

Strategic Report, Directors' Report and  
Financial Statements for the Year Ended 31 December 2019  
for  
Buss Global Direct (U.K.) Limited

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for the Year Ended 31 December 2019

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Buss Global Direct (U.K.) Limited

Company Information  
for the Year Ended 31 December 2019

**DIRECTORS:** M A F Cooper – resigned 31<sup>st</sup> October, 2019  
N J Boulter  
Dr D K Baldeweg

**REGISTERED OFFICE:** The Old House,  
Redwell  
Ightham  
Sevenoaks  
Kent  
TN15 9EE

**REGISTERED NUMBER:** 09200793 (England and Wales)

**AUDITORS:** Mazars LLP  
Apex 2  
97 Haymarket Terrace  
Edinburgh  
EH12 5HD

The directors present their strategic report for the year ended 31 December 2019.

## **BUSINESS FUNDAMENTALS**

Buss Global Direct (U.K.) Limited (the "Company") is a company incorporated in 2014 that focuses on the investing and managing of marine cargo containers. The Company funds its investments via sale and lease back transactions with individual investors in Germany ("Initial Investors") and sub-leases the containers mainly to shipping companies and logistics companies.

The Company started its operations by acquiring a portfolio of approximately 9,500 standard dry cargo containers and 5,050 tank containers on 4 February 2016 with commercial effect from 1 January 2016. During 2016 to 2019, the Company invested in further containers, mainly tank containers. At the same time, the Company sold portfolios of containers to financial investors in conjunction with the repurchase of containers from Initial Investors. As a result, total financial obligations from sale and lease back contracts have reduced during the year.

The functional currency of the Company is US-Dollars. The statement of accounts is also made in US-Dollars.

## **ECONOMIC REPORT**

Macro-economic and industry-specific conditions

Demand for containers is driven by the development of the world economy and world trade. Growth of the world economy was according to the International Monetary Fund (IMF) approximately 2.9% in 2019 which was lower than the 2018 estimate of 3.7% due to the US-China trade war, Brexit-related uncertainty and depressed economic activity in a few emerging market economies. Despite some relief in the US-China trade restrictions towards the end of 2019, uncertainty about the outcome of subsequent trade negotiations and the impact on trade remains large. More recently, the escalation of COVID-19 into a global pandemic has severely impacted economic activity and the global economy is projected to contract sharply by 3% in 2020.

World trade grew approximately 1.2% in 2019 (2018: 3%), which was the weakest level in a decade as a result of increased tariffs from the trade wars in an environment of heightened uncertainty. The World Trade Organisation initially projected an increase of 2.7% in global trade for 2020 but this was now revised to fall by 13% to 32% due to the COVID-19 pandemic.

The world container fleet saw a dip in fleet production of 2.5 million TEU in 2019 (2018: 4.0 million TEU) which was way below the 10-year average of 2.85 million TEU. This was brought about by a slower container trade growth of 2% in 2019 as compared to 4-5% in 2018 and led to a steady fall in fleet utilisation levels to 96% at the end of 2019 (2018: 98%).

In 2019, prices for new standard dry cargo containers were largely stable with prices averaging US\$1,800 in the first three quarters of 2019 before declining to US\$1,650 at the end of the year due to oversupply of new boxes in the market. Cash yields averaged around 9.8% over the course of the year. For tank containers, there was a similar picture, although with a much less pronounced drop and rebound of prices and lease rates.

## **FORECAST AND RISK REPORT**

Forecast report

Prices for new standard dry cargo increased in the early part of 2019 and remained largely stable during the course of 2019 until the fourth quarter. During the fourth quarter, prices started to drop and reached a bottom of US\$1,650 per cost equivalent unit (CEU). Cash-on-cash returns were in the region of approximately 9% during 2019. In 2020, very little new building activity has taken place so far due to the COVID-19 outbreak which led to the extended closure of container factories and severe disruptions in the entire supply chain. The reduction in output created shortages in many areas around the world, however this helped to push up new container prices and cash-on-cash returns despite very low transaction volumes. The Company expects the first half of 2020 to be quiet but sees opportunities in the later part of the year when the coronavirus pandemic eases for which a surge of pent-up demand is expected after a prolonged period of weak growth.

For tank containers, price movements have seen a similar development as standard dry cargo containers, with price initially increasing and then falling towards the later part of 2019. Demand for tank containers became lower during the course of 2019 amidst the trade war uncertainty. The outlook for 2020 is somewhat bearish and coupled with the coronavirus situation, new tank prices and lease rates are expected to be under pressure.

The Company entered into an asset sale agreement with Ermewa Intermodal (Suisse) SA (“Ermewa”) in April 2019 for the sale of up to 3,700 tank containers. Until the end of 2019, the Company has sold in total 3,354 tanks to Ermewa and the remainder of its tank container fleet will be sold during the course of 2020. The fleet sale allowed the Company to dispose the majority of its tank container fleet at attractive prices and to use the proceeds to cover a large proportion of its currency risks.

Following the tank container fleet sale, the Company is exploring future options of both for investments and funding. Currently, there are no plans for investments in 2020.

#### Effects of Brexit

The UK formally left EU on 31 January 2020 and has until 31 December 2020 to work out a new free trade agreement with the EU. The outcome of the new trading relationship remains an area of uncertainty for the economy in Europe and also to some extent for world trade. However, this does not have a meaningful effect on the operations of the Company. Lease operations of the existing assets are not affected by the outcome of the new free trade agreement, because the containers are leased out globally and it does not matter whether the Company is domiciled in a country that is part of the EU common market or not. The same is valid for the sale of assets to third parties. There could theoretically be negative psychological effects on investors in connection with new investments if the new free trade agreement cannot be concluded by the deadline but the Company has no plans for investments in 2020. For the investment structures that the Company is using vis-à-vis investors, the tax treatment of investors remains unchanged and ultimately the UK will be a known place for investors. Therefore, any effects arising even after the transition period will be very limited.

#### Chances and risks

The commercial success of the Company as well as its general viability are determined by its ability to generate revenues from sub-leasing of equipment and sale of container portfolios to financial investors that exceed the costs and cash-outflow respectively for leasing its container fleet from Initial Investors and repurchasing it step by step from them.

Accordingly, there are three main risks that are partly connected. Firstly, sub-lease revenues could be lower than expected, affecting the profitability of the Company and ultimately its financial stability. Such situation could be caused by a lower than expected utilisation of the container fleet, lower sub-lease rates or bankruptcies of customers. Secondly, the Company might not be able to sell container portfolios at a sufficient price to financial investors to cover the repurchase payment payable to initial investors. This again could be caused by sub-lease revenues that are less than expected and thus render the fleet to be sold less attractive to financial investors, or by a deterioration of financial markets, leading to either higher return expectations by potential investors or a lack of interest in container investments. Thirdly, the Euro could appreciate against the US-Dollar, which would lead to higher lease and repurchase payments on the Euro-denominated finance lease payables.

The Company addresses the first two of the above risks mainly by a close supervision of the container fleets performance and its expected value vis-à-vis potential investors. Currency risks are monitored closely, too, and forward currency trades are being entered into when appropriate.

Chances mirror risks insofar that every risk creates a chance in case of a respective opposite development: sub-lease revenues or fleet sale proceeds could be better than expected and the Euro could depreciate further against the US-Dollar.

The sale of tank containers to Ermewa greatly reduced the above risks while obviously curtailing chances at the same time.

#### Overall risk due to COVID-19

Since 31 December 2019, the spread of COVID-19 has severely impacted many local economies globally. In many countries, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilise economic conditions.

The Company has determined that the overall operational and financial risks arising from COVID-19 are not significant, given that it has already disposed a vast majority of its container equipment and has no plans to engage in fund raising nor invest in new equipment in 2020. The remaining dry container fleet owned by the Company are fully utilised and continues to generate revenues. To-date, there has not been any severe deterioration in collections. The Euro-denominated finance lease payables have been repaid in May 2020, hence exchange rate risks are minimised. Nonetheless, the duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods.

## **BUSINESS DEVELOPMENT**

Currently, the Company is in the phase of liquidating its fleet. No new investments are made and basically all of the existing containers of the Company were and are on long term leases. Therefore, the effect of fluctuations of supply and demand is limited.

## **ASSETS AND LIABILITIES, FINANCIAL POSITION AND RESULTS OF OPERATIONS**

### Assets and liabilities

The total assets of the Company amounted to US\$16.06 million as of 31 December 2019. This compares to US\$66.41 as of 31 December 2018, reflecting a higher disposal level of assets than new investments. The main assets consist of containers (US\$5.67 million), finance lease receivables (US\$5.25 million), and sub-lease receivables (US\$0.30 million), which are divided into trade receivables and receivables due from managers.

The positive equity as of 31 December 2019 was US\$1.40 million as compared to a negative equity US\$3.09 million as of 31 December 2018. The improvement in the equity position resulted mainly from sale of tank containers sold to Ermewa during 2019. The realisation of the hidden reserves in the tank container fleet fully covered the negative book equity. The main liabilities were liabilities from sale and lease back contracts with initial investors, accounted for as secured debt of US\$5.79 million in total, loans payable to related parties of US\$4.48 million and other payables of US\$2.44 million mainly resulting from execution of containers repurchases, which are paid to investors approximately 40 days after the repurchase date.

### Financial position

Available cash in the Company was US\$3.53 million as of 31 December 2019 (2018: US\$2.41 million). Cash proceeds originated from sales of equipment to Initial Investors of US\$1.88 million in which the same amount was also recognized as increase of secured debt, sub-leasing of equipment amounting to US\$3.19 million and sale of equipment to financial investors upon its repurchase from Initial Investors of US\$54.16 million. The cash generated was mainly used for the acquisition of equipment amounting to US\$5.59 million and repayment of finance lease obligations of US\$53.92 million. The Company had at all times sufficient cash in the reporting period.

Based on its net assets position, the Company will be able to fully honour all its financial obligations in 2020.

### Results of operations

The results of the Company in 2019 was a net gain of US\$4.49 million (2018: US\$0.56 million). The result was mainly driven by a gain in disposal of equipment amounting to US\$5.16 million resulting from the sale of the majority of its tank fleet to Ermewa during the year.

The directors of the Company receive mostly fixed compensation with some variable compensation. The three directors of the Company during the year are Michael Andrew Frank Cooper, Nicholas John Boulter and Dr. Dirk Klaus Baldeweg, who are also the executive managers ("Führungskräfte"). They are the only beneficiaries of compensation from the Company in 2019.

The Company had only one employee in 2019 which was its director Michael Cooper. The Company paid to Michael Cooper a total salary of US\$15,485 in 2019 which was 100% fixed. Michael Cooper resigned as a director from the Company on 31 October 2019.

The Company paid to its director Nicholas Boulter a fee of £3,000 in 2019 which was 100% fixed. The director - Dr. Dirk Baldeweg did not receive any fee or salary from the Company in 2019.

Buss Global Direct (U.K.) Limited

Strategic Report  
for the Year Ended 31 December 2019

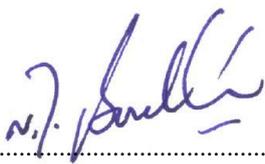
The Company accordingly paid to its directors a total compensation of approximately US\$19,369 in 2019, most of which was fixed.

There are no other employees in the Company whose activities have a material influence on the risk profile of the Company. There exists no special profit participation agreements (“besondere Gewinnbeteiligungen”).

The Company also paid compensation to the following three recipients that are not part of the information to be disclosed according to § 24 para 1 sentence 3 of the German Vermögensanlagegesetz:

<u>Compensation type</u>	<u>Recipient</u>	<u>Amount in US\$</u>
Conception and marketing fees	Buss Capital GmbH & Co. KG, Hamburg	52,410
Distribution fees	Buss Capital GmbH & Co. KG, Hamburg	91,717
Administrative services fees	Buss Investor Services GmbH, Hamburg	124,667
Portfolio management fees	Buss Global Management Pte. Ltd., Singapore	24,073

**ON BEHALF OF THE BOARD:**



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N J Boulter - Director

Date: 17 June 2020

The directors present their report with the financial statements of the company for the year ended 31 December 2019.

#### **DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2019 (2018: Nil).

#### **DIRECTORS**

The directors shown below have held office during the period from 1 January 2019.

M A F Cooper – resigned 31<sup>st</sup> October, 2019  
N J Boulter  
Dr. D K Baldeweg

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **EVENTS SINCE THE BALANCE SHEET DATE**

The Company entered into container purchase agreements with Ermewa Intermodal (Suisse) SA ("Ermewa") on 23 March 2020 and 20 April 2020 for the sale of the remaining 383 units of tank containers. The consideration for the sale of the containers was US\$4,903,377.14. Following the sale in April 2020, the Company has no more tank containers managed by Ermewa.

On 11 March 2020, the World Health Organisation (WHO) declared COVID-19 as a pandemic. The directors have considered the impact of the outbreak within the Strategic Report on pages 3 to 4 and do not consider any adjustments to the reported financial information to be required in relation to this and no post balance sheet events as a result have been identified. The going concern basis of preparation as stated in Note 2 is considered appropriate for the preparation of the financial statements.

**GOING CONCERN**

The Company's business activities, together with the factors likely to affect its future development, its financial position and its exposures to price, credit, liquidity and cash flow risk are described in the Strategic Report on pages 2 to 5.

At the end of the financial year, the Company was in a positive equity position of US\$1,403,851 as compared to its negative equity position of US\$3,089,327 in 2018. The Company expects that the equity position will further improve in 2020 when the hidden reserves are realised from the sale of remaining tank containers to Ermewa in 2020.

After reviewing the Company's cashflow forecasts and projections, the directors have reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The sale of the remaining tank containers and the corresponding repayment of investor debt will mitigate a large proportion of the currency risk currently faced by the Company. The remaining dry container fleet are fully utilised and generating stable cash-flows. Further, the Company has determined that the overall operational and financial risks arising from COVID-19 are not significant, given that it has already disposed a vast majority of its container equipment and has no plans to engage in fund raising nor invest in new equipment in 2020.

As a consequence, the directors believe that the group is well placed to manage its business risks successfully in 2020 and continue to adopt the going concern basis in preparing the annual report and accounts.

**DIRECTORS' LIABILITIES**

The Company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third-party indemnity provision remains in force as at the date of approving the Directors' Report.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Mazars LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



.....  
N J Boulter - Director

Date: 17 June 2020

### **Opinion**

We have audited the financial statements of Buss Global Direct (U.K.) Limited (the 'Company') for the year ended 31 December 2019 which comprise of the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of matter – Impact of the outbreak of COVID-19 on the financial statements**

In forming our opinion on the company financial statements, which is not modified, we draw your attention to the directors' view on the impact of COVID-19 as disclosed on page 7, and the consideration of the going concern basis of preparation on page 16 and non- adjusting post balance sheet events on page 24.

Since the balance sheet date, there has been a global pandemic from the outbreak of COVID-19. The potential impact of COVID-19 became significant in March 2020 and is causing widespread disruption to normal patterns of business activity across the world, including the UK, Singapore and Germany.

The full impact following the recent emergence of the COVID-19 is still unknown. It is therefore not currently possible to evaluate all the potential implications to the company's trade, customers, suppliers and the wider economy.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Strategic report, Directors' Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of the audit report**

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Fiona Martin*

Fiona Martin (Jun 17, 2020 13:45 GMT+1)

Fiona Martin (Senior Statutory Auditor)  
for and on behalf of Mazars LLP  
Chartered Accountants and Statutory Auditor  
Mazars LLP  
Apex 2  
97 Haymarket Terrace  
Edinburgh  
EH12 5HD

Date: 17 June 2020

Buss Global Direct (U.K.) Limited

Income Statement  
for the Year Ended 31 December 2019

	Notes	31.12.19 \$	31.12.18 \$
<b>TURNOVER</b>	4	1,977,816	6,498,837
Cost of sales		<u>(567,200)</u>	<u>(1,688,472)</u>
<b>GROSS PROFIT</b>		1,410,616	4,810,365
Gain/(loss) on disposal of fixed assets		5,163,619	(632,381)
Administrative expenses		<u>(1,463,652)</u>	<u>(2,129,831)</u>
		5,110,583	2,048,153
Other operating income	5	<u>655,691</u>	<u>1,509,048</u>
<b>OPERATING PROFIT</b>	6	5,766,274	3,557,201
Interest payable and similar expenses	7	<u>(1,273,096)</u>	<u>(2,993,625)</u>
<b>PROFIT BEFORE TAXATION</b>		4,493,178	563,576
Tax on profit	8	<u>-</u>	<u>-</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u><u>4,493,178</u></u>	<u><u>563,576</u></u>

Buss Global Direct (U.K.) Limited

Statement of Comprehensive Income  
for the Year Ended 31 December 2019

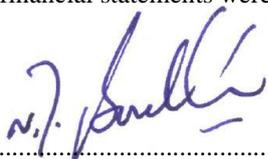
	Notes	31.12.19 \$	31.12.18 \$
<b>PROFIT FOR THE YEAR</b>		4,493,178	563,576
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u><u>4,493,178</u></u>	<u><u>563,576</u></u>

Statement of Financial Position

31 December 2019

	Notes	31.12.19		31.12.18	
		\$	\$	\$	\$
<b>FIXED ASSETS</b>					
Tangible assets	9		5,674,770		40,908,311
<b>CURRENT ASSETS</b>					
Debtors	10	6,855,014		23,088,191	
Cash at bank		<u>3,529,074</u>		<u>2,409,329</u>	
		10,384,088		25,497,520	
<b>CREDITORS</b>					
Amounts falling due within one year	11	<u>4,512,904</u>		<u>12,952,610</u>	
<b>NET CURRENT ASSETS</b>			<u>5,871,184</u>		<u>12,544,910</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			11,545,954		53,453,221
<b>CREDITORS</b>					
Amounts falling due after more than one year	12		<u>10,142,103</u>		<u>56,542,548</u>
<b>NET LIABILITIES</b>			<u>1,403,851</u>		<u>(3,089,327)</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	14		1,660,630		1,660,630
Accumulated losses	15		<u>(256,779)</u>		<u>(4,749,957)</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>1,403,851</u>		<u>(3,089,327)</u>

The financial statements were approved by the Board of Directors on 17 June 2020 and were signed on its behalf by:



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N J Boulter - Director

Buss Global Direct (U.K.) Limited

Statement of Changes in Equity  
for the Year Ended 31 December 2019

	Called up share capital \$	Accumulated losses \$	Total equity \$
<b>Balance at 1 January 2018</b>	1,660,630	(5,313,533)	(3,652,903)
<b>Changes in equity</b>			
Total comprehensive income	<u>-</u>	<u>563,576</u>	<u>563,576</u>
<b>Balance at 31 December 2018</b>	<u>1,660,630</u>	<u>(4,749,957)</u>	<u>(3,089,327)</u>
<b>Changes in equity</b>			
Total comprehensive income	<u>-</u>	<u>4,493,178</u>	<u>4,493,178</u>
<b>Balance at 31 December 2019</b>	<u><u>1,660,630</u></u>	<u><u>(256,779)</u></u>	<u><u>1,403,851</u></u>

Buss Global Direct (U.K.) Limited

Statement of Cash Flows  
for the Year Ended 31 December 2019

	Notes	31.12.19 \$	31.12.18 \$
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(37,185,879)	(13,441,653)
Interest paid		<u>(1,273,096)</u>	<u>(2,993,625)</u>
Net cash from operating activities		<u>(38,458,975)</u>	<u>(16,435,278)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(5,589,055)	(12,647,638)
Sale of tangible fixed assets		<u>45,167,775</u>	<u>27,096,285</u>
Net cash from investing activities		<u>39,578,720</u>	<u>14,448,647</u>
<b>Increase/(decrease) in cash and cash equivalents</b>		1,119,745	(1,986,631)
<b>Cash and cash equivalents at beginning of year</b>	2	2,409,329	4,395,960
<b>Cash and cash equivalents at end of year</b>	2	<u>3,529,074</u>	<u>2,409,329</u>

Notes to the Statement of Cash Flows  
for the Year Ended 31 December 2019

1. **RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	31.12.19	31.12.18
	\$	\$
Profit before taxation	4,493,178	563,576
Depreciation charges	818,440	2,124,277
Profit/(loss) on disposal of fixed assets	5,163,619	(632,381)
Finance costs	<u>1,273,096</u>	<u>2,993,625</u>
	1,421,095	6,313,859
Decrease in trade and other debtors	16,233,177	445,943
Decrease in trade and other creditors	<u>(54,840,151)</u>	<u>(20,201,455)</u>
<b>Cash generated from operations</b>	<u><u>(37,185,879)</u></u>	<u><u>(13,441,653)</u></u>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

**Year ended 31 December 2019**

	31.12.19	1.1.19
	\$	\$
Cash and cash equivalents	<u><u>3,529,074</u></u>	<u><u>2,409,329</u></u>

**Year ended 31 December 2018**

	31.12.18	1.1.18
	\$	\$
Cash and cash equivalents	<u><u>2,409,329</u></u>	<u><u>4,395,960</u></u>

1. **STATUTORY INFORMATION**

Buss Global Direct (U.K.) Limited is a private company, limited by shares, registered in England and Wales. The Company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the US Dollar (\$).

2. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention.

**Going concern**

The Company's business activities together with the factors likely to affect its future development, its financial position and its exposures to price, credit, liquidity and cash flow risk are described in the Strategic Report on pages 2 to 5.

After reviewing the Company's cashflow forecasts and projections, the directors have reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future. The sale of the remaining tank containers and the corresponding repayment of investor debt in 2020 will mitigate a large proportion of the currency risk currently faced by the Company. The remaining dry container fleet are fully utilised and generating stable cash-flows. Further, the Company has determined that the overall operational and financial risks arising from COVID-19 are not significant, given that it has already disposed a vast majority of its container equipment and has no plans to engage in fund raising nor invest in new equipment in 2020.

As a consequence, the directors believe that the Company is well placed to manage its business risks successfully in 2020 and continue to adopt the going concern basis in preparing the annual report and accounts.

**Tangible fixed assets**

The Company purchases both new and used equipment. The equipment is stated at cost on initial recognition and is stated at cost less accumulated depreciation and any accumulated impairment losses for subsequent measurement.

The Company depreciates new equipment using the straight-line method over its estimated useful life from the date of manufacture, to an estimated residual value.

The Company depreciates used equipment using the straight-line method over its estimated remaining useful life (equal to estimated useful life from its first in service date less the age of the container when acquired) to an estimated dollar residual value. Where the first in service date is not available, the manufacture date of the container will be used to determine the start-date for determining its remaining useful life.

The estimated residual value and useful life of the equipment are as follows:

<u>Equipment Type</u>	<u>From Inception - Residual Value in USD per unit of Equipment</u>	<u>Estimated Useful Life</u>
Standard Dry Containers	Between \$850 to \$1,000	12 years
Tank Containers	\$3,900	20 years

When equipment is retired or otherwise disposed of, the cost and related accumulated depreciation of such equipment is removed from the accounts and any resulting gain or loss is recognised in the determination of net income for the current period.

2. **ACCOUNTING POLICIES (continued)**

**Tangible fixed assets (cont'd)**

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

The Company periodically reviews the carrying value of all long-lived assets and compares the carrying value of the assets to the expected future cash flows for the purpose of assessing the recoverability of the recorded amounts. If the carrying value exceeds future cash flows, the assets are reduced to fair value. The residual value and useful life of an asset are reviewed at least at each financial year-end and, if expectations differ significantly from previous estimates, the differences are accounted for as a change in an accounting estimates, by adjusting the depreciation charge for the current and future periods.

**Leases**

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Leases where the Company retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Payments made under operating lease (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease. The bulk of which are either long-term leases or master leases, collectively, Operating Leases. Under long-term lease agreements, the Equipment is usually leased to lessees for periods between one and five years. Under master-lease agreements, the lessees are not committed to leasing a minimum quantity of Equipment during the lease term and may generally pick up and return Equipment at any time, subject to certain restrictions. Other operating lease types include spot, one-way and repositioning leases, which are generally used to move Equipment from locations with lower demand to those with higher demand.

Leases where the Company transfers substantially all the risks and benefits of ownership of equipment to the lessee are classified as finance leases (Finance Leases). The equipment is derecognised and the present value of the lease receivable is recognised on the Statement of Financial Position. The difference between the gross finance lease receivable and the present value of the lease receivable is recognised as deferred finance lease income. Each lease payment is applied against the gross finance lease receivable to reduce both the principal and the deferred finance lease income. The finance lease income is recognised in the Income Statement on a basis that reflects a constant periodic rate of return on the net investment in the finance lease receivable.

**Derivative instruments**

The Company uses forward foreign currency contracts to reduce exposure to foreign exchange rates. As these derivative instruments do not qualify as a cash flow hedge, which requires (i) hedging of exposures to variability in cash flows attributable to a particular risk associated with a recognised asset or liability or (ii) a highly probable forecast transaction that could affect the comprehensive income, the Company classifies these derivative instruments as "fair value through profit or loss". Derivative financial instruments are initially measured at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value through profit or loss. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

**Revenue recognition**

Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints, such as right of return exists, trade discounts, volume rebates and changes to the transaction price arising from modifications), net of any related sales taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient, the effects of any significant financing component are not adjusted if the payment for the good or service will be within one year.

2. **ACCOUNTING POLICIES (continued)**

**Revenue recognition (cont'd)**

*Rental income*

Rental income arises from the rental of the equipment under operating leases to various international shipping lines and other transportation companies and is recorded when earned according to the terms of the rental contracts. The majority of the Company's operating leases are cancellable by the lessees, subject to certain restrictions and penalties.

*Rendering of Services*

It is the Company's policy to recognise revenue from the DPP Plans when earned (during the lease period under the daily plan, and at the time a container is returned under the lump-sum plan) and to recognise the related repair expense when incurred.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted. Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Foreign currencies**

The functional currency is the US dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are translated into US Dollars at the rate of exchange ruling at the date of transaction. Monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the Statement of Financial Position and fair value dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in the profit or loss except when recognised in other comprehensive income and if applicable deferred in equity such as for qualifying cash flow hedges. The presentation is in the functional currency.

**Judgements and key sources of estimation uncertainty**

The critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities at the end of the reporting year are discussed below. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

*Useful lives and residual value of equipment*

The depreciable cost of the equipment (cost minus residual value) is depreciated on a straight-line basis over each unit's estimated useful life. The Company annually reviews the estimated useful lives and residual values of the equipment, based on factors that include asset utilisation, anticipated use of the assets and anticipated market values of the assets. It is possible that results of operations could be materially affected by changes in estimates brought about by changes in the factors mentioned. Changes in the expected level of usage and technological developments could also impact the useful lives and residual values of the equipment.

2. **ACCOUNTING POLICIES (continued)**

*Impairment of equipment*

Equipment is reviewed for impairment whenever there is an indication that the carrying value of any of the equipment may be impaired. An assessment is made for the reporting year whether there is any indication that the equipment may be impaired. If any such indication exists, an estimate is made of the recoverable amount of the equipment. The recoverable amount of a unit of equipment is defined as the higher of its fair value less cost to sell and its value in use. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the balances affected. The carrying amount of equipment at the end of the reporting year is disclosed in Note 9.

*Leases*

Lease contracts are classified as operating or finance leases at the inception of the lease. Once determined, the classification is not subsequently changed unless there are changes to the contract documents. Contracts which transfer all significant risks and benefits associated with the underlying asset to the lessee are classified as finance leases. This usually applies to long-term lease contracts or where ownership is transferred to the lessee at the expiry of the lease term. All conditions in a contract are assessed and the classification depends to a certain extent on judgement based on the actual circumstances of the agreement. Uncertainty relating to the useful lives and residual values of assets and the impairment test principles is the same for assets held under finance leases as for own assets.

*Taxation*

The Company recognises tax liabilities and assets tax based on an estimation of the likely taxes due, which requires significant judgement as to the ultimate tax determination of certain items. Where the actual amount arising from these issues differs from these estimates, such differences will have an impact on income tax and deferred tax amounts in the period when such determination is made. In addition, management judgement is required in determining the amount of current and deferred tax recognised and the extent to which amounts should or can be recognised. A deferred tax asset is recognised for unused tax losses if it is probable that the entity will earn sufficient taxable profit in future periods to benefit from a reduction in tax payments. This involves the management making assumptions within its overall tax planning activities and periodically reassessing them in order to reflect changed circumstances as well as tax regulations. Moreover, the measurement of a deferred tax asset or liability reflects the manner in which the entity expects to recover the asset's carrying value or settle the liability. As a result, due to their inherent nature assessments of likelihood are judgemental and not susceptible to precise determination. The income tax amounts are disclosed in Note 8.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2019

3. **EMPLOYEES AND DIRECTORS**

	31.12.19	31.12.18
	\$	\$
Wages and salaries	<u>19,369</u>	<u>59,020</u>

The average monthly number of employees during the year was as follows:

	31.12.19	31.12.18
Management	<u>1</u>	<u>1</u>

	31.12.19	31.12.18
	\$	\$
Directors' remuneration	<u>19,369</u>	<u>59,020</u>

4. **TURNOVER**

Turnover recognised in the income statement is analysed as follows:

	31.12.19	31.12.18
	\$	\$
Equipment Leasing	<u>1,977,816</u>	<u>6,498,837</u>

The Company's main principal activity is that of equipment leasing.

5. **OTHER OPERATING INCOME**

	31.12.19	31.12.18
	\$	\$
Net gains from finance leases	654,808	1,509,048
Other income	<u>883</u>	<u>-</u>
	<u>655,691</u>	<u>1,509,048</u>

6. **OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	31.12.19	31.12.18
	\$	\$
Hire of plant and machinery	6,869	9,392
COS – lease payments	246,812	649,589
Depreciation - owned assets	818,440	2,124,277
Foreign exchange gain	(687,886)	(2,093,460)
Auditors' remuneration	<u>25,889</u>	<u>29,492</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2019

7. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	31.12.19	31.12.18
	\$	\$
Interest expense - investors	1,201,582	2,993,625
Interest expense – related parties	<u>71,514</u>	<u>-</u>
	<u>1,273,096</u>	<u>2,993,625</u>

8. **TAXATION**

	31.12.19	31.12.18
	\$	\$
Income tax expense	<u>-</u>	<u>-</u>

No liability to UK corporation tax arose for the year ended 31 December 2019 nor for the year ended 31 December 2018.

The income tax in profit or loss varied from the amount of income tax amount determined by applying the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences are reconciled below:

	31.12.19	31.12.18
	\$	\$
Profit before taxation	<u>4,493,178</u>	<u>563,576</u>
Tax calculated at UK standard rate of corporation tax of 19% (2018: 19%)	(853,704)	(107,079)
Expenses not deductible for tax purposes	(3,003,370)	(523,765)
Deferred tax assets utilised/(not recognised)	<u>3,857,074</u>	<u>(630,844)</u>
Total income tax expense	<u>-</u>	<u>-</u>

**Unrecognised tax losses**

The Company has tax losses which arose in the UK of \$6,179,628 (2018: \$23,868,664) that are available indefinitely for offset against future taxable profits in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as there is uncertainty over the recoverability.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2019

9. TANGIBLE FIXED ASSETS

	Containers \$
<b>COST</b>	
At 1 January 2019	44,495,696
Additions	5,589,055
Disposals	<u>(43,754,476)</u>
At 31 December 2019	<u>6,330,275</u>
<b>DEPRECIATION</b>	
At 1 January 2019	3,587,385
Charge for year	818,440
Eliminated on disposal	<u>(3,750,320)</u>
At 31 December 2019	<u>655,505</u>
<b>NET BOOK VALUE</b>	
At 31 December 2019	<u><u>5,674,770</u></u>
At 31 December 2018	<u><u>40,908,311</u></u>

10. DEBTORS

	31.12.19 \$	31.12.18 \$
Amounts falling due within one year:		
Trade debtors	1,307,379	1,583,508
Bad debt provision	(101,777)	(467,696)
Amounts owed by group undertakings	-	3,768,023
Amounts receivable in respect of finance leases	250,737	1,278,472
Debt issuance fee payable	241,098	1,189,085
Due from equipment managers	149,935	-
VAT	<u>7,692</u>	<u>611</u>
	<u><u>1,855,064</u></u>	<u><u>7,352,003</u></u>
Amounts falling due after more than one year:		
Amounts receivable in respect of finance leases	<u><u>4,999,950</u></u>	<u><u>15,736,188</u></u>
Aggregate amounts	<u><u>6,855,014</u></u>	<u><u>23,088,191</u></u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2019

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.19	31.12.18
	\$	\$
Other loans (see note 13)	125,192	2,201,095
Amounts owed to group undertakings	17,990	1,516
Accrued loan interest	72,519	-
Social security and other taxes	791	2,276
Due to equipment managers	438	56,467
Trade payables	85	6,373
Accruals and deferred income	4,231,433	10,618,674
Accrued expenses	53,674	66,155
Fee billed in advance	10,782	-
Deferred central rebill	-	54
	<u>4,512,904</u>	<u>12,952,610</u>

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.19	31.12.18
	\$	\$
Loans from related parties (*)	4,475,384	-
Other loans (see note 13)	<u>5,666,719</u>	<u>56,542,548</u>
	<u>10,142,103</u>	<u>56,542,548</u>

(\*) During the year, the Company obtained loans from a director and an ultimate shareholder. The loans bear interest at 7% per annum and have a repayment term of 3 years.

13. LOANS

An analysis of the maturity of loans is given below:

	31.12.19	31.12.18
	\$	\$
Amounts falling due within one year or on demand:		
Loan from investors - current	<u>125,192</u>	<u>2,201,095</u>

Amounts falling due in two to five years:

Repayable by instalments		
Loan from investors	<u>5,666,719</u>	<u>56,542,548</u>

14. **CALLED UP SHARE CAPITAL**

Allotted and issued:				31.12.19	31.12.18
Number:	Class:	Nominal value:		\$	\$
1,184,500	Ordinary	£1		<u>1,660,630</u>	<u>1,660,630</u>

15. **RESERVES**

	Accumulated losses
	\$
At 1 January 2019	(4,749,957)
Profit for the year	<u>4,493,178</u>
At 31 December 2019	<u>(256,779)</u>

Reserves include the current and prior period's retained profits and losses.

16. **ULTIMATE CONTROLLING PARTY**

Dr. Johann Killinger, a German resident, is regarded by the directors as being the Company's ultimate controlling party. As at 31st December 2019, Dr. Johann Killinger ultimately holds a stake of 68.4% in Buss Global Holdings Pte. Limited, a company incorporated in Singapore, which is the parent company and 100% shareholder in Buss Global Direct (U.K.) Limited.

17. **GROUP ACCOUNTS**

Group accounts have been drawn up by Buss Global Holdings Pte. Ltd. to include the Company. The accounts can be obtained from the offices of Buss Global Holdings. Pte. Ltd. at 72 Anson Road, #11-04 Anson House, Singapore 079911.

18. **EVENTS AFTER THE REPORTING PERIOD**

The Company entered into container purchase agreements with Ermewa Intermodal (Suisse) SA ("Ermewa") on 23 March 2020 and 20 April 2020 for the sale of the remaining 383 units of tank containers. The consideration for the sale of the containers was US\$4,903,377.14. Following the sale in April 2020, the Company has no more tank containers managed by Ermewa.

In December 2019, the Chinese province of Hubei was struck by the outbreak of a coronavirus disease (COVID-19). In early 2020, the epidemic of COVID-19 spread globally, impacting the economy of most of the countries. On 11 March 2020, the World Health Organisation (WHO) declared COVID-19 as a pandemic. Measures taken to contain the virus have affected the level of economic activity, which creates uncertainties for the Company's operations and financial performance for the next financial year, the extent of which will depend on how long the outbreak lasts.

Although the impact of COVID-19 on the 2020 results remain unknown, the Company has assessed that the overall operational and financial risks arising from this event would likely be insignificant, given that it has already disposed a vast majority of its container equipment and has no plans to engage in fund raising nor invest in new equipment in 2020. The remaining dry container fleet owned by the Company are fully utilised and continues to generate revenues. The Company has also fully repaid its Euro-denominated finance lease payables in May 2020, thereby reducing its exchange rate risks to a minimum. As such, the Company believes that it is in a strong position to continue as a going concern in 2020.

Buss Global Direct (U.K.) Limited

Trading and Profit and Loss Account  
for the Year Ended 31 December 2019

	31.12.19		31.12.18	
	\$	\$	\$	\$
<b>Turnover</b>				
Revenue - per diem	1,924,163		6,054,673	
Revenue - per diem DPP	5,402		5,476	
Handling charge	15,092		28,569	
On off hire survey	840		68,307	
Per diem - non galaxy	20,961		14,102	
Management fees	14,038		-	
Other direct revenue	<u>(2,680)</u>		<u>327,710</u>	
		1,977,816		6,498,837
<b>Cost of sales</b>				
COS – lease payments	246,812		649,589	
COS - depot expenses	52,191		102,607	
COS - inspection	29,337		83,761	
COS - agency commission	5,253		2,040	
COS - fleet insurance	31,661		93,801	
COS - bad debt	12,012		84,941	
COS - recovery cost	-		28,944	
COS - miscellaneous	7,034		65,997	
COS - management fees	144,898		481,711	
Sales commission - containers	-		-	
COS – audit & accounting	258		182	
Agency commission - finance lease	21		55	
Inspection - finance lease	-		17,500	
Fleet insurance - finance lease	9,195		21,238	
Bad debt - finance lease	16,399		853	
Management fees - finance lease	6,214		23,717	
Miscellaneous expenses - finance lease	332		1,242	
Write down of equipment - finance lease	5,000		30,000	
Depot expense - storage - finance lease	-		120	
Depot expense - handling/M&R - finance lease	<u>583</u>		<u>174</u>	
		<u>567,200</u>		<u>1,688,472</u>
<b>GROSS PROFIT</b>		1,410,616		4,810,365
<b>Other income</b>				
Revenue - FL interest	346,087		846,856	
Revenue - FL disposal	308,434		659,051	
Revenue - other FL	288		3,141	
Miscellaneous income	<u>882</u>		<u>-</u>	
		<u>655,691</u>		<u>1,509,048</u>
		2,066,307		6,319,413
<b>Expenditure</b>				
Directors' salaries	19,369		51,444	
Directors' bonuses	-		7,576	
Postage and stationery	869		52	
Travelling	-		3,595	
Accountancy	24,426		23,647	
Professional fees - other	885		3,035	
Legal fees	<u>16,009</u>		<u>-</u>	
Carried forward	61,558	2,066,307	89,349	6,319,413

This page does not form part of the statutory financial statements

Buss Global Direct (U.K.) Limited

Trading and Profit and Loss Account  
for the Year Ended 31 December 2019

	31.12.19		31.12.18	
	\$	\$	\$	\$
Brought forward	61,558	2,066,307	89,349	6,319,413
Auditors' remuneration	29,832		32,235	
Hire of plant and machinery	<u>6,869</u>		<u>9,392</u>	
		<u>98,259</u>		<u>130,976</u>
		1,968,048		6,188,437
<b>Finance costs</b>				
Bank charges	9,222		13,565	
Exchange gain	(687,886)		(2,093,460)	
Portfolio service fee	24,073		52,531	
Service fees	124,667		200,015	
Amortisation of debt issuance costs	1,076,877		1,500,408	
Mark to Market Hedge costs	-		201,519	
Interest expense – related parties	71,514		-	
Interest expense - investors	<u>1,201,582</u>		<u>2,993,625</u>	
		<u>1,820,049</u>		<u>2,868,203</u>
		147,999		3,320,234
<b>Depreciation</b>				
Plant and machinery		<u>818,440</u>		<u>2,124,277</u>
		(670,441)		1,195,957
<b>Profit/(loss) on disposal of fixed assets</b>				
Plant and machinery		<u>5,163,619</u>		<u>(632,381)</u>
<b>NET PROFIT</b>		<u><u>4,493,178</u></u>		<u><u>563,576</u></u>