



NEFF A/S

Blovstrød Teglværksvej 3
3450 Allerød
CVR No. 13645205

Annual report 2021

The Annual General Meeting adopted the
annual report on 01.08.2022

Noel Lambert Maria Cornelius Essers
Chairman of the General Meeting

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Entity details

Entity

NEFF A/S

Blovstrød Teglværksvej 3

3450 Allerød

Business Registration No.: 13645205

Date of foundation: 01.11.1989

Registered office: Allerød

Financial year: 01.01.2021 - 31.12.2021

Board of Directors

Hilde Anna G Essers

Ann Marie L. Essers

Noel Lambert Maria Cornelius Essers

Executive Board

Lars Stub

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of NEFF A/S for the financial year 01.01.2021 - 31.12.2021.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021.

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

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

Copenhagen, 01.08.2022

Executive Board

Lars Stub

Board of Directors

Hilde Anna G Essers

Ann Marie L. Essers

Noel Lambert Maria Cornelius Essers

Independent auditor's extended review report

To the shareholders of NEFF A/S

Conclusion

We have performed an extended review of the financial statements of NEFF A/S for the financial year 01.01.2021 - 31.12.2021, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's responsibilities for the financial statements

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

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

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

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

An extended review consists of making inquiries, primarily of management and, if appropriate, of other entity

personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

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

Statement on the management commentary

Management is responsible for the management commentary.

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

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

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

Based on the work we have performed, we conclude that the management commentary is in accordance with financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 01.08.2022

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Jan Larsen

State Authorised Public Accountant
Identification No (MNE) mne16541

Management commentary

Primary activities

The object of the Company is to lease premises and to carry on warehousing and other commercial and manufacturing business.

Development in activities and finances

Profit for the year amounts to 1,237 DKK thousand and total assets amount to 83,954 DKK thousand.

The Company's equity amounts to 41,956 DKK thousand at year-end.

Management considers the performance of the financial year satisfactory.

Events after the balance sheet date

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

Income statement for 2021

	Notes	2021 DKK	2020 DKK
Gross profit/loss		12,753,894	28,271,328
Staff costs	1	(8,089,189)	(13,665,005)
Depreciation, amortisation and impairment losses	2	(2,851,365)	(2,873,209)
Other operating expenses		(14,980)	0
Operating profit/loss		1,798,360	11,733,114
Other financial income	3	400,627	47,888
Other financial expenses	4	(565,548)	(563,696)
Profit/loss before tax		1,633,439	11,217,306
Tax on profit/loss for the year	5	(396,625)	(2,632,013)
Profit/loss for the year		1,236,814	8,585,293
Proposed distribution of profit and loss			
Retained earnings		1,236,814	8,585,293
Proposed distribution of profit and loss		1,236,814	8,585,293

Balance sheet at 31.12.2021

Assets

	Notes	2021 DKK	2020 DKK
Land and buildings		50,372,581	53,096,306
Other fixtures and fittings, tools and equipment		286,529	221,489
Property, plant and equipment	6	50,659,110	53,317,795
Other receivables		0	3,087,029
Financial assets		0	3,087,029
Fixed assets		50,659,110	56,404,824
Trade receivables		23,875,345	18,936,689
Prepayments		259,829	775,659
Receivables		24,135,174	19,712,348
Cash		9,159,293	10,725,135
Current assets		33,294,467	30,437,483
Assets		83,953,577	86,842,307

Equity and liabilities

	Notes	2021 DKK	2020 DKK
Contributed capital	7	15,000,000	15,000,000
Retained earnings		28,192,787	26,817,595
Equity		43,192,787	41,817,595
Deferred tax		4,699,821	4,553,455
Provisions		4,699,821	4,553,455
Mortgage debt		22,277,520	24,907,329
Other payables		117,986	256,364
Non-current liabilities other than provisions	8	22,395,506	25,163,693
Current portion of non-current liabilities other than provisions	8	2,672,114	2,672,068
Trade payables		1,301,923	1,149,377
Payables to group enterprises		7,656,813	5,332,104
Joint taxation contribution payable		103,975	2,350,366
Other payables	9	1,894,311	3,428,294
Deferred income		36,327	375,355
Current liabilities other than provisions		13,665,463	15,307,564
Liabilities other than provisions		36,060,969	40,471,257
Equity and liabilities		83,953,577	86,842,307
Unrecognised rental and lease commitments	10		
Contingent liabilities	11		
Assets charged and collateral	12		
Group relations	13		

Statement of changes in equity for 2021

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	15,000,000	26,817,595	41,817,595
Value adjustments	0	138,378	138,378
Profit/loss for the year	0	1,236,814	1,236,814
Equity end of year	15,000,000	28,192,787	43,192,787

Notes

1 Staff costs

	2021	2020
	DKK	DKK
Wages and salaries	7,468,571	12,454,124
Other social security costs	576,643	1,014,202
Other staff costs	43,975	196,679
	8,089,189	13,665,005
Average number of full-time employees	14	24

2 Depreciation, amortisation and impairment losses

	2021	2020
	DKK	DKK
Depreciation of property, plant and equipment	2,851,365	2,873,209
	2,851,365	2,873,209

3 Other financial income

	2021	2020
	DKK	DKK
Financial income from group enterprises	382,466	47,745
Exchange rate adjustments	18,161	143
	400,627	47,888

4 Other financial expenses

	2021	2020
	DKK	DKK
Financial expenses from group enterprises	0	6,088
Other interest expenses	443,529	492,127
Exchange rate adjustments	3,405	32,392
Other financial expenses	118,614	33,089
	565,548	563,696

5 Tax on profit/loss for the year

	2021 DKK	2020 DKK
Current tax	103,975	2,350,366
Change in deferred tax	146,366	97,210
Adjustment concerning previous years	146,284	184,437
	396,625	2,632,013

6 Property, plant and equipment

	Land and buildings DKK	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	77,638,287	6,958,042
Additions	78,633	114,050
Cost end of year	77,716,920	7,072,092
Depreciation and impairment losses beginning of year	(24,541,982)	(6,736,554)
Depreciation for the year	(2,802,357)	(49,009)
Depreciation and impairment losses end of year	(27,344,339)	(6,785,563)
Carrying amount end of year	50,372,581	286,529

7 Share capital

	Number	Par value DKK	Nominal value DKK
Ordinary shares	15,000	1000	15,000,000
	15,000		15,000,000

8 Non-current liabilities other than provisions

	Due within 12 months 2021 DKK	Due within 12 months 2020 DKK	Due after more than 12 months 2021 DKK	Outstanding after 5 years 2021 DKK
Mortgage debt	2,672,114	2,672,068	22,277,520	14,189,590
Other payables	0	0	117,986	0
	2,672,114	2,672,068	22,395,506	14,189,590

9 Other payables

	2021	2020
	DKK	DKK
VAT and duties	418,921	480,360
Wages and salaries, personal income taxes, social security costs, etc payable	250,516	1,183,834
Holiday pay obligation	120,662	682,860
Other costs payable	1,104,212	1,081,240
	1,894,311	3,428,294

10 Unrecognised rental and lease commitments

	2021	2020
	DKK	DKK
Liabilities under rental or lease agreements until maturity in total	567,592	567,592

11 Contingent liabilities

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

12 Assets charged and collateral

Mortgage debt is secured by way of mortgage on properties. The mortgage also comprises the plant and machinery deemed part of the property. The carrying amount of mortgaged properties amount to T.DKK 50.659.

13 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
H. Essers BV, Belgien

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
H. Essers BV, Belgien

Accounting policies

Reporting class

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

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

Recognition and measurement

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

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

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

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

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

Foreign currency translation

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

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, other external expenses and property costs.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Cost of sales

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

Other external expenses

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

Property costs

Property costs include costs incurred to operate the Entity's properties in the financial year, including repair and maintenance costs, property tax and electricity, water and heating, which are not charged directly from the lessee.

Staff costs

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

Depreciation, amortisation and impairment losses

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

Other operating expenses

Other operating expenses comprise expenses of a secondary nature as viewed in relation to the Entity's primary activities.

Other financial income

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

Other financial expenses

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

Tax on profit/loss for the year

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

Balance sheet**Property, plant and equipment**

Land and buildings, plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

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

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

Buildings	30 years
Other fixtures and fittings, tools and equipment	3-10 years

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

Receivables

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

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Deferred tax

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

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

Mortgage debt

At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds to the proceeds received less transaction costs incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

Other financial liabilities

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

Joint taxation contributions payable or receivable

Current joint taxation contributions receivable or joint taxation contributions payable are recognised in the balance sheet, calculated as tax computed on the taxable income of the year, which has been adjusted for prepaid tax.

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.