa in Göteborg AB is acquired. They are the local retailers of Mitsubishi and Citroën.
- The operation of Philipson Uppsala Bil AB in Uppsala and Enköping is acquired.

2007

- A retailer contract is signed with KIA Motors Sweden AB.
- Acquires the operations of Thituson Bil AB in Linköping, Jönköping, Anderstorp, Ljungby and Värnamo. With this acquisition we welcome the brand Land Rover.

2008

- The assets and liabilities of the liquidated company Uno Asplunds Bil AB in Borås is acquired.

2009

- A retail contract is signed with Renault.
- Hedin Bils new commercial vehicle center is opened on Mölndalsvägen in Göteborg.

2010

- Scanauto in Göteborg AB and Andersson Auto in Varberg AB is acquired.
- The dealership and workshop of Bra Bil AB for Renault is acquired in Göteborg.
- Mercedes-Benz heavy truck operations in Hisnings Kärra is acquired.
- Investments in the company Car to Go Sweden AB is made. Anders Hedin Invest now holds a 29 % owner share.

2011

- Re-opening of the renovated facilities in Tagene, Vara, Anderstorp and Ljungby.
- Grand opening of the new facilities in Borås, Kungsbacka and Varberg.

MILESTONES AND HISTORY

2012-2016

2012

- Grand opening of the Hedin Bils new facilities in Uppsala.
- Grand opening in October of the new main office on Mölndalsvägen in Göteborg.
- Grand opening in November of the AMG Performance Center and Mercedes-Benz business center in Sisjön, Göteborg.
- The wholesale company DAWA Däck AB, that is to be operated as an affiliate to KW Wheels AB, is acquired through Klintberg and Way Group AB.
- Klintberg and Way Group AB is acquired.
- Klintberg and Way Group AB acquires General Motors North American Vehicles and MOPAR:s (Chrysler, Jeep and Dodge) authorized spare part distribution operation – The number one whole-sales agent of spare parts for American car parts in Europe. As of 2014, the company is represented in 37 countries with the main office in Sweden.

2013

- Abarth is introduced as a new car brand within Hedin Bil.
- The retail contract with Suzuki is terminated due to too low volumes.
- Mercedes-Benz facilities in Hisings Kärra is remodeled to a dealership for passenger cars, commercial vehicles and trucks.
- Svenska Bil AB:s operations in Stockholm is acquired. This means that another four new sites are added to the Group as well as the creation of a new subsidiary company: Hedin Stockholm Bil AB.
- The Opel dealerships in Malmö is acquired along with their bankruptcy estate.
- I.A Hedin Fastighet AB acquires three new real estates that houses external tenants.
- The subsidiary company KW Wheels AB is created. The company is a wholesaler of tires and rims with office and storage unit in Tuve, Göteborg.
- Anders Hedin Invest AB acquires the remaining 71 % of the stock share of Car to Go Sweden AB.
- Consensus Asset Management AB (Consensus) and Thenberg is merged with Kinde Fondkommission AB.
- Anders Hedin Invest AB expands its share in Lasingoo Sverige AB and now holds a 16,6 % share.

2015

- Grand opening of a new Hedin Bil dealership in Ängelholm.
- The construction of a new Hedin full-service facility in Jönköping is started.
- Acquires the company Rörelsefastigheten Kista and starts a commercial vehicle center.
- A new Hedin Bil-dealership in Värnamo is opened.
- DS store, a new concept store for the premium brand DS is opened in Akalla, Stockholm.
- Hedin Bil becomes reseller for Renault and Dacia in Halmstad.
- The subsidiary company Klintberg and Way Group AB acquires 70 % of Techno Tire AB
- The subsidiary company KW Cars is founded.
- The Ford operations of Bilja AB in Göteborg, Stockholm, Nacka and Kungsbacka are acquired. With this acquisition, we welcome Ford as a new brand in the Hedin Group.
- The car dealership Lars Pettersson Bil AB, a Ford retailer in Södertälje, is acquired.
- The Ford operations of CMS Group AB in the north of Göteborg is acquired.
- Hedin Göteborg Bil AB signs a contract for the construction of a new dealership for Jaguar and Land Rover in Sisjön that is to be opened in 2017.
- Hedin Mölndal Bil AB signs a contract that grants the construction of a new Ford Store in Segeltorp, Stockholm.
- Hedin Mölndal Bil AB signs a contract granting the construction of a new dealership for Ford in Kungsbacka that is to be opened in 2017.
- The subsidiary company Klintberg and Way Group AB acquires the tire wholesaler PRO-imp AB and Wheelspot AB
- The largest business deal yet is signed, as Fastighet AB Balder purchases I.A. Hedin Fastighet AB. The property portfolio is valued at 4,208 million SEK.
- By the end of the year, Wijks Villa in Göteborg is acquired. The real estate company is owned by I.A. Hedin Fastighet AB (a new company).

2016

2017-2018

2017

- The business transfer of Bilias Ford operation in Stockholm is carried out.
- The facilities owned by ANA Motorcentrum in Trollhättan and Lysekil is acquired.
- PCB Västsverige AB, retailer for Porsche in Borås, Göteborg and Linköping is acquired. We welcome Porsche as a new brand into the concern.
- Miklagruppen, with the subsidiary companies Bavaria Norge AS, Bavaria Bil AB, KC Motors AB and GS Bildeler AS, is acquired. Miklagruppen is the distributor of BMW, Mini and Porsche, with facilities in Sweden and Norway.
- The BMW-facility owned by Burlin-gruppens in Skellefteå is acquired.
- Eriksson Bilteam AB in Gävle, consisting of the resale, service and spare parts for BMW and Opel, is acquired.
- 51 % of Tuve Bygg Holding AB is acquired.

2018

- Two business locations in Gävle is sold by I.A. Hedin Fastighet AB on February 28.
- Mercedes-Benz Gent, who is operating seven facilities in the east of Flanders, Belgium is acquired on April 1 through three separate legal entities. The business controls 7 % of the Belgian market.
- On April 17, 2018, Motorcentralen in Eskilstuna is acquired by Hedin Mölndal Bil AB, through I.A. Hedin Bil AB. The acquisition include the Ford operations for passenger cars and commercial vehicles.
- April 19 marks the grand opening of Ford Store, Hedin Bil in Segeltorp, Stockholm.
- On April 23, Bavaria Sverige Bil AB acquires Englunds Bil in Luleå.
- Dodge & RAM Flagship Store Stockholm in Kungens Kurva is opened on May 1.
- The grand openings of KC Motors Danderyd takes place on June 7, and of KC Motors Norrtälje on June 8 respectively.
- The minority share in GS Bildeler AS is acquired on June 21 by Hedin Automotive AS, now owning 100 % of the company.
- As of July, 13 Bavaria Sverige AB enters an agreement to acquire Ivars Bil AB in Östersund, a dealer of BMW and Nissan. The acquisition is closed on August 31.
- On August 22, Hedin Belgien Bil AB enters an agreement to acquire two full-service facilities for Mercedes-Benz passenger cars, commercial vehicles and trucks located between Gent and Antwerp in the north eastern parts of Belgium. The closing is conditioned upon the approval of the Belgian Competition Authority.
- I.A. Hedin Belgien Bil AB acquires another five Mercedes-Benz facilities in Antwerp on August 22.
- Ford Transit Center, a Ford transport retailer, is opened on September 1 in Eklanda, Göteborg.
- Hedin Bil's passenger car dealership in Helsingborg, an authorized dealer of Mercedes-Benz, Kia and Nissan is re-opened on September 20 after being renovated.
- Hedin Göteborg Bil AB gains access to Skadecenter i Borås AB on September 28, expanding both the service workshop and body workshop in Borås
- 67 % of the stock share of Norwegian importer and wholesale company ConLogo is acquired.
- With the aim to take a leading role on the market for used cars, Hedin Certified is launched on November 1.
- The company KW Cars in Grimbodalen is transferred to I.A. Hedin Bil AB as of November 1, and the name is changed to Hedin Bil i Grimbodalen.
- On November 1, Hedin Ford in Nacka is opened. The site offers the full range of Ford models and also includes Hedin Certified.
- A land plot in Mölndal is acquired by I.A. Hedin Fastighet AB from the municipality of Mölndal, upon which a business complex is planned to be built.
- Another 14.5 % of the construction firm Tuve Holding AB is acquired on December 21 by Anders Hedin Invest AB, who now owns a total of 65 % of the company.
- Anders Hedin Invest AB acquires shares in the British car retailer Pendragon Plc during the fourth quarter. The share amounts to 4 % of the company by the end of the year. During the first quarter of 2019 additional shares have been acquired, and the total holdings now amounts to 11.61 %, including privately owned shares.

MILESTONES AND HISTORY

2019-2020

2019

- On January 17, Hedin Örebro Bil AB opens a dealership for Jaguar and Land Rover in Örebro.
- On February 12, Bavaria Haugesund AS acquires 51 % of the shares in MPS Micropaint Haugesund AS. The company's operation consists of the maintenance and reparations of vehicles.
- Hedin Belgien Bil AB acquires a body- and paint shop in connection to the current facility in Lier, Belgium on February 18.
- GS Bildeler AS acquires 91 % of the shares in EBC Brakes Norge AS as of February 26. EBC Brakes is a wholesale agent for brakes and detailing supplies for cars and motorcycles.
- As of March 22, Hedin Stockholm Bil AB announces that DS Automobiles are expanded to include Malmö Jägersro, in addition to Akalla.
- Hedin Stockholm Bil AB expands the transport vehicle operations by re-locating from Kista to both Spånga and Akalla on March 27.
- Hedin Auction is introduced on April 10, and targets car retailers. This is a Swedish online auctions site for the used Hedin vehicles that are not offered to end customers. This solution gives transparency and market prices for all parties involved.
- Bavaria Norway AS agrees to acquire three BMW-facilities in Ålesund, Molde and Kristiansund from Brages Bil AS on June 7. The acquisition is closed on August 14.
- On August 21, Hedin Belgien Bil AB acquires two full-service facilities for Mercedes-Benz between Antwerp and Gent.
- On August 22 Hedin Belgien Bil signs an agreement to acquire five full-service facilities for Mercedes-Benz between Antwerp and Brussels. The acquisition is completed on September 16.
- September 17 marks the grand opening of Porsche Center Kristiansand in Norway.
- October 10 marks the grand opening of a new Porsche Center in Jönköping.
- October 14 marks the grand opening of a new KIA-dealership in Tagene outside of Göteborg.
- An MoU is signed by Hedin Automotive with the Chinese electric car brand BYTON regarding the retail rights on the Norwegian market.
- On November 13 the dealership of Hedin Örebro Bil AB in Norrköping is discontinued.
- As of December 1, the assets and liabilities of a Ford-Store facility in Västerås is acquired by Hedin Mölndal Bil AB from Hermibil i Mälardalen AB after their liquidation.
- Interwheel Sweden AB is acquired on December 2 by Klintberg & Way Group through their subsidiary Klintberg & Way Parts AB from Däckia AB. Interwheel Sweden AB is a tire, rim and complete wheel-set wholesaler focusing on customers within the car industry in the Nordic region
- The Klintberg & Way Automotive SA operation/HQ in Lugano, Switzerland is re-located to Bremerhaven, Germany on December 3.

2020

- The FordStore in Västerås is re-opened on January 13 after being renovated.
- On January 16, the Hedin group expands to Switzerland by entering an agreement to acquire SeeAll Group (Zürich). SeeAll Groups two car facilities, Allmend Garage and Seeblick Garage, becomes the first two Hedin operations in Switzerland. SeeAll is a part of the fully owned, newly established subsidiary to Anders Hedin Invest AB, Hedin Automotive AB and is operated through the Norwegian unit Hedin Automotive.
- On January 29, the plans of Hedin Performance Cars AB to build a Porsche Center in Linköping is announced. The grand opening is scheduled to 2022.
- On January 30 it was made public that Anders Hedin Invest AB and the Stern Groep N.V., a listed automotive retailer active in the Netherlands, are holding exclusive negotiations regarding the merger of the two companies automotive operations, including I.A. Hedin Bil AB.
- On March 2 it was made public that the Chinese electric car manufacturer BYTON will be choosing Hedin Automotive as a strategic sale- and service partner in Sweden and Norway. BYTON M-Byte will be launched in Europe during the latter half of 2021.
- On March 5, Anders Hedin Invest AB signed a contract through the subsidiary Hedin Automotive AB to become the importer of Ford for the Swedish market. In addition to this the two parties have signed an MoU considering the planned takeover of Fords national import company in Sweden. The planned date for this takeover is August 1, 2020, after an approval of the Swedish Competition Authorities.
- On April 1, our new concept "Car Store" was launched. Car Store is a used car sales concept within the Hedin Group.

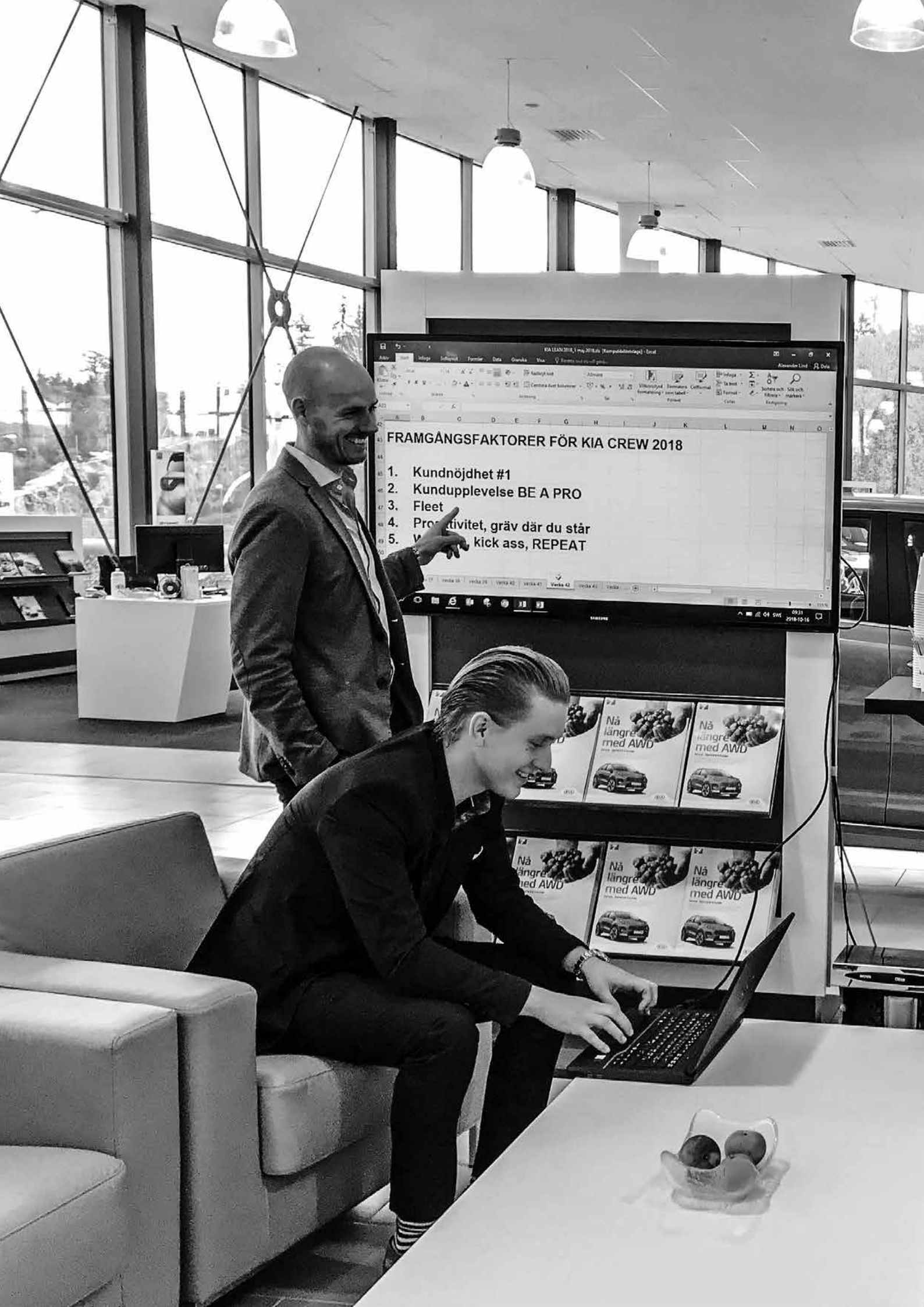
kSEK	2019	2018	2017	2016	2015
Net sales	25,971,315	24,184,096	14,551,763	10,706,901	8,725,618
Operating profit	337,397	222,763	211,635	870,205	277,788
Financial income and expense	-254,985	-203,303	-154,663	-44,906	-40,149
Profit before tax	82,412	19,460	56,972	825,299	237,639
Tax	-31,659	-3,471	-40,972	-52,466	-51,956
Profit for the year	50,753	15,989	16,000	772,833	185,683
Intangible fixed assets	2,110,399	1,757,829	1,426,634	153,537	104,112
Tangible fixed assets	7,988,850	2,419,062	1,725,092	794,114	3,439,485
Financial fixed assets	491,161	271,701	300,127	1,015,280	29,147
Inventories	3,715,190	3,844,642	3,439,444	1,225,645	1,215,177
Accounts receivables	1,445,554	1,142,023	941,529	417,789	368,740
Other current assets	1,139,962	1,067,675	1,329,149	462,451	343,170
Total assets	16,891,116	10,502,932	9,161,975	4,068,816	5,499,831
Equity	1,803,095	1,892,206	1,918,558	1,802,680	1,323,502
Non-current liabilities	7,979,827	2,721,441	2,622,149	575,293	591,946
Accounts payables	2,311,871	2,089,337	2,257,484	430,747	638,171
Other liabilities	4,796,323	3,799,948	2,363,784	1,260,096	2,946,212
Total equity and liabilities	16,891,116	10,502,932	9,161,975	4,068,816	5,499,831
Cash Flow from Operating activities	1,686,462	47,703	141,347	476,637	297,385
Cash flow from Investing activities	-1,679,112	-1,465,928	-965,380	-279,162	-501,885
Cash Flow from Financing activities	60,109	1,093,977	1,328,739	-202,816	159,439
Cash flow for the year	67,459	-324,248	504,706	-5,341	-45,061
Equity to assets ratio	15%	18%	21%	44%	24%
Return on equity	3%	1%	1%	49%	15%
Number of employees	3,238	2,939	2,008	1,626	1,322

The figures for 2019 are in accordance with IFRS16. Earlier years have not been recalculated.

FIVE YEARS SUMMARY

kEUR	2019	2018	2017	2016	2015
Net sales	2,489,200	2,353,615	1,477,381	1,119,161	955,185
Operating profit	32,338	21,679	21,486	90,960	30,409
Financial income and expense	-24,439	-19,786	-15,702	-4,694	-4,395
Profit before tax	7,899	1,894	5,784	86,266	26,014
Tax	-3,034	-338	-4,160	-5,484	-5,688
Profit for the year	4,864	1,556	1,624	80,782	20,327
Intangible fixed assets	202,269	171,073	144,840	16,049	11,397
Tangible fixed assets	765,685	235,425	175,142	83,006	376,517
Financial fixed assets	47,075	26,442	30,471	106,124	3,191
Inventories	356,079	374,163	349,193	128,113	133,024
Accounts receivables	138,548	111,143	95,590	43,670	40,366
Other current assets	109,259	103,907	134,943	48,339	37,567
Total assets	1,618,915	1,022,153	930,178	425,301	602,061
Equity	172,816	184,151	194,783	188,429	144,883
Non-current liabilities	764,820	264,853	266,216	60,134	64,800
Accounts payables	221,579	203,336	229,193	45,025	69,860
Other liabilities	459,700	369,814	239,985	131,714	322,519
Total equity and liabilities	1,618,915	1,022,153	930,178	425,301	602,061
Cash Flow from Operating activities	161,638	4,642	14,350	49,821	32,554
Cash flow from Investing activities	-160,933	-142,665	-98,011	-29,180	-54,941
Cash Flow from Financing activities	5,761	106,467	134,901	-21,200	17,454
Cash flow for the year	6,466	-31,556	51,241	-558	-4,933
Equity to assets ratio	15%	18%	21%	44%	24%
Return on equity	3%	1%	1%	49%	15%
Number of employees	3,238	2,939	2,008	1,626	1,322
Exchange rate SEK/EUR	10,43	10,28	9,85	9,57	9,14

The figures for 2019 are in accordance with IFRS16. Earlier years have not been recalculated.



KIA LEAN 2018, 1 maj 2018 (Kompletterings) - Excel

1. Kundnöjdhet #1
2. Kundupplevelse BE A PRO
3. Fleet
4. Produktivitet, gräv där du står
5. V... klick ass, REPEAT

09:31
2018-10-16

Nå längre med AWD

Nå längre med AWD

Nå längre med AWD

Nå längre med AWD

Nå längre med AWD



DIRECTOR'S REPORT

The Board of Directors and CEO of Anders Hedin Invest AB, corporate ID no. 556702-0655 hereby presents the Annual Report and Consolidated Financial Statements for the financial year 01/01/2019 - 12/31/2019.

GENERAL ABOUT THE BUSINESS

The Anders Hedin Invest Group is a family-owned business mainly involved in sales and service of vehicles, wholesale of vehicles, spare parts and tires and car rental operations.

The vehicle sales and service operations

I.A. Hedin Bil Group is operating authorized sales and after sales facilities within the automotive industry in Sweden, Norway and Belgium. In Sweden approximately 30 brands are marketed, e.g. Mercedes-Benz, KIA, Nissan, Jeep, Alfa Romeo, Jaguar, Land Rover, Range Rover, Dodge and RAM. The brands marketed under Bavaria are BMW and MINI in Norway and Sweden, while Porsche is sold in dedicated Porsche Centers in Norway and Sweden. In Belgium, Mercedes-Benz and Smart are represented under the trademark Hedin Automotive.

Hedin Bil is currently represented through more than 100 automotive dealerships in Sweden, Norway and Belgium. The Group provides both new and used passenger cars, commercial vehicles and trucks. The ambition is to be a full-service company with a comprehensive offering for both private and corporate customers. The overall concept offers financing, service agreements and insurance.

Car To Go Sweden AB is a car broker through its own digital sales channels Carplus.se and Carbuy.se. The company also runs a store concept under the brand name Carplus Store, where the company's online business is combined with physical stores. The company is a driving force within the digital transformation of the automotive sector. Car To Go Sweden AB is also involved in product development of new digital online business aimed at private persons and companies.

Unifleet AB provides operational and financial leasing as well as vehicle administration services to the Swedish corporate fleet market.

Import business of vehicles and wholesale operations in spare parts and tires

Klintberg & Way Parts AB is an authorized spare part distributor for General Motors North American Vehicles and Mopar (Chrysler, Jeep, Dodge, RAM) and is the largest wholesaler in Europe of spare parts for US-produced vehicles with sales in 37 countries. The company has subsidiaries in Sweden, Germany, Belgium and Norway.

From the end of 2017, Klintberg & Way Parts AB also holds authorization to wholesale Dodge and RAM in Europe, which is marketed under the trademark KW Automotive. The business is mainly conducted in Bremerhaven, Germany where the vehicles are homologated. The cars are sold to retailers in Europe.

The Group also includes Dawa Däck AB, one of Sweden's largest wholesalers in the tire sector and importer of Kumho, LingLong and Roadstone. KW Wheels AB assembles and sells complete wheels on the Swedish market and has the agency for Alutec and Italmatic. Pro-Imp AB represents eight brands, including Cooper and Mickey Thompson, the leader in developing drag-, street- and offroad-racing tires.

Car rental operations

The Mabi Mobility Group offers short-term rentals through a full range of cars, light trucks and minibuses. In addition, there is a long-term rental concept that is marketed under the Flexilease brand. The operations are mainly conducted through franchises and there is a national network of rental stations in Sweden.

Property development

I.A. Hedin Fastighet AB develops and manages real estates used within the Group's operations.

Construction

Tuve Holding AB is the parent company in the Tuve Group. Tuve Bygg AB is dedicated to construction business in the western part of Sweden and in Stockholm. Tuve Byggservice AB offers facility management in the Göteborg area for private and public property owners, as well as smaller renovations and construction work. Tuve Snickeri AB develops complete carpentry solutions and custom-made interiors for private and public environments. Tuve Förvaltning AB owns shares in companies that invest in properties for future development, and offers project development for residential and commercial buildings.

Other investments

The holding company has investments in Consensus Asset Management AB and Ripam Invest AB. The company AH Värdepapper AB conducts securities trading.

Parent company

Anders Hedin Invest AB's operations consist primarily of managing and developing existing subsidiaries. The company is wholly owned by Anders Hedin.

KEY FIGURES

Amount in thousand SEK (kSEK)	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015
Net sales	25,971,315	24,184,096	14,551,763	10,706,901	8,725,618
Profit after financial items	82,412	19,460	56,972	825,299	237,639
Total assets	16,891,116	10,492,489	9,150,575	4,068,816	5,499,831
Return on equity %	3	1	1	49	15
Equity ratio %	11	18	21	44	24
Equity ratio %, exclusive IFRS 16	15	18	21	44	24
Average number of employees	3,238	2,939	2,008	1,626	1,322

Definitions

Return on equity: Profit for the year in relation to average equity.
Equity ratio: Equity in relation to the total assets.

KEY EVENTS DURING THE YEAR

Group vehicle division

On the 12th of February Bavaria Haugesund AS acquired 51 percent of the shares in MPS Micropaint Haugesund AS. The company runs a service and repair shop for vehicles.

On the 18th of February Hedin Belgien Bil AB acquired a body and paint shop next to our dealership in Lier, Belgium.

GS Bildeler AS acquired 91 percent of the shares in EBC Brakes Norge AS on 26th of February. EBS Brakes is a wholesaler of automotive brakes and vehicle care products.

On June 7, Bavaria Norge AS entered into an agreement to acquire three BMW dealerships in Ålesund, Molde and Kristiansund in Norway from Brages Bil AS. The acquisition was completed on 14th of August.

On the 21st of August, Hedin Belgien Bil AB acquired two full-service facilities for Mercedes-Benz located between Antwerp and Ghent.

On the 22nd of August, Hedin Belgien Bil AB entered into an agreement to acquire one full-service facility for Mercedes-Benz located between Antwerp and Brussels. The acquisition was completed on September 16.

On December 1, the assets were acquired in a FordStore facility in Västerås from HermiBil i Mälardalen AB in bankruptcy. This is the eighth facility operated by Hedin Mölndal Bil AB.

Import business of vehicles and wholesale operations in spare parts and tires

The import business of Dodge and RAM, started in 2018, has transformed during the year. On December 3, Klintberg & Way Automotive SA's operations / HQ in Lugano, Switzerland was moved to Bremerhaven, Germany. Vehicles are imported to Bremerhaven, Germany, where they are stored and homologated for the European market. Administrative functions have been moved to the head office of Klintberg & Way Parts AB.

On December 2, Inter Wheel Sweden AB was acquired. The company is a wholesale company within tires and rims with focus on car retail customers in the Nordic countries.

Property development

On January 15, three real estate properties were sold in Gävle, Luleå and Östersund.

On October 23, Hedin Lorensberg KB was sold.

Construction

The Group works with both public and private sector customers. In addition to this, projects are also carried out internally. Our public customers comprise about 67 percent of net sales. Examples of assignments for public customers are new construction of schools and housing, as well as rebuilding of hospitals, administrative buildings, parking garages and sports facilities.

For private customers, projects have been completed, including new construction of exhibition halls, housing and rebuilding of commercial premises. Private customers comprise about 33 percent of net sales. In 2019, no internal project was completed.

EVENTS AFTER THE END OF THE FINANCIAL YEAR

On January 16, the Hedin Group expands to Switzerland by entering into an agreement to acquire SeeAll Group (Zürich). SeeAll Group's two dealerships, Allmend-Garage and Seeblick Garage, are Hedin's first dealerships in Switzerland. The transaction is expected to be completed in the second quarter of 2020.

On January 30, Anders Hedin Invest AB and Stern Groep NV, the Dutch listed automotive group, announced that they are in exclusive negotiations on a merger between their respective automotive operations. Due to Covid-19, it was decided in March 2020 to postpone further discussions until the automotive industry returns to normal.

On March 2nd, the Chinese electric car manufacturer BYTON announced that they will choose Hedin Automotive as a strategic sales and service partner in Sweden and Norway. BYTON M-Byte will be launched in the first European markets during the latter part of 2021.

On March 5, Anders Hedin Invest AB, through its subsidiary Hedin Automotive AB, signed an agreement to become an importer of Ford into the Swedish market. In addition, the parties have signed an MoU regarding an intended takeover of Ford's national sales company in Sweden. Planned date for takeover is August 1, 2020, after approval by the relevant authorities.

On April 1, sales of used cars were launched under the trademark Car Store in a separate company - Car Store Sweden AB. The first dealership is located in Täby.

EXPECTED FUTURE DEVELOPMENT

The overall market has been strong in recent years and for next year a slight decline on our markets is expected. A high level of uncertainty has arisen in the industry following the outbreak of Covid-19, leading to an expected decline in sales during the spring and summer of 2020. Our home markets all face different challenges based on government actions to control the spread of the virus, labour legislation, government stimulus bills, and customer behaviour. The Belgian authorities has decided on a temporary shutdown of non-critical operations, which means that our facilities are closed as of March 18 except for certain emergency repair business. A government salary guarantee covers most of the costs of our employees. Return to ordinary business is preliminary set to beginning of May. In Norway, deliveries have decreased in March while the orders have increased. Demand for our aftermarket services is still strong. Due to the market uncertainties and expected disruption in the supply, short-time work allowance is implemented for 30-50 percent of the staff. This ratio is continuously reassessed. In Sweden, our new vehicle sales were down by approx. 15 percent in March compared to last year. Used car sales decreased by just under 4 percent and after sales services is so far unaffected. Countermeasures include short-time work allowance and layoffs.

Car rental operations are affected by lower demand, which reduce the number of vehicles. The import operations are affected by the fact that a large part of Europe is closed, resulting in reduced net sales. Tire operations have not yet been significantly affected, due to the seasonal sales of summer tires. In addition, tire sales will be affected by the vehicle sales, which is why we expect a decline during the year.

All businesses have increased preparedness, with more frequent monitoring and forecasting of performance and cash flow based on different scenarios and focus on releasing working capital. Cost saving programmes are implemented to right size the business to new market conditions. All actions are taken to be prepared for a prolonged recession with as little negative impact on the business as possible.

RISKS

Car sales are dependent on the economic climate and this creates sensitivity in Group sales. Efficient processes and control of the inventory situation are required with the purpose of reducing the sensitivity in profitability. Agreements with importers are on a rolling two-year or five-year term. This highlight even further the importance of maintaining a good relationship and to build long-term partnership between the importer and the dealer. Hedin Group aims to be a strategic partner for each of its importers and to build up a strong sense of trust between the parties.

The creation of a full-service concept that includes financing, insurance, servicing, credit cards and different forms of ownership, is a key factor in promoting customer loyalty. Through a wide range of brands, the risks arising from excessive exposure on individual brands also decrease. At the same time, the expansion of recent years has mainly focused on the premium segment and in well-functioning markets, which reduces and spread the risks.

Diversified Group operations in several sectors of the automotive industry, including sales, service centres, car rental and spare parts, also gives the opportunity to spread the risks.

As explained under the heading "Expected future development", the Covid-19 outbreak has already affected our operations. The uncertainty in the market is causing a decline in business activity and the long-term impact on the Group's operations is currently unknown. The most important risks associated with the uncertain situation are the following;

- Demand: Although the impact so far has been limited compared to several other retail industries, there is a risk that consumption of capital goods, including vehicles, will decrease to a significantly lower level over a longer period of time. Cost saving programs have been implemented to meet the risk of such a development.

- Inventory values: If there is an oversupply in the market, there is a risk of price adjustments downwards in the pricing of vehicles. We continuously analyse existing inventory and trade-in values to ensure that the inventory held is competitive in the market.

- Ability to deliver: Most vehicle factories in Europe were closed at the end of March and are expected to open again in April/May. This can affect our delivery capacity in the short term.

- Financing and liquidity: If the decline becomes prolonged, there is a risk that refinancing of the current credit portfolio will not be possible. There is an ongoing dialogue with our creditors to ensure long-term cooperation. In our current terms of lending, there are no special covenants that have a negative impact on financing.

QUALITY AND ENVIRONMENTAL WORK

The aim behind the Group's systematic quality and environmental work is that day-to-day operations will be guided by a consideration for the environment, health and quality and that our workplaces are a source of motivation and personal development for all employees. The Company's competitiveness and market presence is enforced by its committed, responsible employees and managers. The majority of the Hedin Bil facilities are certified according to ISO 9001:2015 and ISO 14001:2015.

Our work is summarized by:

- We exceed our customers' expectations
- We reduce our environmental impact through cooperation
- We exceed external expectations
- We assume responsibility
- We have a clear allocation of responsibility
- We have a high level of expertise

EMPLOYEES

Within the organization we are constantly working to improve the leadership and to develop the company forward to strengthen our brand Hedin Bil as an employer. Through these efforts, our employees should have a high sense of satisfaction and professional skills. The basis of all our work is Reliability, Trust and Availability.

During the year, the focus has also been on educational efforts for our managers and employees to meet new technologies and digital trends, development of our introductory program for different kinds of positions, continuous monitoring and efforts to reduce staff turnover and also to continue the work of clarifying both structure and culture. The purpose is to strengthen the customer focus within the organization and to have quality and competitiveness in a fast-changing market.

REVENUE AND EARNINGS

Net sales in 2019 increased by 7 percent to MSEK 25,971 (MSEK 24,184). The earnings before tax was MSEK 82 (MSEK 19), and net profit was MSEK 51 (MSEK 16). During both 2019 and 2018, major costs have been incurred in the car operations for property development, acquisition of businesses, integration and start-ups of new facilities. Furthermore, the digital effort to capture new customer behaviors has impacted this year's results. The profit excluding items affecting comparability amounted to MSEK 207 (MSEK 218).

<i>Items affecting comparability (MSEK)</i>	<i>2019</i>	<i>2018</i>
Profit excl items affecting comparability	207	218
Capital gains and revaluations	0	-49
External construction projects	0	-88
Effect by IFRS16	-35	0
Expenses attributable to 2018	-28	28
Structural expenses	-62	-90
Profit before tax	82	19

FINANCIAL POSITION

As of December 31, 2019, cash and cash equivalents amounted to MSEK 285 (MSEK 216). Together with the unused overdraft facilities, there was a payment readiness of MSEK 586 (MSEK 417).

The Group's total assets amounted to MSEK 16,891 (MSEK 10,503) at balance sheet date. Total assets, excluding IFRS 16, amounted to MSEK 11,968. Investments during the year in fixed tangible and intangible assets and businesses amounted to MSEK 1,547 (MSEK 1,424).

PARENT COMPANY

Anders Hedin Invest AB's operations consist primarily of managing and developing its existing subsidiaries. The profit after financial items amounted to kSEK -204,311 (kSEK -14,488), after write-downs of a total of kSEK 143,783 and net profit for the year amounted to kSEK -149,240 (kSEK 3,768).

PROPOSED DISTRIBUTION OF UNAPPROPRIATED EARNINGS

The Board of Directors proposes that unappropriated earnings of kSEK 990,314, be distributed as follows:

	<i>Amount in thousand SEK (kSEK)</i>
Carried forward	990 314
Total	990 314

For the company's financial development, please, refer to the following income statements and balance sheets with accompanying financial statements.

CONSOLIDATED INCOME STATEMENT AND TOTAL COMPREHENSIVE INCOME

<i>Amount in thousand SEK (kSEK)</i>	<i>Note</i>	<i>1/1/2019 - 12/31/2019</i>	<i>1/1/2018 - 12/31/2018</i>
Operating income			
Net sales	4,8	25,971,315	24,184,096
Other operating income	5,14	57,389	79,874
		26,028,704	24,263,970
Operating expenses			
Goods for resale	3	-20,658,476	-19,605,819
Other external expenses	7,8	-1,276,668	-1,705,552
Employee benefit expenses	6	-2,416,352	-2,138,258
Depreciation and amortization of tangible and intangible fixed assets		-1,298,139	-540,495
Other operating expenses	9,14	-41,672	-51,083
Operating profit		337,397	222,763
Profit/loss from financial items			
Financial income	10,14	49,539	30,386
Financial expenses	11,14	-304,895	-233,648
Profit from participations in associated companies	12	371	-41
Profit before tax		82,412	19,460
Taxes	13	-31,659	-3,471
Profit for the year		50,753	15,989
Profit for the year attributable to:			
Parent company's shareholders		34,365	29,000
Holdings with non-controlling interests		16,388	-13,011
Profit for the year		50,753	15,989
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Revaluation of pension obligations, net after tax		-4,768	-1,344
<i>Items that can be reclassified to the profit for the period</i>			
Revaluation of long-term securities holdings		-140,980	-19,108
Conversion differences		34,933	15,982
Other comprehensive income		-110,815	-4,470
Total comprehensive income for the year		-60,062	11,519
Comprehensive income for the year attributable to:			
Parent company's shareholders		-80,144	23,199
Holdings with non-controlling interests		20,082	-11,680
Total comprehensive income for the year		-60,062	11,519

CONSOLIDATED BALANCE SHEET

<i>Amount in thousand SEK (kSEK)</i>	<i>Note</i>	<i>12/31/2019</i>	<i>12/31/2018</i>
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Intangible rights	15	79,160	75,522
Customer relations	15	439,278	359,623
Goodwill	15	1,591,961	1,322,684
		2,110,399	1,757,829
<i>Tangible fixed assets</i>			
Land and buildings	16	351,271	441,187
Costs incurred on another's property	16	225,277	132,744
Equipment, tools and installations	16	340,966	479,999
Leasing vehicles	16	2,004,533	1,346,262
Right-of-use assets	16	5,064,440	0
Constructions in progress	17	2,363	18,870
		7,988,850	2,419,062
<i>Financial fixed assets</i>			
Shares in associated companies	18	41,494	31,583
Other long-term securities	19	308,082	158,398
Deferred tax assets	26	125,566	74,334
Other non-current receivables		16,019	7,386
		491,161	271,701
Total fixed assets		10,590,410	4,448,592
<i>Current assets</i>			
<i>Inventories, etc.</i>			
Finished products and goods for resale		3,715,190	3,844,642
		3,715,190	3,844,642
<i>Current receivables</i>			
Accounts receivable	20	1,445,554	1,142,023
Receivables from associated companies		11,409	2,266
Short-term investments	21	6,622	61,106
Tax assets		0	784
Other current receivables		340,215	238,114
Prepaid expenses and accrued income	22	496,566	539,277
		2,300,366	1,983,570
Cash and cash equivalents	23	285,150	215,685
Total current assets		6,300,706	6,043,897
TOTAL ASSETS		16,891,116	10,492,489

CONSOLIDATED BALANCE SHEET

<i>Amount in thousand SEK (kSEK)</i>	<i>Note</i>	<i>12/31/2019</i>	<i>12/31/2018</i>
EQUITY AND LIABILITIES			
Equity			
	24		
Share capital, 1,000 shares		100	100
Reserves		-136,452	-26,282
Balanced earnings, including profit for the year		1,809,967	1,809,941
Equity attributable to the parent company's owner		1,673,615	1,783,759
Holdings with non-controlling interests		129,480	108,447
Total equity		1,803,095	1,892,206
Non-current liabilities			
Provisions for pensions	25	89,983	87,090
Deferred tax liabilities	26	179,798	170,738
Bond loans	27	1,493,400	1,491,000
Other liabilities to credit institutions	27	214,134	155,775
Lease liability	27	4,520,307	0
Other non-current liabilities	28	1,482,205	816,838
Total non-current liabilities		7,979,827	2,721,441
Current liabilities			
Overdraft facilities	27	1,241,378	1,331,427
Liabilities to credit institutions	27	894,729	759,017
Lease liability	27	559,699	0
Accounts payable		2,311,871	2,089,337
Tax liability		1,442	0
Other current liabilities	28	1,240,643	971,526
Accrued expenses and prepaid income	29	858,432	727,535
Total current liabilities		7,108,194	5,878,842
TOTAL EQUITY AND LIABILITIES		16,891,116	10,492,489

GROUP REPORT ON CHANGES IN EQUITY CAPITAL

<i>Amount in thousand SEK (kSEK)</i>	<i>Share capital</i>	<i>Reserves</i>	<i>Balanced earnings, including profit for the year</i>	<i>Total</i>	<i>Holdings with non-controlling interests</i>	<i>Total Equity</i>
Opening balance at 01/01/2018	100	-24,970	1,822,362	1,797,492	121,066	1,918,558
Profit for the year			29,000	29,000	-13,011	15,989
Year's change of conversion reserve		14,531		14,531	1,452	15,983
Revaluation of long-term securities holdings		-15,843	-3,265	-19,108		-19,108
Revaluation of provisions for pensions			-1,223	-1,223	-121	-1,344
Other comprehensive income for the year		-1,312	-4,488	-5,800	1,331	-4,469
<i>Transactions with owners</i>						
Changes in holding with non-controlling interests			-6,933	-6,933	-10,283	-17,216
New share issue					12,178	12,178
Dividends			-30,000	-30,000	-2,834	-32,834
Closing balance at 12/31/2018	100	-26,282	1,809,941	1,783,759	108,447	1,892,206
Profit for the year			34,365	34,365	16,388	50,753
Year's change of conversion reserve		30,810		30,810	4,123	34,933
Revaluation of long-term securities holdings		-140,980		-140,980		-140,980
Revaluation of provisions for pensions			-4,339	-4,339	-429	-4,768
Other comprehensive income for the year		-110,170	-4,339	-114,509	3,694	-110,815
<i>Transactions with owners</i>						
Changes in holding with non-controlling interests				0	3,470	3,470
Dividends			-30,000	-30,000	-2,519	-32,519
Closing balance at 12/31/2019	100	-136,452	1,809,967	1,673,615	129,480	1,803,095

CONSOLIDATED CASH FLOW STATEMENT

<i>Amount in thousand SEK (kSEK)</i>	<i>Note</i>	<i>1/1/2019 - 12/31/2019</i>	<i>1/1/2018 - 12/31/2018</i>
Operating activities	32		
Profit after financial items		82,412	19,460
Adjustments for non-cash items		1,285,260	561,996
Income tax paid		-68,191	-34,323
Cash flow from operating activities before changes in working capital		1,299,481	547,133
<i>Cash flow from changes in working capital</i>			
Increase(-)/Decrease (+) in inventories		345,106	-179,268
Increase(-)/Decrease(+) in operating receivables		-281,704	1,298
Increase(+)/Decrease(-) in operating liabilities		323,579	-321,460
Cash flow from operating activities		1,686,462	47,703
Investing activities			
Acquisition of subsidiaries	33	-305,615	-646,796
Acquisition of associated companies		-9,540	-15,000
Dividends from associated companies		0	7,168
Purchase of intangible and tangible fixed assets		-241,461	-358,689
Sale of tangible assets		146,995	23,911
Purchase of leasing vehicles		-1,608,117	-833,602
Sale of leasing vehicles		607,841	407,151
Acquisition of financial assets		-322,157	-373,305
Divestment of financial assets		52,942	323,234
Cash flow from investing activities		-1,679,112	-1,465,928
Financing activities			
Borrowings		931,580	1,503,870
Repayment of debt		-272,546	-392,071
Repayment of lease liability		-568,925	0
Minority owners share of new shares issue		0	12,178
Dividend paid to the parent company's shareholders		-30,000	-30,000
Cash flow from financing activities		60,109	1,093,977
Cash flow for the year		67,459	-324,248
Cash and cash equivalents at the beginning of year		215,685	540,258
Exchange rate difference in cash		2,006	-325
Cash and cash equivalents at the end of year		285,150	215,685

NOTES

Amounts in thousands SEK (kSEK) unless stated otherwise.

NOTE 1 MATERIAL FINANCIAL REPORTING STANDARDS

The Consolidated Financial Statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as endorsed by the EU. RFR 1 Complementary Accounting Regulations for Groups, issued by the Swedish Financial Reporting Board, has also been applied. Assets and liabilities have been valued at historical acquisition values with exception of certain disposable financial assets, as well as financial assets and liabilities valued at fair value through the income statement.

The Board approved these Consolidated Financial Statements for publication on May 12, 2020.

Preparing financial statements in accordance with IFRS requires the use of a number of significant estimates for accounting purposes. Furthermore, the management is required to make certain assessments when applying consolidated reporting standards. The areas that involve a high degree of assessment, which are complex, or are areas in which assumptions and estimates are of material significance to the Consolidated Financial Statements, are described in Note 3.

New financial reporting standards 2019

The IASB has issued several new and amended accounting standards, which have been approved by the EU and entered into force on January 1, 2019.

The new reporting standard IFRS 16 Leases has had a major impact on the Group's financial reports. For additional information on how leases are handled in Anders Hedin Invest AB Group, see further below the heading "Leasing" and in Note 8 Leases and Note 16 Tangible fixed assets.

New financial reporting standards 2020

At the time of the publication of this Annual Report a number of standards and interpretations have been published, but not yet come into force. There are no plans to apply new standards and amendments in advance. The I.A. Hedin Group expects no significant impact on the Group's accounts as a result of new or amended standards implemented in 2020 or later.

Consolidated Financial Statements

The Consolidated Financial Statements have been prepared in accordance with the principles set out in IFRS 10, Consolidated Financial Statements. The financial statements cover the Parent Company, Anders Hedin Invest AB, and all companies in which the Parent Company, directly or indirectly, holds more than 50 percent of the voting rights, or otherwise has a controlling interest. The Group has controlling interests in a company when it is exposed to, or has the right to, variable returns on shares in the company, and can affect returns by way of its controlling interests in the company. Companies are included in the Consolidated Financial Statements on the date controlling interests are transferred to the Group. They are excluded from the consolidated financial statement on the date controlling interests expire. Intragroup transactions, balance sheet items and unrealized gains and losses deriving from intragroup transactions are eliminated.

Acquisition method

The acquisition method is used for reporting the Group's business acquisitions. The purchase price for the acquisition of a subsidiary comprises the fair value of assets and liabilities. The purchase price also includes all assets and liabilities at fair value as a result of an agreed contingent purchase sum. Subsequent fair value adjustments of a contingent purchase sum that is classified as an asset or liability are reported in accordance with IAS 39, either in the Income Statement or in Other Comprehensive Income. Contingent purchase sums that are classified as equity are not revalued and the subsequent adjustment is reported under Equity.

If the purchase price exceeds the fair value of identifiable acquired net assets, the difference is reported as goodwill. If, in the case of an acquisition made at a low purchase price, and the amount is below the fair value of the acquired net assets, the difference is reported through the income statement. Costs relating to acquisitions are expensed as they arise.

Changes in ownership in subsidiaries without changes in controlling interest

Transactions with shareholders without a controlling interest that do not result in a loss of controlling interest are reported as equity transactions, i.e., as transactions made by the shareholders in their role as shareholders. A change in shareholding is reported via an adjustment of the carrying value for the holdings with both controlling and non-controlling interests in order to reflect changes in their relative holdings in the subsidiary company. In acquisitions from a holder with a non-controlling interest, the difference between the fair value and the actual, acquired, share of the reported value of the subsidiary's net assets is reported under Equity.

Associated companies

Associated companies are all companies in which the Group has a significant but not controlling interest, which generally applies to share-holdings of 20-50% of the votes. Holdings in associated companies are reported in accordance with the equity method. When applying the equity method, the investment is initially valued at acquisition value and the carrying amount is increased or decreased accordingly with the purpose of taking into account the Group's share of the associated company's profit or loss following the acquisition date. The Group's reported value of holdings in associated companies includes goodwill identified in conjunction with the acquisition. The Group's share of profit that has arisen after the acquisition is reported in the Income Statement, and its share of changes in other comprehensive income after the acquisition is reported in Other Comprehensive Income, including corresponding adjustments to the carrying value of the holdings. When the Group's shares in an associated company's losses amount to or exceed its holdings in the associated company, including any unsecured claims, the Group does not report further losses unless the Group has accepted legal liability or informal obligations, or has otherwise made payments on behalf of the associated company.

Translation of currencies

The Parent Company's functional currency is the Swedish krona, which also is the currency used in statements issued by the Parent Company and the Group. Income items are adjusted at the average exchange rate. Translation differences that arise are expensed under Equity and reported under Other comprehensive income.

Transactions in foreign currencies are translated into the functional currency using the exchange rates on the date of the transaction or the date the items are revalued. Exchange gains and losses that arise from payment of the transactions and translation of monetary assets and liabilities in foreign currencies, as at the year-end, are reported in the Income Statement. Exchange gains and losses that are attributable to loans and cash and cash equivalents are reported in the Income Statement as financial income or expense. All other exchange gains and losses are reported under Operating profit.

Intangible fixed assets

Goodwill

Goodwill that arises as a result of business acquisitions is included in intangible assets. Goodwill is not amortized, instead, an impairment test is conducted annually or more frequently if events or changes in conditions indicate a possible fall in value. Goodwill is recognized at cost less accumulated impairments. In the event of the sale of a unit, the goodwill carrying value is included in the resulting gain/loss.

To conduct an impairment test, goodwill arising from business acquisitions is distributed to cash-generating units or groups of cash-generating units that can be expected to benefit from acquisition synergies. Each unit or group of units to which the goodwill is distributed represents the lowest level in the Group at which the relevant goodwill is monitored by internal management.

Customer relations

Customer relations that are acquired in business acquisitions are reported at fair value. The acquisition value is calculated through cash flow valuation at acquisition date.

Intangible rights

Intangible rights consist primarily of investment in and development of IT systems, software and licenses. Maintenance costs for software are expensed as they arise. Software development costs and costs for improved operating systems are recognized as an asset if they are technically usable and there are enough resources to pursue further development and implement the systems thereafter. Acquisition costs for software acquired through business acquisitions are recognized at fair value at the time of the acquisition.

Depreciation of intangible fixed assets with the purpose of allocating their acquisition value or revalued amount down to the estimated residual value over the estimated useful life, is made linearly as follows:

Customer relations	7 years
Intangible rights	3-5 years

Tangible fixed assets

The land and buildings item mainly covers dealerships, service centers, storage facilities and offices. Land and buildings are reported at the revalued amount calculated by an independent external appraiser minus subsequent depreciation of buildings. Valuations are conducted with sufficient regularity to ensure that the fair value of the revalued asset does not deviate materially from the carrying value. Accumulated depreciation at the time of revaluation is eliminated against the asset's revalued acquisition value, after which the net amount comprises the

asset's revalued amount. All properties that are valued pursuant to the revaluation method were sold in 2016. All other tangible fixed assets are reported at cost less depreciation. The acquisition value includes expenses that are directly attributable to the acquisition of the asset.

Additional costs are included in the asset's carrying value, or are reported as an individual asset depending on which is appropriate, only when there is a likelihood of future financial benefits for the Group that are attributable to the asset, and the asset's acquisition value can be measured reliably. The carrying value of the replaced item is removed from the Balance Sheet. All other forms of repairs and maintenance are reported as costs in the Income Statement during the period in which they arise.

Revaluation of the carrying value that arises as a result of revaluation of land and buildings is reported under Other comprehensive income and under Provisions in equity. Decreases that even out previous increases of the same asset are transferred from Provisions to Other comprehensive income. All other depreciation is expensed. The difference that arises between depreciation based in the asset's reported revalued amount (expensed depreciation) and depreciation based on the original acquisition value is transferred each year from Provisions to Retained earnings.

There is no depreciation on land. Depreciation of assets in order to distribute their acquisition value or revalued amounts down to the estimated residual value during their estimated useful life is made on a straight-line basis as follows:

Buildings	20-100 years
Machinery	10-15 years
Costs incurred on another's property	10-15 years
Equipment, tools and installations	3-5 years

The assets' residual value and useful life are tested at the end of each accounting period and adjusted as necessary. An asset's carrying value and useful life are depreciated immediately to its recoverable value if the asset's carrying value exceeds its estimated recoverable value. Gains and losses that arise from sales are established by comparing sales revenue and the carrying value and are reported under Other operating income or Other operating expense in the Income Statement.

Leasing vehicles

Assets that are leased under operating leases are reported as tangible fixed assets. These assets consist of sold cars combined with commitment to future repurchases at a guaranteed residual value. Depreciation is made at guaranteed residual value during the useful period, usually of 3 years.

Impairment of non-financial assets

Intangible assets that have an undefined useful life or intangible assets that are not ready for use are not depreciated. Depreciated assets are assessed for impairment whenever events or changes in circumstances indicate that the reported value may not be recoverable. An impairment loss is made by the amount at which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less the selling costs and its value in use. When assessing the impairment requirements, all assets are grouped at the lowest levels covering essentially independent cash flows (cash-generating units). For assets (other than goodwill) that have been previously written down, an assessment is made per each balance sheet date for determining whether the reversal should be made.

Financial instruments

Classification

From January 1, 2018, Anders Hedin Invest AB classifies the financial instruments in the following categories in accordance with IFRS 9; amortized cost and fair value through income statement. The classification is based on the nature of the asset's cash flows and on the business model the asset is covered by.

Financial assets measured at amortized cost

Interest-bearing assets (debt instruments) are held as part of collecting contractual cash flows, and these cash flows are solely payments of principal and interest, valued at amortized cost. The reported value of these assets is adjusted with any expected credit losses reported (see paragraph impairment below). The interest income from these financial assets is reported by the effective interest method and is reported as financial income. The Group's financial assets, valued at amortized cost, comprise receivables from Group companies, accounts receivable, other receivables and cash equivalents.

Financial liabilities measured at amortized cost

The Group's other financial liabilities are classified as valued at amortized cost, using the effective interest method. Financial liabilities at amortized cost consist of borrowings, accounts payable and liabilities/loan to Group companies. Borrowings are initially recognized at fair value, net after transaction costs. Borrowing is subsequently reported at amortized cost. Any differences between the amount received (net after transaction costs) and the repayment amount is reported in the statement of Other comprehensive income, allocated over the maturity period, applying the effective interest method. Borrowing is classified as short-term in the balance sheet if the company does not have an unconditional right to postpone the debt's maturity period for at least twelve months after the reporting period. Dividends paid are reported as a liability after the Shareholders General Meeting has approved the dividend. Accounts payable and other operating liabilities have expected short-term maturity and are valued without nominal amount discounting.

Financial assets and liabilities at fair value through the income statement

Financial assets measured at fair value through the income statement comprise long-term securities holdings and conditional supplementary purchase price. Financial liabilities measured at fair value through the income statement are also reported in subsequent periods at fair value and the change in value is recognized in profit or loss for the year. Liabilities in this category are classified as current liabilities if the maturity period is within 12 months from the balance sheet date. If the maturity period is later than 12 months from the balance sheet date, they are classified as long-term liabilities.

Financial assets at fair value through other comprehensive income

Long-term securities are classified as equity instruments and are reported in accordance with the main rule at fair value in the balance sheet with fair value changes in the income statement, unless the instrument meets the conditions for being recognized at fair value with fair value changes in other comprehensive income. This applies if the purpose of the securities at the first reporting date is not to do a divestment in the near future. In that case, the instrument is reported at fair value in the balance sheet with fair value changes in other comprehensive income. Dividends on instruments in this category are reported in the income statement, while results on disposals are reported in other comprehensive income.

Impairment testing of financial assets

At each reporting date, the Group determine the future expected loan losses that are linked to assets, measured at amortized cost based on

forward-looking information. The Group's financial assets, for which credit losses are expected, consists essentially of accounts receivable. The Group's provision method is based on whether there has been a significant change in credit risk or not. A credit provision is reported for expected credit losses at each reporting date. For the Group's financial assets, in all essentials accounts receivable, the Group applies the simplified approach for credit reservation, that is, the provision will correspond to the expected loss over the entire life of the accounts receivable. In order to measure the expected credit losses, accounts receivable have been classified based on distributed credit risk properties and overdue days. The Group uses forward-looking variables for expected credit losses.

Inventories

Inventories are reported at the lower of the acquisition value and net realizable value. The acquisition value is determined using the first-in- first-out method (FIFO). The net realizable value represents the estimated selling price in the current operations, less applicable variable selling costs. The valuation of the net realizable value is based on an individual assessment of vehicle inventories. In the case of spare parts stocks, an assessment of the stock is made based on age analysis.

Current and deferred taxes

The tax expense for the period comprises current and deferred taxes. The tax is reported in the income statement, with exception of taxes reported under Other comprehensive income or directly in equity. In those cases, the tax is also reported under Other comprehensive income and Equity. The current tax cost is calculated based on the set tax rules or that were decided in the countries where the parent company and its subsidiaries are active and generate taxable income.

The deferred tax is recognized on all temporary differences arising between the taxable value of assets and liabilities and their carrying value in the Consolidated Financial Statements. However, the deferred tax liability is not recognized if it arises as a result of the initial recognition of goodwill. Moreover, the deferred tax is not recognized if it arises as a result of a transaction that represents the initial recognition of an asset or liability that is not a business acquisition and that, at the time of the transaction, does not affect the reported or taxable income. Deferred taxes are calculated using tax rates that have come into force or have been published at the year-end and which are expected to be in force when the relevant deferred tax asset is realized, or the deferred tax liability is settled. The deferred tax assets are reported provided the future taxable surpluses will be available and against which temporary changes can be utilized.

Remuneration to employees

Plans for post-employment benefits are classified as either defined contribution plans or defined benefit plans. In defined contribution plans, fixed fees are paid to another company, usually an insurance company, and there is no further obligation to the employee once the fee is paid. The extent of the employee's post-employment benefits depends on the contributions paid and the return on capital that the fees give. Obligations under defined benefit plans are met partly through the PRI system and partly through an insurance policy with Alecta. Defined benefit pension plans via insurance taken out with Alecta are reported as defined contribution pension plans. All pension premiums are thus expensed during the period they were earned.

The liability reported in the Balance Sheet that is attributable to defined benefit pension plans is based on the current value of the defined benefit plan obligation at the year-end. The defined benefit pension plan obligation is calculated annually by independent actuaries using the "projected unit credit method". The current value of the defined benefit plan is established by means of discounting of

estimated future cash flows using interest rates for first-class mortgage bonds that have been issued in the same currency in which payments will be made and in accordance with maturities that are relevant to the pension plan obligation. Revaluation gains and losses that arise as a result of experience-based adjustments and changes in actuarial estimates are accounted for under Other comprehensive income for the period in which they arise. They are included under Retained earnings under Changes in equity and in the Balance Sheet. Costs attributable to services performed for previous periods are reported in the Income Statement.

Provisions

Provisions are reported in the Balance Sheet in the event the Group has a legal or informal commitment that has resulted from previous events, and when there is a likelihood that an outflow of resources may be required to settle the commitment, and the amount can be forecast with a degree of reliability. No provisions are made for future operating losses.

Revenue recognition

The recognized net sales mainly include revenues from sales of vehicles and aftersales services. Sales of vehicles include the sale of new vehicles as well as the sale of pre-owned vehicles.

Vehicles

In connection with sale of vehicles, customers can do direct payments or enter into agreements on various financing solutions such as instalment credits and financial leases. The financing solutions are then passed on to various finance corporations. The revenue is recognized when the control of the vehicle has been transferred to the customer. The time for transfer of control refers to the delivery day of the vehicle. The value of provided discounts and other variable compensation has been taken into account as part of the revenue recognition. An assessment regarding variable compensation such as residual value guarantees is made at the beginning of the contract with ongoing revaluation at each reporting period. Commissions on transferred financial assets are reported continuously during the term of the contract. In cases where a vehicle sale is combined with a repurchase agreement and there is a financial incentive for the customer to resell the vehicle, the control is not considered to be transferred to the customer. The revenue and the cost are then reported over the residual value commitment period in accordance with operational leasing. An asset, a residual value debt and a prepaid lease income are reported in the balance sheet. The asset is depreciated over the contract period and the prepaid lease income is accrued over the contract period. The residual debt remains unchanged until the end of the contract.

Service Market

The service market includes the sale of spare parts, service, extended warranty and other aftermarket products. Revenue is recognized when the control has been transferred to the customer, normally when I.A. Hedin Bil has provided the aftermarket service and a cost of the execution has arisen. Then the customer can have benefit from the service provided. For spare parts, revenues are reported at the time they are delivered to the customer. For service and other aftermarket products, revenue is reported over the contract period. In cases where a payment is made in advance for service contracts, a contractual liability is reported.

For performed service assignments and construction assignments in the construction industry, the income and expenses attributable to the assignment are reported as revenue and cost in relation to the completion of the assignment (percentage of completion).

The level of completion of an assignment is determined by comparing the book-keeping expenses on the balance sheet date with the estimated total expenses. If a service assignment or contractual assignment cannot be reliably calculated, the revenue is reported only if it corresponds to the expenses incurred, that are likely to be replaced by the client. The anticipated loss on an assignment is reported as an expense.

Leasing

The Group as lessor

For the lessor, the concept financial and operational leasing remains. Leasing in which a material proportion of the risks and benefits of ownership are retained by the lessor are classified as operational leases. Payments made for the leasing period are expensed on a straight-line basis in the Income Statement during the term of the lease. In financial leasing, the financial risks and benefits attributable to ownership are transferred to the lessee.

The Group as lessee

At January 1, 2019, IFRS 16 Leases replaced the present policies in IAS 17. The standard describes how the assets and liabilities due to the leasing agreement should be accounted in the balance sheet of the lessee. The same policies should be applied on operational leases and financial leases. All leasing agreements with maturity later than 12 months should be reported in the balance sheet and the lease payments should be reported as depreciation apart from the interest cost. The debt corresponds to the discounted present value of the future lease payments until the contract expires. I.A. Hedin Bil has chosen the modified retroactive method and 2018 will not be recalculated. The simplification approach that the right-of-use asset (before adjustments for any advance payments) should correspond to the lease liability has been applied in the transition, and the simplification rule for definition of a lease has been applied, which means that all components in a lease have been regarded as a lease component. The exceptions for not reporting short-term leases and assets of low value have also been applied.

The opening balance of the leasing liability and the right-of-use asset amounted to MSEK 4,606 for the existing leasing agreements. The largest part of the leasing agreements relates to properties, which refers to the facilities where the Group conducts its business.

The effect of the adjustments made during the transition to IFRS 16 is presented to the right, see summary of the Consolidated Income statement and the Consolidated Balance sheet;

CONSOLIDATED INCOME STATEMENT

<i>Amount in kSEK</i>	<i>1/1/2019 - 12/31/2019 excl IFRS 16</i>	<i>Adjustments IFRS16</i>	<i>1/1/2019 - 12/31/2019 incl IFRS 16</i>
Operating income	26,028,704		26,028,704
Goods for resale	-20,658,476		-20,658,476
Other external expenses	-1,890,874	614,206	-1,276,668
Employee benefit expenses	-2,416,352		-2,416,352
Depreciation and amortization of tangible and intangible fixed assets	-719,182	-578,957	-1,298,139
Other operating expenses	-41,672		-41,672
Operating profit	302,148	35,249	337,397
Financial income and expenses	-184,722	-70,263	-254,985
Profit before tax	117,426	-35,014	82,412
Taxes	-39,134	7,475	-31,659
Net profit for the period	78,292	-27,539	50,753

CONSOLIDATED BALANCE SHEET

<i>Amount in kSEK</i>	<i>12/31/2019 excl IFRS16</i>	<i>Adjustments IFRS16</i>	<i>12/31/2019 incl IFRS16</i>
Intangible assets	2,110,399		2,110,399
Tangible assets	3,062,926	4,925,924	7,988,850
Financial assets	483,686	7,475	491,161
Total fixed assets	5,657,011	4,933,399	10,590,410
Total current assets	6,310,886	-10,180	6,300,706
TOTAL ASSETS	11,967,897	4,923,219	16,891,116
Equity	1,830,548	-27,453	1,803,095
Interest-bearing, non-current liabilities	1,821,113	4,406,728	6,227,841
Other non-current liabilities	1,751,986		1,751,986
Interest-bearing, current liabilities	2,151,862	543,944	2,695,806
Other current liabilities	4,412,388		4,412,388
TOTAL EQUITY AND LIABILITIES	11,967,897	4,923,219	16,891,116

The following principles apply to the data for 2018. Leasing in which a material proportion of the risks and benefits of ownership are retained by the lessor are classified as operational leases. Payments made for the leasing period are expensed on a straight-line basis in the Income Statement during the term of the lease. In financial leasing, the financial risks and benefits attributable to ownership are transferred to the lessee.

Assets that are leased under financial leases are reported as fixed assets and are depreciated during the term of the lease. The obligation to pay future lease charges is reported as a non-current and current liability. Lease charges are reported as interest and repayment of the liability.

Cash Flow Statement

The Cash Flow Statement is prepared in accordance with the indirect method. The reported cash flow only includes transactions that involve incoming or outcoming payments.

In addition to cash in hand, the company classifies cash and cash equivalents as balances available at banks and other credit institutions, as well as current liquid investments listed on a marketplace and with a maturity of less than three months from the acquisition date. Blocked funds are not classified as cash and cash equivalents. Changes in blocked funds are reported as Investing activities.

Parent Company financial reporting standards

The Parent Company applies RFR 2 Accounting for legal entities as well as the Annual Accounts Act. The Parent Company applies different accounting principles compared to the Group in the events listed below.

The Income Statement and Balance Sheet comply with the statement format set out in the Annual Accounts Act. The statement of changes in equity complies with the Group's statement format but must include the columns listed in the Annual Accounts Act. In addition, this entails differences in the terminology used compared with the Consolidated Financial Statements, primarily regarding financial income and expenses and equity.

Shares in subsidiary companies are reported at the acquisition value, less deductions for depreciation. Group contributions are reported in the Income Statement under Appropriations.

Financial instruments are recognized at acquisition cost, and the parent company applies the exception in accordance with RFR 2 and does not report in legal person in accordance with IFRS 9. At each balance sheet date, the company estimates whether there is any indication of a need for impairment in any of the financial fixed assets. Write-downs occur if the impairment is deemed to be permanent. Impairment is recognized in the item Profit or loss from other securities in the Income statement. All lease agreements are reported as operational leases, including the higher initial charge, but excluding costs for services such as insurance and maintenance. These are reported on a straight-line basis over the term of the lease.

RFR 2 permits exceptions from IFRS 16 Leases for legal entity, which the parent company has applied as a lessee. Leasing agreements are hereby reported as operational leasing.

NOTE 2 FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group is exposed through its operations to a number of financial risks, such as market risks (currency risks, interest risks) credit risks and liquidity risks. The Group's overall risk management policy includes carefully monitoring developments in the financial markets and taking appropriate measures to minimize potentially disadvantageous effects on the Group's financial earnings.

Risk management is handled by a central financial division in accordance with policies adopted by the Board. The CEO approves the risk management measures undertaken in accordance with policy and does so in close collaboration with the Group operating units.

Currency risk

The Group is exposed to currency risks that arise as a result of exposure to foreign currencies. The main currency risk for the Group is the currency fluctuations that arise when the assets and liabilities of the foreign subsidiaries are converted. Decisions have been made not to hedge these translation differences. Net assets in foreign currency amounted to MSEK 10,126 (MSEK 7,653) in EUR and to MSEK 1,247 (MSEK 1,037) in NOK.

Purchases are mainly made in local currency. Some purchases in the spare parts business in Norway are made in US dollars (USD) and in Euros (EUR). In the import operations within Klintberg & Way Group there are some purchases in USD and sales in EUR and USD. Currency risks arise as a result of future business transactions, reported assets and liabilities and net investments in operations abroad. As the Group is only exposed to currency risks to a limited extent, it has been decided not to hedge current payment flows. If the Swedish krona had weakened or strengthened by 10 percent in relation to the US dollar, with all other variables constant, the profit for the year as of December 31, 2019 would have been MSEK 31 (MSEK 59) lower/higher as a result of changes in purchase- and sales prices. If the Swedish krona had weakened or strengthened by 10 percent in relation to the Euro, with all other variables constant, the profit for the year as of December 31, 2019 would have been MSEK 41 (MSEK -8) higher/lower, mainly as a result of higher/lower interest rates for loans with variable interest rates.

Interest rate risk in borrowing

The Group's interest rate risks arise as a result of long-term borrowing. In general, the Group does not use derivatives to adjust underlying interest rate exposure. Long-term loans consist of a bond in SEK with variable interest rate of, for the moment, approx. 3.8 percent. Other borrowings are at variable interest rates in SEK and EUR. Average interest rate are between 1.2 - 2.0 percent. If the interest rates on loans in Swedish kronor as of December 31, 2019 had been 1 percentage unit higher, with all other variables constant, the estimated profit after tax for the financial year would have been MSEK 29 (MSEK 30) lower/higher, mainly as a result of higher/lower interest rates for loans with variable interest rates.

Credit risk

Credit risks are managed at Group level, with exception of credit risks attributable to outstanding accounts receivable. Each company within the Group is responsible for following up and analyzing credit risks for each new customer prior to offering standard terms and conditions for payment and delivery. Credit risks arise as a result of cash and cash equivalents, holdings with credit institutions and bank deposits, as well as exposure to credit to customers, including outstanding receivables and agreed transactions. The use of credit limits is followed up regularly, and management does not expect any losses as a result of any parties defaulting on their payments. The credit risk in accounts receivable is specified in Note 20.

Liquidity risk

Cash flow forecasts are prepared by the Group's operating companies and aggregated by the Group's CFO. The Group's CFO carefully monitors current projections for the Group's liquidity reserves in order to ensure that the Group has sufficient liquidity to satisfy any requirements in current operations while at the same time maintaining sufficient flexibility in agreed credit facilities that have not been utilized to ensure that the Group does not exceed the credit limits of any of its loan facilities.

The table below analyses the Group's financial obligations distributed over the period remaining as at the year-end through to the agreed expiry date. The amounts in the table are agreed non-discounted cash flows, including future interest payments.

<i>Maturity of liabilities</i>	<i>< 1 year</i>	<i>1-2 years</i>	<i>> 2 years</i>
Bond loans	57,150	57,150	1,542,863
Liabilities to credit institutions	912,624	30,069	187,886
Leasing liability	573,604	581,886	4,449,083
Overdraft facilities	1,266,206	0	0
Accounts payable	2,311,871	0	0
Accrued expenses	82,944	0	0
Other liabilities	587,827	330,554	834,049
Total	5,792,225	999,658	7,013,881

NOTE 3 ESTIMATES AND ASSESSMENTS

Estimates and assessments are valued continuously. These are based on historical experience and other factors, including expectations of future events, that under current conditions may be assumed to occur. The Group makes estimates and assumptions about the future. The resulting estimates for accounting purposes will, by definition, seldom match the actual results. The estimates and assumptions that carry a significant risk of essential adjustments in reported values for assets and liabilities during the following financial year that are mentioned below.

Impairment testing of goodwill

The Group examines the existence of any impairment for goodwill, in accordance with the Group's accounting principles. The recoverable amounts of cash-generating units have been established by calculating the value in use. By necessity, these calculations include certain estimates (Note 15).

Repurchase agreements

In some car sales, the Group may occasionally commit to repurchase agreements, which entail a commitment to repurchase a sold vehicle at a pre-agreed residual value. This occurs primarily in conjunction with private leasing transactions. The leases are reported as operational leases in accordance with the Group's accounting principles. The agreements entail a residual value risk in that the Group may be forced to sell pre-owned vehicles at a loss in the future, if the value then is weaker than predicted at the time the agreement was concluded. Ongoing assessments of these vehicles' future net realizable value are made along with randomized check of the resale value of the returned cars. The cars are reported as vehicles under Tangible assets and repurchase agreements are reported under Other liabilities. Contract liabilities are in the form of cars sold with repurchase agreements, see note 28.

Inventories

Valuation of vehicles is made at the lower of acquisition cost and net realizable value. Net realizable value is established based on an estimated realizable value reduced by sales costs. Net realizable value was lower than acquisition cost by kSEK 37,621 (kSEK 47,232).

NOTE 4 NET SALES

	1/1/2019- 12/31/2019	1/1/2018- 12/31/2018
<i>Net sales distribution</i>		
Vehicle sales	20,503,131	19 414 733
Workshop	1,800,997	1 504 791
Spare parts in automotive operations	2,557,380	2 013 801
Fee and commission income	450,668	355 324
Spare parts in wholesale operations	791,417	811 962
Car rental operations	259,085	240 606
Construction	2,008,184	1 950 988
Elimination	-2,452,538	-2 170 399
Other	52,991	62 290
	25,971,315	24 184 096
<i>Net sales per geographic market</i>		
Sweden	17,937,208	19 131 336
Norway	3,227,253	3 388 049
Belgium	3,072,021	1 214 002
Other EU countries	1,734,833	450 709
	25,971,315	24 184 096

NOTE 5 OTHER OPERATING INCOME

	1/1/2019- 12/31/2019	1/1/2018- 12/31/2018
Rental income	9,595	11 751
Contributions received	580	286
Exchange rate differences	25,045	40 807
Profit on sale of fixed assets	22,169	26 880
Other	0	150
Total	57,389	79 874

NOTE 6 EMPLOYEES AND EMPLOYEES BENEFIT EXPENSES

<i>Avarage number of employees</i>	<i>1/1/2019- 12/31/2019</i>	<i>Of which men</i>	<i>1/1/2018- 12/31/2018</i>	<i>Of which men</i>
Sweden	2 331	88%	2 290	88%
Norway	481	86%	428	89%
Belgium	387	87%	188	84%
Germany	29	83%	23	87%
Switzerland	10	80%	10	80%
Group Total	3 238	88%	2 939	88%

The Board of Directors consists of 4 (4) persons, of which 1 (1) woman. Other senior executives include 10 (10) persons, including 1 (1) woman.

<i>Salaries, other remuneration and social security costs</i>	<i>1/1/2019- 12/31/2019</i>	<i>1/1/2018- 12/31/2018</i>
Board of Directors, CEO and other senior executives (of which bonuses)	8,434	6,936 (0)
Other employees	1,826,585	1,488,438
Total Salaries and other remuneration	1,835,019	1,495,374
Social security costs	510,436	469,572
Pension costs	147,337	118,966
Total	2,492,792	2,083,912

Salaries and remuneration paid to the Parent Company's CEO and Board of Directors during the year amounted to kSEK 2,760 (kSEK 2,698) for 2 persons (2). The corresponding pension costs amounted to kSEK 807 (kSEK 798). Managing directors of subsidiaries have agreements for up to 6 months of mutual notice period. Board members do not receive a director's fee. One board member submits invoices for services rendered.

NOTE 7 REMUNERATION TO AUDITORS

	<i>1/1/2019- 12/31/2019</i>	<i>1/1/2018- 12/31/2018</i>
<i>PwC</i>		
Audit assignment (of which kSEK 3.678 to PwC AB)	6,151	6,072
Tax consulting (of which kSEK 1,944 to PwC AB)	2,090	3,154
Other assignments (of which kSEK 486 to PwC AB)	647	202
	8,888	9,428
<i>Other</i>		
Audit assignment	271	162
Other assignments	77	356
	348	518
Total	9,236	9,946

The audit assignment involves examination of the Annual Report and financial statements as well as the administration by the Board of Directors and the CEO. Other duties undertaken by the auditor include provision of advice as a result of observations made during the audit, and advice in other contexts. All other items are classified as Other assignments.

NOTE 8 LEASES

Group as lessee

From financial year 2019 and forward, leases are reported as right-of-use assets according to IFRS 16 Leases. The impact of the transition to IFRS 16 is described in Note 1 Material financial reporting standards and in Note 16 Tangible fixed assets.

Last year's operating leases amounted to kSEK 612,552, which had an impact on the income statement. Below are the previous year's future leasing fees as of the closing date December 31, 2018.

	<i>1/1/2018-</i>
Future minimum lease payments at the closing date amounted to:	<i>12/31/2018</i>
Within one year	711,379
Between one and five years	2,035,285
After five years	2,471,974
	<u>5,218,638</u>

Since the Group has chosen to use a modified retroactive method regarding the transition from IAS 17 to IFRS 16, the previous year's operating leasing has not been recalculated. The lease liability is the present value of all future fees until the lease expires. The simplification rule that the right-of-use asset (before adjustments for any advance payments) should correspond to the lease liability has been applied at the time of the transition.

The Group's average marginal loan rate used to discount the lease debt was 1.5 percent.

Reconciliation from IAS 17 to IFRS 16

Operating lease commitments according to IAS 17 as of December 31, 2018	5,218,638
Financial leases	17,109
Short-term leases and low-value leases	-262,537
Discount effect, other	-367,241
Lease liability according to IFRS 16 as of January 1, 2019	<u>4,605,969</u>

Reported amount in the Balance sheet according to IFRS 16

In the Balance sheet the following amounts is reported related to leases:	<i>12/31/2019</i>	<i>January 1, 2019</i>
Right-of-use assets ¹⁾		
Premises	4,867,305	4,595,615
Equipment and vehicles	197,135	10,354
	<u>5,064,440</u>	<u>4,605,969</u>
Lease liabilities ¹⁾		
Short-term	559,699	515,233
Long-term	4,520,307	4,090,736
	<u>5,080,006</u>	<u>4,605,969</u>

1) Last year, only lease assets and lease liabilities attributable to financial leases were reported in accordance with IAS 17 Leases. The assets were presented as part of the tangible fixed assets and liabilities as part of the Group's borrowing.

Reported amount in the Income statement according to IFRS 16

In the Income statement the following amounts is reported related to leases:	<i>1/1/2019-</i>	<i>1/1/2018-</i>
	<i>12/31/2019</i>	<i>12/31/2018</i>
Depreciation of right-of-use assets		
Premises	-555,988	-
Equipment and vehicles	-22,969	-
	<u>-578,957</u>	<u>-</u>
Interest expenses (included in financial expenses)		
Premises	-69,344	-
Equipment and vehicles	-919	-
	<u>-70,263</u>	<u>-</u>

In 2019, total cash-flow applicable to leases was MSEK 569.

Group as lessor

Assets that are leased under operating leases are reported as tangible fixed assets. These assets consist of rental of premises, as well as sold vehicles combined with future repurchase commitments at a guaranteed residual value. The lease income for the year amounts to kSEK 173,053 (280,455).

	<i>1/1/2019- 12/31/2019</i>	<i>1/1/2018- 12/31/2018</i>
Future minimum lease fees at the closing date amounted to:		
Within one year	217,182	170,164
Between one and five years	204,358	173,672
After five years	0	0
	421,540	343,836

NOTE 9 OTHER OPERATING EXPENSES

	<i>1/1/2019- 12/31/2019</i>	<i>1/1/2018- 12/31/2018</i>
Trading in securities	0	-186
Loss on sale of fixed assets	-2,629	-2,783
Exchange losses	-39,043	-48,114
Total	-41,672	-51,083

NOTE 10 FINANCIAL INCOME

	<i>1/1/2019- 12/31/2019</i>	<i>1/1/2018- 12/31/2018</i>
Profit on sale of securities	-22	6,334
Dividends	14,620	6,754
Exchange gains	26,231	14,950
Interest income	8,710	2,348
Total	49,539	30,386

NOTE 11 FINANCIAL EXPENSES

	<i>1/1/2019- 12/31/2019</i>	<i>1/1/2018- 12/31/2018</i>
Interest expenses	-198,816	-150,247
Interest expenses IFRS 16	-70,263	0
Revaluation of securities	0	-53,304
Exchange losses	-35,816	-30,097
Total	-304,895	-233,648

NOTE 12 PROFIT FROM PARTICIPATIONS IN ASSOCIATED COMPANIES

	1/1/2019- 12/31/2019	1/1/2018- 12/31/2018
Ripam Invest AB	-890	-393
Consensus Asset Management AB	1,261	352
Total	371	-41

NOTE 13 TAX ON PROFIT FOR THE YEAR

	1/1/2019- 12/31/2019	1/1/2018- 12/31/2018
<i>Current tax</i>		
Current tax on profit for the year	-65,594	-39,775
Tax attributable to previous years	-371	-201
	-65,965	-39,976
<i>Deferred tax</i>		
Deferred tax	34,306	36,505
Summa	-31,659	-3,471

Deferred tax relates mainly to additional depreciation of tangible fixed assets.

Reconciliation of effective tax rate;

Profit before tax	82,412	19,460
Tax according to the applicable tax rate for the parent company (21,4%/22%)	-17,636	-4,281
Effect of foreign tax rates	-1,828	-231
Tax attributable to previous years	-371	-201
Non-deductible costs	-14,120	-6,516
Non-taxable income	12,067	8,738
Change of tax rate	-55	108
Usage of earlier tax losses	545	423
Standard tax rate on allocation reserves	-176	-298
Other permanent differences	-10,085	-1,213
	-31,659	-3,471

NOTE 14 EXCHANGE RATE DIFFERENCES

Exchange rate differences have been reported in the income statement as follows;

	1/1/2019- 12/31/2019	1/1/2018- 12/31/2018
Other operating income	25,045	40,807
Other operating expenses	-39,043	-48,114
Financial income	26,231	14,950
Financial expenses	-35,816	-30,097
Total	-23,583	-22,454

NOTE 15 INTANGIBLE FIXED ASSETS

	Intangible rights	Customer relations	Goodwill	Total
<i>Acquisition costs</i>				
Opening balance January 1, 2018	51,910	278,510	1,103,691	1,434,111
Purchase	34,344			34,344
Business acquisitions	2,973	131,871	204,961	339,805
Sales/disposals	-1,101			-1,101
Conversion differences	-643	4,280	14,032	17,669
Closing balance December 31, 2018	87,483	414,661	1,322,684	1,824,828
Purchase	33,586			33,586
Business acquisitions	4,896	140,550	250,315	395,761
Sales/disposals	-7,062			-7,062
Conversion differences	-3,228	7,391	18,962	23,126
Closing balance December 31, 2019	115,675	562,602	1,591,961	2,270,239
<i>Accumulated depreciation</i>				
Opening balance January 1, 2018	-5,238	-2,239	0	-7,477
Depreciation for the year	-9,105	-54,276		-63,381
Sales/disposals	575			575
Conversion differences	1,807	1,476		3,283
Closing balance December 31, 2018	-11,961	-55,039	0	-67,000
Depreciation for the year	-23,568	-67,471		-91,039
Sales/disposals	403			403
Conversion differences	-1,389	-814		-2,203
Closing balance December 31, 2019	-36,515	-123,324	0	-159,839
Carrying amount December 31, 2018	75,522	359,622	1,322,684	1,757,828
Carrying amount December 31, 2019	79,160	439,278	1,591,961	2,110,400

Impairment testing of goodwill

Goodwill is monitored by the management at Group level. Impairment testing of goodwill attributable to cash-generating units and other intangible assets is conducted annually. Estimated recoverable amount are based on the management's expectations of future earnings and cash flow. The estimated cash flows are based on five-year forecasts using estimated market trends. After the five-year period, the cash flow is based on a permanent growth rate of 2% (2%).

When calculating recoverable amount for cash-generating units, a discount factor of 9.3% (9.5%) before tax has been used, based on the weighted average cost of capital (WACC) and value in use, as the basis for the recoverable amount. The recoverable amount exceeds goodwill for all cash-generating units. The surplus value is naturally different between the various units, where recently completed acquisitions have lower surplus value. However, all goodwill values have a surplus value with an increased WACC of 0.5% and a reduced growth of 10%.

The breakdown of cash-generating units has changed as the Swedish units are merged into one common unit, due to that these units are increasingly integrated with each other. Division into the cash-generating units reflects the corresponding division into operating segments.

The following cash-generating units have reported goodwill values;

	12/31/2019	12/31/2018
Hedin Bil, Sweden	141,692	141,697
Mabi rental cars	42,977	42,977
Klintberg & Way	40,468	40,468
Car to Go	4,897	4,897
Tuve Bygg	106,258	106,258
Total Sweden	336,292	336,292
Hedin Automotive, Norway	903,177	829,864
Total Norway	903,177	829,864
Hedin Automotive, Belgium	352,492	156,523
Total Belgium	352,492	156,523

NOTE 16 TANGIBLE FIXED ASSETS

	Land and buildings	Costs on another's property	Equipment, tools and installations	Leasing vehicles	Right-of-use-assets	Total
<i>Acquisition costs</i>						
Opening balance January 1, 2018	64,760	75,124	635,721	1,437,975		2,213,580
Purchase	34,912	77,395	277,797	833,602		1,223,706
Business acquisitions	358,808	4,185	26,434			389,427
Sales/disposals		-1,844	-88,787	-585,507		-676,138
Conversion differences	-2,264	1,033	15,568	9,937		24,274
Closing balance December 31, 2018	456,216	155,893	866,733	1,696,007	0	3,174,849
IFRS 16					4,605,969	4,605,969
Purchase	35,811	68,604	120,165	1,608,117	557,704	2,390,401
Business acquisitions	7,143	37,962	19,462	121,420	289,986	475,973
Sales/disposals	-138,807	-579	-26,475	-879,981		-1,045,842
Transfer	2,280	11,039	-187,624		184,679	10,374
Conversion differences	3,951	1,224	4,952	9,644	34,113	53,884
Closing balance December 31, 2019	366,594	274,143	797,213	2,555,207	5,672,451	9,665,608
<i>Accumulated depreciation</i>						
Opening balance January 1, 2018	-1,575	-6,167	-318,453	-165,057		-491,252
Depreciation for the year	-12,782	-15,053	-108,126	-340,915		-476,876
Sales/disposals		55	48,838	150,726		199,619
Conversion differences	-672	-1,984	-8,993	5,501		-6,148
Closing balance December 31, 2018	-15,029	-23,149	-386,734	-349,745	0	-774,657
Depreciation for the year	-10,454	-28,449	-116,246	-472,993	-578,957	-1,207,099
Sales/disposals	12,827	68	23,750	272,140		308,785
Transfer		2,721	26,333		-29,054	0
Conversion differences	-2,667	-57	-3,350	-76		-6,150
Closing balance December 31, 2019	-15,323	-48,866	-456,247	-550,674	-608,011	-1,679,121
Carrying amount December 31, 2018	441,187	132,744	479,999	1,346,262	0	2,400,192
Carrying amount December 31, 2019	351,271	225,277	340,966	2,004,533	5,064,440	7,986,487

Assets that are leased under operating leases are reported as tangible fixed assets. These assets consist of sold cars combined with commitment to future repurchases at a guaranteed residual value.

NOTE 17 CONSTRUCTIONS IN PROGRESS

	12/31/2019	12/31/2018
At the beginning of the year	18,870	2,764
Investments	1,719	16,106
Sales/disposals	-7,852	0
Transfer	-10,374	0
Total	2,363	18,870

NOTE 18 SHARES IN ASSOCIATED COMPANIES

Associated company / Corporate ID no. / Domicile	Capital- share	Voting- share	Carrying amount	
			12/31/2019	12/31/2018
Consensus Asset Management, 556474-6518, Göteborg	22%	28%	12,972	9,671
Ripam Invest AB, 556870-7540, Mölndal	50%	50%	5,622	6,512
Plusfastigheter Borås Eko 10 AB, 559135-1266, Göteborg	38%	38%	22,500	15,000
HIPAB Holmvägen IndustriPark AB, 556808-9154, Göteborg	33%	33%	400	400
			41,494	31,583
<i>Accumulated acquisition cost:</i>				
Opening carrying amount			31,583	23,792
Purchase			9,540	15,000
Dividends			0	-7,168
Share of profits in associated companies			371	-41
Carrying amount at year-end			41,494	31,583

On December 31, 2019, the fair value of the Group's holding in Consensus Asset Management AB, which is listed on Aktietorget, amounts to kSEK 26,530. Adjusted equity amounts to kSEK 47,282 and adjusted profit after tax amounts to kSEK 8,490 (kSEK 1,670). The company applies accounting rules in accordance with International Financial Reporting Standards.

Ripam Invest AB is unlisted. The profit for 2019 amounts to kSEK -1,779 (kSEK -785). Plusfastigheter Borås Eko 10 AB is redeveloping a property in central Borås, which is expected to be completed in 2021.

NOTE 19 OTHER LONG-TERM SECURITIES

	Carrying amount	
	12/31/2019	12/31/2018
Listed shares	298,120	143,707
Unlisted shares	9,962	14,691
	308,082	158,398
<i>Accumulated acquisition cost:</i>		
Opening carrying amount	158,398	218,671
Purchase	335,706	168,878
Reclassification to short-term investments	0	-183,379
Revaluation	-180,608	-24,358
Sales	-5,414	-21,414
Carrying amount at year-end	308,082	158,398

The revaluation is reported in other comprehensive income in accordance with the applied principles.

NOTE 20 ACCOUNTS RECEIVABLE

Due date	<i>12/31/2019</i>	<i>12/31/2018</i>
Not due	901,831	771,078
Past due up to 30 days	379,874	258,687
Past due 30-60 days	73,248	53,585
Past due more than 60 days	90,601	58,673
	1,445,554	1,142,023

The maximum exposure of credit risk at end of the year for accounts receivables are the amounts disclosed. The fair value of the accounts receivables is the carrying amount, as the discount factor is insignificant. No accounts receivables have been pledged apart from disclosed in Pledged assets, note 30. The credit loss provision is estimated to kSEK 15,542 (kSEK 12,970).

NOTE 21 SHORT-TERM INVESTMENTS

	<i>12/31/2019</i>	<i>12/31/2018</i>
Listed shares	6,622	61,106
	6,622	61,106
<i>Accumulated acquisition cost:</i>		
Opening carrying amount	61,106	610
Purchase	1,194	189,132
Reclassification from long-term securities	0	183,379
Change in value	-8,488	-53,489
Sales of the year	-47,190	-258,526
Carrying amount at year-end	6,622	61,106

NOTE 22 PREPAID EXPENSES AND ACCRUED INCOME

	<i>12/31/2019</i>	<i>12/31/2018</i>
Accrued bonus from suppliers	160,495	215,435
Prepaid rent	118,642	119,624
Accrued revenue	91,823	94,872
Other items	125,606	109,346
	496,566	539,277

NOTE 23 CASH AND CASH EQUIVALENTS

	<i>12/31/2019</i>	<i>12/31/2018</i>
Cash and bank balances	285,150	215,685
	285,150	215,685

NOTE 24 EQUITY

<i>Specification of reserves</i>	<i>Fair value reserve</i>	<i>Translation reserve</i>	<i>Total</i>
Opening balance January 1, 2018	-3,265	-21,705	-24,970
Change in revaluation reserve for the year, net after tax	-15,843	0	-15,843
Change in translation reserve for the year, net after tax	0	14,531	14,531
Closing balance December 31, 2018	-19,108	-7,174	-26,282
Change in revaluation reserve for the year, net after tax	-140,980	0	-140,980
Change in translation reserve for the year, net after tax	0	30,810	30,810
Closing balance December 31, 2019	-160,088	23,636	-136,452

Fair value reserve

The market value of long-term securities holdings has decreased during the year. However, no impairment requirements have arisen since the decline in market value cannot be said to be material or long-term in accordance with the applied accounting principles. Changes in the value of the shares have been reported in other comprehensive income.

Translation reserve

Exchange rate differences that are attributable to translation of the Group's foreign subsidiary companies' functional currencies into Swedish kronor are accrued in the translation reserve. In the event of the disposal of a foreign operation, the accumulated revalued currency effect is reported under Provisions in the Income Statement and is included in profit or loss when sold.

Holdings with non-controlling interests

The Group owns 91% in I.A. Hedin Bil AB. Below is the summarized financial information for I.A. Hedin Bil AB. The information relates to the amount before inter-company eliminations. Data for 2019 include right-of-use assets in accordance with IFRS16.

Holdings with non-controlling interests

<i>Summary information from the balance sheet</i>	<i>12/31/2019</i>	<i>12/31/2018</i>
Fixed assets	9,510,800	3,582,289
Current assets	4,812,154	4,099,220
Non-current liabilities	-7,876,863	-2,892,119
Current liabilities	-5,515,063	-3,993,822
Net assets	931,028	795,568
<i>Summary information on profit and loss</i>	<i>12/31/2019</i>	<i>12/31/2018</i>
Income	22,327,229	21,053,849
Profit after financial items	147,954	112,964
Profit for the year	103,308	86,856
<i>Summary of cash flow statement</i>	<i>12/31/2019</i>	<i>12/31/2018</i>
Cash flow from operating activities	1,508,029	460,094
Cash flow from investing activities	-1,474,956	-1,238,694
Cash flow from financing activities	22,641	825,011
Cash flow for the year	55,714	46,411

NOTE 25 PENSIONS

	1/1/2019- 12/31/2019	1/1/2018- 12/31/2018
Opening carrying amount	87,090	89,094
Pension payments	-5,710	-5,520
Interest	1,709	1,793
Revaluation due to changes in financial assumptions	5,747	1,422
Revaluation due to experience-based adjustments	319	301
Reclassification	828	0
	89,983	87,090

Defined benefit pension plans

For white collar employees in Sweden, the ITP 2 plan's defined benefit pension commitments for retirement and family pensions are secured through the insurance with Alecta. According to a statement from the Financial Reporting Board, UFR 10 Classification of ITP plans funded through an insurance in Alecta, a defined benefit plan covers several employers. The company has not had access to information and therefore could not report its proportional share of the plan's liabilities, management assets and expenses. This meant that the plan could not be reported as a defined benefit plan. Therefore, the pension plan ITP 2, secured through insurance in Alecta, is reported as a defined contribution plan.

The premium for the defined-benefit retirement and family pension is individually calculated and depends, inter alia, on the salary, previously earned retirement and expected remaining retirement period. The annual pension insurance contributions in Alecta amount to kSEK 40,335 (kSEK 40,272).

The Group has also defined benefit plans in Sweden and these are secured through FPG/PRI. These plans are closed and no new earnings are made. The pension liabilities for these amount to kSEK 89,155 (kSEK 87,090). For the actuarial calculations, a discount rate of 1.2% (2.0%) and an inflation of 1.8% (2.0%) have been applied.

Sensitivity analysis	Assumption	Change
Discount rate	+0,5%	-4,812
Inflation	+0,5%	5,172
Life span	+1 year	4,289

NOTE 26 DEFERRED TAX

Deferred tax assets	12/31/2019	12/31/2018
Opening carrying amount	74,334	26,305
Reported in income statement	7,132	19,927
Recognized in other comprehensive income	41,062	5,768
Conversion differences	1,898	-811
Business acquisitions	1,140	23,145
	125,566	74,334

The deferred tax assets mainly consist of temporary differences between fiscal and carrying values of assets and liabilities.

Deferred tax liabilities	12/31/2019	12/31/2018
Opening carrying amount	-170,738	-128,020
Reported in income statement	27,174	16,578
Conversion differences	-1,776	-110
Business acquisitions	-34,458	-59,186
	-179,798	-170,738

Deferred tax liabilities consist of temporary differences between fiscal and carrying values of intangible assets, as well as untaxed reserves.

NOTE 27 FINANCIAL LIABILITIES

	12/31/2019	12/31/2018
Non-current borrowings		
Bond loans	1,493,400	1,491,000
Financial lease liability	0	137,074
Lease liability	4,520,307	0
Other liabilities to credit institutions	214,134	18,701
	6,227,841	1,646,775
Current borrowings		
Overdraft facilities	1,241,378	1,331,427
Financial lease liability	0	22,690
Lease liability	559,699	0
Liabilities to credit institutions	894,729	736,327
	2,695,806	2,090,444

The fair value of the loans corresponds to the carrying value, as the discount effect is insignificant. All borrowings are at a variable interest rate. The Group has a granted overdraft of kSEK 1,542,487 (kSEK 1,533,536), renegotiated on an annual of basis. Of the approved overdraft facility, kSEK 1,241,378 (kSEK 1,331,427) has been used as of December 31, 2019

NOTE 28 OTHER LIABILITIES

	12/31/2019	12/31/2018
Other non-current liabilities		
Debt relating to sold cars with repurchase agreements	1,241,383	785,390
Other liabilities	240,822	31,448
	1,482,205	816,838
Other current liabilities		
VAT	24,885	84,775
Employee's withholding tax	34,033	31,852
Debt relating to sold cars with repurchase agreements	776,508	576,387
Other liabilities	405,217	278,512
	1,240,643	971,526

NOTE 29 ACCRUED EXPENSES AND PREPAID INCOME

	1/1/2019- 12/31/2019	1/1/2018- 12/31/2018
Debt relating to employees	354,175	352,050
Interest expense	12,922	11,804
Prepaid income	83,693	37,070
Invoiced income not yet recognized	98,454	123,408
Other items	309,188	203,203
	858,432	727,535

NOTE 30 PLEDGED ASSETS

	1/1/2019- 12/31/2019	1/1/2018- 12/31/2018
Property mortgages	33,200	68,800
Floating charges	1,458,278	1,346,110
Land and buildings	183,631	0
Inventories, Accounts receivables and Equipment	908,896	822,864
Accounts receivables	75,000	75,000
	2,659,005	2,312,774

NOTE 31 CONTINGENT LIABILITIES

	1/1/2019- 12/31/2019	1/1/2018- 12/31/2018
Guarantee commitments FPG/PRI	1,320	1,390
Repurchase and residual value guarantees	76,124	27,195
Other guarantees	30,839	12,934
	108,283	41,519

NOTE 32 SPECIFICATIONS TO CASH FLOW STATEMENT

	1/1/2019- 12/31/2019	1/1/2018- 12/31/2018
Depreciation	1,298,139	540,495
Impairment of financial assets	0	53,304
Unrealised exchange rate differences	1,771	-3,632
Gains/losses on sale of fixed assets	-19,572	-27,850
Share of profits in associated companies	-371	41
Provisions/receivables relating to pensions	2,893	-2,762
Other non-cash items	2,400	2,400
	1,285,260	561,996
<i>Financial liabilities</i>	<i>12/31/2019</i>	<i>12/31/2018</i>
Opening carrying amount	4,554,057	3,428,550
Cash flow	90,109	1,111,799
Business acquisitions	517,819	10,744
Leasing liability	5,180,782	0
Conversion differences	63,085	2,964
	10,405,852	4,554,057
<i>Interest payments</i>	<i>1/1/2019- 12/31/2019</i>	<i>1/1/2018- 12/31/2018</i>
Paid interests	-198,816	-150,577
Received interests	8,710	2,348

NOTE 33 BUSINESS ACQUISITIONS

Acquisitions in 2019

On the 12th of February Bavaria Haugesund AS acquired 51 percent of the shares at the price of NOK 1, in MPS Micro-paint Haugesund AS. The company is a service and repair shop for vehicles.

On the 18th of February Hedin Belgien Bil AB acquired a body and paint shop next to our dealership in Lier, Belgium. The company, Star repair bvba, has four employees. The purchase price was kSEK 4,058, including goodwill of kSEK 1,696 that is attributable to synergies with our present business around Antwerp.

GS Bildeler AS acquired 91 percent of the shares in EBC Brakes Norge AS on 26th of February. The purchase price was kSEK 2,150 in a new share issue. EBS Brakes is a wholesaler of automotive brakes and vehicle care products.

On the 14th of August, Bavaria Norge AS acquired three BMW dealerships in Ålesund, Molde and Kristiansund. This was achieved through the acquisition of two companies, of which Molde was acquired at 83 percent. The purchase price amounted to kSEK 86,395. This includes acquired customer relations of kSEK 22,651, reported as intangible fixed assets. The amortization period is 7 years. Goodwill amounting to kSEK 48,733 is attributable to synergies with the present operations in Norway.

On the 21st of August, Hedin Belgien Bil AB acquired two full-service facilities for Mercedes-Benz located between Ghent and Antwerp. The purchase price was kSEK 265,383. This includes acquired customer relations of kSEK 98,894, reported as intangible fixed assets. The amortization period is 7 years. Goodwill amounting to kSEK 177,003 is attributable to synergies with the present operations in Ghent and Antwerp.

On the 22nd of August, one dealership was acquired in Belgium with access on September 16. It is a full-service dealership for Mercedes-Benz located between Antwerp and Brussels. The purchase price was kSEK 67,043. This includes acquired customer relations of kSEK 19,005, reported as intangible fixed assets. The amortization period is 7 years. Goodwill amounting to kSEK 20,941 is attributable to synergies with the present operations in Belgium.

On December 2, Inter Wheel Sweden AB was acquired. The company is a wholesale company within tires and rims with focus on car retail customers in the Nordic countries. The purchase price was kSEK 525.

Acquisitions in 2018

On April 1, Hedin Belgien Bil AB acquired three companies in Belgium, including seven dealerships in and around Ghent, with sales and aftermarket service of Mercedes-Benz passenger cars, commercial vehicles, trucks and Smart. The purchase price amounted to kSEK 394,271 and included four real estates. The purchase price includes acquired customer relationships of kSEK 41,460 which is reported as intangible fixed assets and amortized over seven years. Goodwill of kSEK 78,424 is attributable to synergies with other car operations and future sales. Acquisition costs amounted to approximately kSEK 600.

On May 3, Hedin Mölndal Bil AB agreed to acquire Motorcentralen i Eskilstuna AB, including a sales and after-market dealership for Ford passenger cars and commercial vehicles. The purchase price amounted to kSEK 9,511. Goodwill of kSEK 5,768 is attributable to synergies within the Ford business.

The minority stake in GS Bildeler was acquired on June 21 for kSEK 24,292.

AB Englands Bil & Motorverkstad was acquired on May 9 for kSEK 24,000 by Bavaria Sverige Bil AB. The company's businesses are sales and aftermarket service for a BMW dealership in Luleå. Goodwill of kSEK 18,459 is attributable to synergies within the BMW business in Bavaria.

On August 22, Hedin Belgien Bil AB acquired four companies including five dealerships in Antwerp, Belgium. The companies are dealers of Mercedes-Benz passenger cars. The purchase price amounted to kSEK 223,543, including acquired customer relations of kSEK 90,411 which is reported as intangible fixed assets and amortized over seven years. Goodwill of 79,000 kSEK is attributable to synergies with our present business in Belgium. Acquisition costs amounted to approximately kSEK 1,600.

On September 28, Skadecenter i Borås AB was acquired by Hedin Göteborg Bil AB for kSEK 23,680. The company runs a body repair workshop in Borås. The acquisition included real estate, which has been transferred to I.A. Hedin Fastighet AB.

On October 5, GS Bildeler AS acquired 67 percent in the Norwegian company ConLogo AS for kSEK 2,823, by issue of new shares. The price includes a goodwill of kSEK 1,019. The company is an importer of vehicle care products.

On December 21st, Anders Hedin Invest increased its shares with 14.5% in Tuve Holdings AB. The ownership at year-end is 65%.

	<i>Hedin Automotive Belgium group</i>	<i>Hedin Automotive Norway group</i>	<i>Total 2019</i>	<i>2018</i>
Intangible fixed assets	117,899	22,651	140,550	131,931
Tangible fixed assets	261,631	206,043	467,673	318,631
Financial fixed assets	6,643	1,226	7,869	23,262
Inventories	114,018	71,035	185,052	200,030
Operating receivables	70,801	9,720	80,521	199,541
Cash and cash equivalents	115,844	3,569	119,413	90,770
Operating liabilities	-86,370	-184,656	-271,026	-378,796
Acquired net assets	600,466	129,587	730,053	585,369
Goodwill	199,640	50,674	250,315	204,961
Financial liabilities	-434,148	-83,670	-517,819	-10,744
Non-controlling interests	0	-3,063	-3,063	17,166
Provisions	-29,475	-4,983	-34,458	-59,186
Purchase price	336,483	88,545	425,029	737,566
Liquid funds in acquired businesses	-115,844	-3,569	-119,413	-90,770
Impact on the Group's cash and cash equivalents	220,639	84,976	305,615	646,796

In 2019, the acquired businesses contributed with approximately kSEK 711,528 (kSEK 1,301,414) in net sales and kSEK 26,795 (kSEK -8,645) in operating profit. If the acquired companies had been consolidated from January 1, 2019, the consolidated income statement would show net sales of kSEK 28,006,012 (kSEK 25,317,557) and operating profit of kSEK 394,291 (kSEK 260,423).

The Group recognizes the non-controlling interest in an acquired company either to fair value or the proportionate share of the acquired company's identifiable net assets. This choice of principle is made for each individual business acquisition. For non-controlling interest in acquisitions during the year, the Group has chosen to report non-controlling interest as the proportional share of the acquired identified net assets.

NOTE 34 FINANCIAL INSTRUMENTS

The table below shows financial instruments per category.

<i>December 31, 2019</i>	Valued at fair value through income statement	Valued at fair value through other comprehensive income	Measured at amortized cost	Total
<i>Assets</i>				
Long-term securities		308,082		308,082
Accounts receivable and other receivables			1,813,197	1,813,197
Short term investments	6,622			6,622
Cash and cash equivalents			285,150	285,150
Total assets	6,622	308,082	2,098,347	2,413,051
<i>Liabilities</i>				
Borrowings			3,843,641	3,843,641
Accounts payable			2,311,871	2,311,871
Financial lease liability			129,334	129,334
Accrued expenses			82,944	82,944
Other liabilities			330,440	330,440
Total liabilities			6,698,230	6,698,230

	Valued at fair value through income statement	Valued at fair value through other com- prehensive income	Measured at amortized cost	Total
<i>December 31, 2018</i>				
<i>Assets</i>				
Long-term securities		158,398		158,398
Accounts receivable and other receivables			1,389,789	1,389,789
Short term investments	61,106			61,106
Cash and cash equivalents			215,685	215,685
Total assets	61,106	158,398	1,605,474	1,824,978

			Measured at amortized cost	Total
<i>December 31, 2018</i>				
<i>Liabilities in the balance sheet</i>				
Loans			3,577,455	3,577,455
Accounts payable			2,089,337	2,089,337
Financial lease liability			159,764	159,764
Accrued expenses			51,342	51,342
Other liabilities			73,430	73,430
Total liabilities			5,951,328	5,951,328

The interest rate on outstanding liabilities is variable, which means that the carrying amount corresponds to fair value.

NOTE 35 RELATED TRANSACTIONS

The Group has loans from shareholders and related parties to shareholders of kSEK 121,768 (kSEK 73,430). The interest is replaced by the government borrowing rate plus 3 percentage points.

A large number of properties are rented from Fastighets AB Balder. Erik Selin, CEO of Balder, has been a board member of I.A. Hedin Bil AB since March 2017.

NOTE 36 EVENTS AFTER THE END OF THE FINANCIAL YEAR

On January 16, the Hedin Group expands to Switzerland by entering into an agreement on the acquisition of SeeAll Group (Zürich). SeeAll Group's two dealership, Allmend-Garage and Seeblick Garage, are Hedin's first in Switzerland. The transaction is expected to be completed in the second quarter of 2020.

On January 30, Anders Hedin Invest AB and Stern Groep NV. The Dutch listed automotive group, announced that they are in exclusive negotiations on a merger between their respective automotive operations. Due to Covid-19, it was decided in March 2020 to postpone further discussions until the automotive industry returns to normal.

On March 2nd, the Chinese electric car manufacturer BYTON announced that they will choose Hedin Automotive as a strategic sales and service partner in Sweden and Norway. BYTON M-Byte will be launched in the first European markets during the latter part of 2021.

On March 5, Anders Hedin Invest AB, through its subsidiary Hedin Automotive AB, signed an agreement to become an importer of Ford in the Swedish market. In addition, the parties have signed an MoU regarding an intended takeover of Ford's national sales company in Sweden. Planned date for takeover is August 1, 2020, after approval by the relevant authorities.

On April 1, sales of used cars were launched under the trademark Car Store, in a separate company - Car Store Sweden AB. The first dealership is located in Täby.

Regarding the Group's impact in connection with the outbreak of Covid-19, we refer to the section "Expected future development" and "Risks" in the Board of Directors' report.

INCOME STATEMENT - PARENT COMPANY

Amount in thousand SEK (kSEK)	Note	1/1/2019 - 12/31/2019	1/1/2018 - 12/31/2018
Operating income			
Net Sales	1	37,600	25,304
		37,600	25,304
Operating expenses			
Other external expenses	2,3	-49,424	-36,517
Employee benefit expenses	4	-22,546	-19,427
Depreciation and amortization of tangible and intangible fixed assets		-243	-208
Operating profit/loss		-34,613	-30,848
Profit (loss) from financial items			
Profit from participations in group companies		2,320	0
Profit and loss from other securities	5	-156,019	10,297
Interest income and similar income items	6	5,933	9,719
Interest expenses and similar charges	7	-21,932	-3,656
Profit/loss after financial items		-204,311	-14,488
Appropriations	8	21,130	18,256
Profit/loss before tax		-183,181	3,768
Income tax	9	33,941	0
Net profit/loss for the period		-149,240	3,768

In the parent company, there is no Other comprehensive income.

BALANCE SHEET - PARENT COMPANY

<i>Amounts in kSEK</i>	<i>Note</i>	<i>12/31/2019</i>	<i>12/31/2018</i>
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Concessions, patents, licenses and similar rights	<i>10</i>	575	816
		575	816
<i>Tangible assets</i>			
Equipment, tools and installations	<i>11</i>	46	0
		46	0
<i>Financial assets</i>			
Shares in Group companies	<i>12</i>	365,633	396,035
Shares in associated companies	<i>13</i>	11,610	9,570
Receivables from Group companies		413,506	420,000
Deferred tax assets		33,951	0
Other securities	<i>14</i>	407,292	293,562
		1,231,992	1,119,167
Total fixed assets		1,232,613	1,119,983
Current assets			
<i>Current receivables</i>			
Receivables from Group companies		435,796	277,896
Receivables from associated companies		11,266	2,266
Tax assets		269	97
Other receivables		1,161	0
Prepaid expenses and accrued income		18,889	22,795
		467,381	303,054
Cash and cash equivalents		22,986	647
Total current assets		490,367	303,701
TOTAL ASSETS		1,722,980	1,423,684

BALANCE SHEET - PARENT COMPANY

<i>Amounts in kSEK</i>	<i>Note</i>	<i>12/31/2019</i>	<i>12/31/2018</i>
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital, 1,000 shares		100	100
		100	100
<i>Non-restricted equity</i>			
Profit and loss brought forward		1,139,554	1,165,786
Profit/loss for the year		-149,240	3,768
Total Equity		990,414	1,169,654
Untaxed reserves			
Tax allocation reserve	15	21,600	41,900
Total untaxed reserves		21,600	41,900
Non-current liabilities			
Other non-current liabilities		208,672	0
Total non-current liabilities		208,672	0
Current liabilities			
Liabilities to credit institutions	16	298,807	2,533
Accounts payable		2,677	2,115
Liabilities to Group companies		49,235	108,420
Other liabilities		124,752	75,426
Accrued expenses and deferred income	17	26,823	23,636
Total current liabilities		502,294	212,130
TOTAL EQUITY AND LIABILITIES		1,722,980	1,423,684

CASH FLOW STATEMENT - PARENT COMPANY

<i>Amounts in kSEK</i>	<i>Note</i>	<i>1/1/2019 - 12/31/2019</i>	<i>1/1/2018 - 12/31/2018</i>
Operating activities			
Profit after financial items		-204,311	-14,488
Adjustments for non-cash items	19	168,103	-3,730
Income tax paid		-182	-522
Cash flow from operating activities before changes in working capital		-36,390	-18,740
<i>Cash flow from changes in working capital</i>			
Increase(-)/Decrease(+) in operating receivables		45,347	-165,319
Increase(+)/Decrease(-) in operating liabilities		-6,109	19,185
Cash flow from operating activities		2,848	-164,874
Investing activities			
Acquisition of subsidiaries		-20,000	-34,027
Divestment of subsidiaries		52,721	0
Borrowing to group companies		6,494	0
Purchase of intangible and tangible fixed assets		-48	-597
Acquisition of financial assets		-338,892	-357,936
Divestment of financial assets		52,942	262,464
Cash flow from investing activities		-246,783	-130,096
Financing activities			
Repayment of debt		-2,533	-7,317
Borrowings		298,807	0
Dividend paid		-30,000	-30,000
Cash flow from financing activities		266,274	-37,317
Cash flow for the year		22,339	-332,287
Cash and cash equivalents at the beginning of the year		647	332,934
Cash and cash equivalents at the end of the year		22,986	647

REPORT ON CHANGES IN EQUITY - PARENT COMPANY

<i>Amounts in kSEK</i>	<i>Share capital</i>	<i>Unrestricted equity</i>	<i>Total</i>
Opening balance at 01/01/2018	100	1,195,786	1,195,886
Profit for the year		3,768	3,768
Dividends to shareholders		-30,000	-30,000
Closing balance at 12/31/2018	100	1,169,554	1,169,654
Profit for the year		-149,240	-149,240
Dividends to shareholders		-30,000	-30,000
Closing balance at 12/31/2019	100	990,314	990,414

NOTES

Amounts in thousands SEK (kSEK) unless stated otherwise.

NOTE 1 NET SALES

Net sales mainly relates to charging of group-wide services.

NOTE 2 REMUNERATION TO AUDITORS

Audit fees for the Parent Company amount to kSEK 440 (kSEK 0) and tax consulting amount to kSEK 0 (kSEK 16) paid to PwC AB. Last year, the audit fee was charged to the subsidiary I.A. Hedin Bil AB.

NOTE 3 OPERATIONAL LEASING

Operating leases for the year amounted to kSEK 22,034 (kSEK 12,579).

	1/1/2019- 12/31/2019	1/1/2018- 12/31/2018
Future minimum lease payments at the closing date amounted to:		
Within one year	21,501	20,703
Between one and five years	48,377	67,283
After five years	0	0
	69,878	87,986

NOTE 4 EMPLOYEES AND EMPLOYEES BENEFIT EXPENSES

	1/1/2019- 12/31/2019	1/1/2018- 12/31/2018
Average number of employees		
<i>Sweden</i>		
Men	10	9
Women	3	4
Total	13	13

The Board of Directors consists of 4 (4) persons, of which 1 (1) woman.

	1/1/2019- 12/31/2019	1/1/2018- 12/31/2018
Salaries, other remuneration and social security costs		
Board of Directors, CEO and other senior executives	8,434	6,936
Other employees	5,247	5,023
Total Salaries and other remuneration	13,681	11,959
Social security costs	5,205	4,491
Pension costs	3,145	2,898
Total	22,031	19,348

NOTE 5 PROFIT AND LOSS FROM OTHER SECURITIES

	1/1/2019- 12/31/2019	1/1/2018- 12/31/2018
Unrealized value changes in securities	-143,783	0
Profit on sale of securities	-26,397	3,938
Dividends	14,161	6,359
Total	-156,019	10,297

NOTE 6 INTEREST INCOME AND SIMILAR INCOME

	1/1/2019- 12/31/2019	1/1/2018- 12/31/2018
Interest income, group companies	5,933	5,881
Exchange rate differences	0	3,838
Total	5,933	9,719

The company has submitted a loan to subsidiary of kSEK 350,000. The loan is subordinated to other liabilities and runs without interest.

NOTE 7 INTEREST EXPENSES AND SIMILAR CHARGES

	1/1/2019- 12/31/2019	1/1/2018- 12/31/2018
Interest expenses, external	-21,932	-3,656
Total	-21,932	-3,656

NOTE 8 APPROPRIATIONS

	1/1/2019- 12/31/2019	1/1/2018- 12/31/2018
Group contribution received	830	16,556
Provision to tax allocation reserve	20,300	1,700
Total	21,130	18,256

NOTE 9 TAX ON PROFIT FOR THE YEAR

	1/1/2019- 12/31/2019	1/1/2018- 12/31/2018
Current tax on profit for the year	-10	0
Deferred tax	33,951	0
	33,941	0
<i>Reconciliation of effective tax rate;</i>		
Profit before tax	-183,181	3,768
Tax according to the applicable tax rate for the parent company (21,4%/22%)	39,201	-829
Non-deductible costs	-5,709	-2
Non-taxable income	497	866
Standard tax rate on allocation reserves	-48	-35
	33,941	0

NOTE 10 CONCESSIONS, PATENTS, LICENSES AND SIMILAR RIGHTS

	12/31/2019	12/31/2018
<i>Acquisition costs</i>		
Opening balance	1,207	610
Purchase	0	597
Closing balance	1,207	1,207
<i>Accumulated depreciation</i>		
Opening balance	-391	-193
Depreciation for the year	-241	-198
Closing balance	-632	-391
Carrying amount	575	816

NOTE 11 EQUIPMENT, TOOLS AND INSTALLATIONS

	12/31/2019	12/31/2018
<i>Acquisition costs</i>		
Opening balance	51	51
Purchase	48	0
Closing balance	99	51
<i>Accumulated depreciation</i>		
Opening balance	-51	-41
Depreciation for the year	-2	-10
Closing balance	-53	-51
Carrying amount	46	0

NOTE 12 SHARES IN GROUP COMPANIES

	12/31/2019	12/31/2018
<i>Accumulated acquisition cost:</i>		
At the beginning of the year	396,035	432,008
Purchase	0	11,200
New shares issue / Shareholder contribution	20,000	22,827
Disposals	-50,402	-70,000
Carrying amount	365,633	396,035

Specification of the parent company's participations in Group companies

The ownership share of the capital also corresponds to the percentage of votes for the total number of shares.

<i>Company/ Corp. ID No./ Domicile</i>	<i>in%</i>	<i>Carrying value</i>
I.A. Hedin Bil AB, 556065-4070, Mölndal	91	167,500
- Hedin Göteborg Bil AB, 556061-3456, Mölndal		
- Hedin Helsingborg Bil AB, 556134-5710, Mölndal		
- Hedin Stockholm Bil AB, 556944-7492, Mölndal		
- Hedin Örebro Bil AB, 556041-2180, Mölndal		
- Hedin Mölndal Bil AB, 556281-3617, Mölndal		
- Hedin Performance Cars AB, 556604-9234, Mölndal		
- Car Store Sweden AB Bil AB, 556835-7585, Mölndal		
- Hedin Belgien Bil AB, 559074-6466, Mölndal		
- Hedin Automotive AS, 989 690 728, Stavanger, Norge		
Klintberg & Way Group AB, 559124-2945, Stockholm	100	20,050
- Klintberg & Way Parts AB, 556563-6932, Stockholm		
- Klintberg & Way Norge AS, 977515998, Oslo-Asker, Norge		
- KW Parts GmbH, HRB 144881, Hamburg, Tyskland		
- KW Parts NV, 453881311, Kortrijk, Belgien		
- KW Wheels AB, 556969-3624, Stockholm		
- Dawa Däck AB, 556437-9344, Göteborg		
- Pro-imp AB, 556478-3412, Borås		
- Wheelspot AB, 556576-1797, Borås		
- Inter Wheel Sweden AB, 556367-8977, Karlstad		
- Klintberg & Way Automotive AB, 559124-2937, Stockholm		
- Klintberg & Way Automotive SA, 287970539, Lugano, Schweiz		
- KW Cars AB, 559009-9429, Stockholm		
- KW Homologering AB, 556969-3624, Mölndal		
- KW Däckdepå AB, 559164-2649, Kista		
Mabi Mobility AB, 556675-9394, Stockholm	100	38,713
- Mabi Sverige AB, 556334-4901, Stockholm		
- Mabi Deutschland GmbH, 283468037, Berlin, Tyskland		
- Flexilease AB, 559061-2726, Stockholm		
Tuve Holding AB, 559010-4419, Mölndal	65	120,167
AH Värdepapper AB, 556707-7440, Mölndal	100	100
Car to Go Sweden AB, 556787-8052, Mölndal	100	3,579
Hedin IT AB, 556954-4017, Mölndal	100	11,105
Unifleet AB, 556254-5193, Mölndal	100	4,320
Hedin Automotive AB, 559097-7764, Mölndal	100	50
I.A. Hedin Fastighet AB, 559015-6708, Mölndal	100	50
Total		365,634

NOTE 13 SHARES IN ASSOCIATED COMPANIES

Company / Corporate ID no. / Domicile	Capital share	Voting share	Carrying amount	
			12/31/2019	12/31/2018
Consensus Asset Management, 556474-6518, Göteborg	22%	28%	11,580	9,540
Ripam Invest AB, 556870-7540, Mölndal	50%	50%	30	30
			11,610	9,570
<i>Accumulated acquisition cost:</i>				
Opening carrying amount			9,570	9,570
Purchase			2,040	0
Closing carrying amount			11,610	9,570

NOTE 14 OTHER LONG-TERM SECURITIES

	Carrying amount	
	12/31/2019	12/31/2018
Listed shares	399,605	286,376
Unlisted shares	7,687	7,186
	407,292	293,562
<i>Accumulated acquisition cost:</i>		
Opening carrying amount	293,562	194,152
Purchase	336,852	357,936
Write-down	-143,783	0
Sales of the year	-79,339	-258,526
Carrying amount at year-end	407,292	293,562

NOTE 15 UNTAXED RESERVES

	12/31/2019	12/31/2018
Tax allocation reserve fiscal year 2015	0	8,600
Tax allocation reserve fiscal year 2016	21,600	33,300
	21,600	41,900

NOTE 16 FINANCIAL LIABILITIES

	12/31/2019	12/31/2018
Current borrowings		
Liabilities to credit institutions	298,807	2,533
	298,807	2,533

The fair value of the borrowing corresponds to the carrying amount, since the discount effect is not significant. The total borrowings run at variable margins of approx. 6.0%. The loan matures in 2020.

NOTE 17 ACCRUED EXPENSES AND PREPAID INCOME

	12/31/2019	12/31/2018
Personnel costs	3,999	3,564
Adjustment of purchase price upon sale of subsidiaries	19,722	20,000
Accrued interest expenses	1,000	0
Other	2,102	72
	26,823	23,636

NOTE 18 PLEDGED ASSETS AND CONTINGENT LIABILITIES

	12/31/2019	12/31/2018
<i>Pledged assets</i>		
Shares in subsidiaries	38,713	38,713
Securities	399,065	0
<i>Contingent liabilities</i>		
Guarantee for subsidiaries	557,579	594,721
Guarantee for associated companies	22,500	0

NOTE 19 CASH FLOW

	1/1/2019- 12/31/2019	1/1/2018- 12/31/2018
<i>Non-cash items</i>		
Depreciation	243	208
Profit from share in Group companies	-2,320	0
Write-down on securities	143,783	0
Gains/losses in sales of fixed assets	26,397	-3,938
	168,103	-3,730

	1/1/2019- 12/31/2019	1/1/2018- 12/31/2018
<i>Räntebetalningar</i>		
Paid interests	-21,932	-3,655
Received interests	5,933	5,881

NOTE 20 GROUP INFORMATION

Of the Parent Company's total purchases and sales measured in SEK are 0% (0%) of the purchases and 100% (100%) of the sales attributable to intra-group transactions.

NOTE 21 PROPOSED DISTRIBUTION OF UNAPPROPRIATED EARNINGS

The Board of Directors proposes that unappropriated earnings of kSEK 990,314, be distributed as follows:

	Amount in thousand SEK (kSEK)
Carried forward	990,314
Total	990,314

SIGNATURES

The Board of Directors and the CEO certify that the annual report has been prepared in accordance with generally accepted accounting principles and that the consolidated accounts have been prepared in accordance with the international set of accounting standards referred to in Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards. The annual report and consolidated accounts give a true and fair view of the position and profit or loss of the Company and the Group, and that the director's report for the Company and for the Group gives a fair review of the development and performance of the business, position and profit or loss of the Company and the Group, and describes the principal risks and uncertainties that the Company and the companies in the Group face.

Möln dal 05/12/2020

Anders Hedin
CEO/Chairman of the board

Jan Litborn
Board member

Hampus Hedin
Board member

Helena Hedin
Board member

My audit report has been submitted 14th of May 2020

Johan Palmgren
Authorized accountant

AUDITOR'S REPORT

Unofficial translation

To the general meeting of the shareholders of Anders Hedin Invest AB, corporate identity number 556702-0655.

Report on the annual accounts and consolidated accounts

Opinions

I have audited the annual accounts and consolidated accounts of Anders Hedin Invest AB for the year 2019. The annual accounts and consolidated accounts of the company are included on pages 68-109 in this document.

In my opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 31 December 2019 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2019 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

I therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Basis for Opinions

I conducted my audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. My responsibilities under those standards are further described in the Auditor's Responsibilities section. I am independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled my ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-65. The Board of Directors and the Managing Director are responsible for this other information.

My opinion on the annual accounts and consolidated accounts does not cover this other information and I do not express any form of assurance conclusion regarding this other information.

In connection with my audit of the annual accounts and consolidated accounts, my responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure I also take into account my knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If I, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

My objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of my responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

Report on other legal and regulatory requirements

Opinions

In addition to my audit of the annual accounts and consolidated accounts, I have also audited the administration of the Board of Director's and the Managing Director of Anders Hedin Invest AB for the year 2019 and the proposed appropriations of the company's profit or loss.

I recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Director's and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

I conducted the audit in accordance with generally accepted auditing standards in Sweden. My responsibilities under those standards are further described in the Auditor's Responsibilities section. I am independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled my ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group' equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

My objective concerning the audit of the administration, and thereby my opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

My objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby my opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of my responsibility for the audit of the administration is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

Göteborg 14th of May 2020

Johan Palmgren
Authorized Public Accountant

BOARD OF DIRECTORS

(parent company)

Anders Hedin, President

Hampus Hedin, Board member

Helena Hedin, Board member

Jan Litborn, Board member *(Law firm Glimstedt)*

GROUP MANAGEMENT

Anders Hedin, President and CEO

Hampus Hedin, Deputy CEO

Per Mårtensson, CFO

Mikael Alkmark, EVP Finance and Treasury

Andréas Joersjö, General Counsel

Charlotte Martinsson, HR manager

Anna-Karin Höijer, Procurement Manager

COMPANIES

I.A. HEDIN BIL AB

Anders Hedin, CEO

Tomas Ernberg, COO

HEDIN GÖTEBORG BIL AB

Anders Hedin, CEO

Jörgen Loikas, COO

HEDIN HELSINGBORG BIL AB

Anders Hedin, CEO

Jörgen Loikas, COO

HEDIN MÖLNDAL BIL AB

Anderz Larqvist, CEO

HEDIN STOCKHOLM BIL AB

Morten Westby, CEO

KC MOTORS AB

Morten Westby, CEO

HEDIN PERFORMANCE CARS AB

Rickard Magnusson, CEO

HEDIN BELGIEN BIL AB

Henrik Lessèl, CEO

HEDIN AUTOMOTIVE AS

Stig Sæveland, CEO

BAVARIA NORGE AS

Hallvard Vikeså, CEO

BAVARIA SVERIGE BIL AB

Johan Frisk, CEO

CAR TO GO SWEDEN AB

Anders Hedin, CEO

Jakob Werner, COO

GULE OG SKRIVARHAUG BILDELER AS

Jonny Skriverhaug, CEO

KLINTBERG & WAY GROUP AB

Anders Molander, CEO

KLINTBERG & WAY AUTOMOTIVE SA

Marcus Larsson, COO

MABI MOBILITY AB

André Schleemann, CEO

HEDIN IT AB

Anders Hedin, CEO

Patrick Olsson, CIO

I.A. HEDIN FASTIGHET AB

Anders Hedin, CEO

Jørn Heiersjø, Real Estate Manager

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