

JM Trykluft A/S

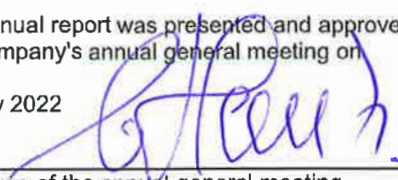
Fabrikvej 5
DK-8260 Viby J

CVR no. 24 99 63 01

Annual report 2021

The annual report was presented and approved at
the Company's annual general meeting on

31 May 2022


Chairman of the annual general meeting

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of JM Trykluft A/S for the financial year 1 January – 31 December 2021.

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

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's activities and financial matters, of the results for the year and of the Company's financial position.

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

Aarhus, 31 May 2022
Executive Board

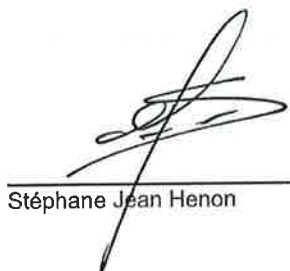


Carsten Lausen Hoeck
CEO

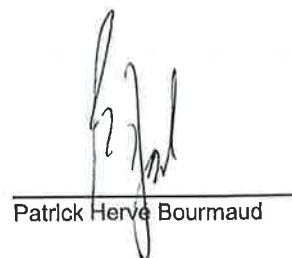
Board of Directors:



Gérard Georges Deprez
Chairman



Stéphane Jean Henon



Patrick Herve Bourmaud



Independent auditor's report

To the shareholder of JM Trykluft A/S

Opinion

We have audited the financial statements of JM Trykluft A/S for the financial year 1 January – 31 December 2021 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Company 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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility 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 that 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

Independent auditor's report

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

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

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

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

Aarhus, 31 May 2022

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98



Niklas R. Filipsen
State Authorised
Public Accountant
mne47781

JM Trykluft A/S
Annual report 2021
CVR no. 24 99 63 01

Management's review

Company details

JM Trykluft A/S
Fabrikvej 5
DK-8260 Viby J

CVR no.:	24 99 63 01
Established:	28 October 1999
Registered office:	Aarhus
Financial year:	1 January – 31 December

Board of Directors

Gérard Georges Deprez, Chairman
Stéphane Jean Henon
Patrick Hervé Bourmaud

Executive Board

Carsten Lausen Hoeck, CEO

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Frederiks Plads 42
DK-8000 Aarhus C
CVR no. 25 57 81 98

Management's review

Financial highlights

DKK'000	2021	2020	2019	2018	2017
Key figures					
Gross profit	106,709	97,464	33,942	32,639	33,829
Profit before financial income and expenses	31,583	25,739	23,894	23,036	25,372
Profit/loss from financial income and expenses	-316	-163	-261	-174	49
Profit for the year	23,978	19,904	18,427	17,767	19,762
Total assets	183,456	162,592	150,576	138,162	125,216
Equity	167,214	143,236	128,330	119,903	110,136
Investment in property, plant and equipment	35,920	36,865	45,448	42,296	42,606
Ratios					
Return on equity	15.45%	14.66%	14.85%	15.45%	18.26%
Solvency ratio	91.15%	88.10%	85.23%	86.78%	87.96%

The financial ratios have been calculated as follows:

Return on equity

$$\frac{\text{Profit/loss from ordinary activities after tax} \times 100}{\text{Average equity}}$$

Solvency ratio

$$\frac{\text{Equity at year-end} \times 100}{\text{Total equity and liabilities at year-end}}$$

Management's review

Operating review

Principal activities

The Company's objective is to run trade and industry rental of construction equipment as well as to carry out other activities which, in the discretion of Management, are related thereto.

Development in activities and financial position

The Company's income statement for 2021 shows a profit of DKK 23,978 thousand as against a profit of DKK 19,904 thousand for 2020. Equity in the Company's balance sheet at 31 December 2021 stood at DKK 167,214 thousand as against DKK 143,236 thousand at 31 December 2020.

Profit for the year is in line with the expectations for the financial year 2021 as expressed in the Management's review for 2020.

Outlook

Through continued focus on cost management and enhanced market focus, the Company expects to be able to continue the growth in 2022. The Company expects to report a profit for 2022 in the range of DKK 20-25 million.

Intellectual capital

The Company's intellectual capital consists primarily of its human resources. Intellectual capital of its employees plays a major role in the continued development of the Company and its ability to meet the demands of its customers. On this basis, it is of high priority to further develop the organisation and ensure that the right knowledge is available.

Environmental matters

The Company complies with relevant environmental legislation that applies at all times in the markets where the Company operates and takes the necessary measures to reduce its environmental impact at any time.

The Company's risk exposure

The Company closely monitors its business and financial risks at all times and thereby ensures that its ongoing exposure to risks is kept at a minimum.

Events after the balance sheet date

No events materially affecting the assessment of the annual report have occurred after the balance sheet date.

Financial statements 1 January – 31 December

Income statement

DKK'000	Note	2021	2020
Gross profit		106,709	97,464
Staff costs	2	-38,758	-36,435
Depreciation	4	-36,368	-35,290
Profit before financial income and expenses		31,583	25,739
Financial income		20	23
Financial expenses		-336	-186
Profit before tax		31,267	25,576
Tax on profit for the year		-7,289	-5,672
Profit for the year	3	23,978	19,904

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	31/12 2021	31/12 2020
ASSETS			
Fixed assets			
Property, plant and equipment	4		
Plant and machinery		111,257	111,337
Fixtures and fittings, tools and equipment		5,241	4,417
Leasehold improvements		618	828
Prepayments for property, plant and equipment		0	1,317
		<u>117,116</u>	<u>117,899</u>
Financial assets	5		
Deposits		<u>1,834</u>	<u>1,799</u>
Total fixed assets		<u>118,950</u>	<u>119,698</u>
Current assets			
Receivables			
Trade receivables		23,660	19,120
Other receivables		847	2,028
Prepayments	6	<u>111</u>	<u>125</u>
		<u>24,618</u>	<u>21,273</u>
Cash at bank and in hand		<u>39,888</u>	<u>21,621</u>
Total current assets		<u>64,506</u>	<u>42,894</u>
TOTAL ASSETS		<u>183,456</u>	<u>162,592</u>

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	31/12 2021	31/12 2020
EQUITY AND LIABILITIES			
Equity			
Contributed capital		2,000	2,000
Retained earnings		128,214	141,236
Proposed dividends for the financial year		37,000	0
Total equity		<u>167,214</u>	<u>143,236</u>
Provisions			
Provisions for deferred tax	7	4,853	5,278
Total provisions		<u>4,853</u>	<u>5,278</u>
Liabilities other than provisions			
Current liabilities other than provisions			
Trade payables		6,850	3,678
Payables to group entities		9	0
Corporation tax		714	624
Other payables		3,816	9,776
		<u>11,389</u>	<u>14,078</u>
Total liabilities other than provisions		<u>11,389</u>	<u>14,078</u>
TOTAL EQUITY AND LIABILITIES		<u>183,456</u>	<u>162,592</u>
Contractual obligations, contingencies, etc.			
Related party disclosures	8 9		

Financial statements 1 January – 31 December

Statement of changes in equity

DKK'000	Contributed capital	Retained earnings	Proposed dividends for the financial year	Total
Equity at 1 January 2021	2,000	141,236	0	143,236
Transferred over the profit appropriation	0	-13,022	37,000	23,978
Equity at 31 December 2021	2,000	128,214	37,000	167,214

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of JM Trykluft A/S for 2021 has been prepared in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act.

Omission of cash flow statement

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are included in the cash flow statement in the consolidated financial statements of Loxam Group (immeuble Le Cap), CS 40229, 8, rue Félix Pyat, 92043 Paris La Défense Cedex.

Change in accounting policies

The Company has changed its accounting policies regarding the presentation of the income statement which has been changed from functional presentation of expenses to presentation of expenses based on nature. The change in accounting policies was made in order to give a more true and fair view of the Company's activities. The change does not affect current year's or prior year's profit, total assets or equity.

Minor reclassifications in the comparative figures for 2020 have been made to enhance the true and fair view of the Company's activities, results and financial position.

The comparative figures have been restated to reflect the changed accounting policies.

Besides the aforementioned change in accounting policies, the accounting policies used in the preparation of the financial statements are consistent with those of last year.

Income statement

Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Revenue

Income from the sale of goods, comprising the sale of rental of construction equipment, is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts granted are recognised in revenue.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, operating leases, etc.

Other operating income

Other operating income comprises items secondary to the activities of the entity, including gains on the disposal of property, plant and equipment.

Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on, payables and transactions denominated in foreign currencies as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Property, plant and equipment

Plant and machinery, fixtures and fittings, tools and equipment and leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Plant and machinery	5-6 years
Fixtures and fittings, tools and equipment	5-6 years
Leasehold improvements	3-5 years

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Leases

All leases are operating leases. Payments relating to operating leases and other leases are recognised in the income statement over the term of the lease. The Company's total obligation relating to operating leases and other leases is disclosed as contractual obligations and contingencies, etc.

Financial assets

Other receivables and deposits are recognised at amortised cost.

Impairment of fixed assets

The carrying amount of property, plant and equipment as well as financial assets is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Cash at bank and in hand

Cash and cash equivalents comprise cash

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Joint tax contribution liabilities and receivables are recognised in the balance sheet as "Corporation tax liability" or "Corporation tax receivable".

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Liabilities other than provisions

Other liabilities are measured at net realisable value.

Equity

Dividends

The expected dividends payment for the year is disclosed as a separate item under equity.

Financial statements 1 January – 31 December

Notes

2 Staff costs

	2021	2020
DKK'000		
Wages and salaries	34,276	32,281
Pensions	3,012	2,865
Other social security costs	741	616
Other staff costs	729	673
	<u>38,758</u>	<u>36,435</u>
Average number of full-time employees	<u>72</u>	<u>71</u>

Staff costs of the Company include remuneration of the Company's Executive Board of DKK 605 thousand (2020: DKK 1,305 thousand).

3 Proposed profit appropriation

	2021	2020
DKK'000		
Proposed dividends for the year	37,000	0
Retained earnings	<u>-13,022</u>	<u>19,904</u>
	<u>23,978</u>	<u>19,904</u>

4 Property, plant and equipment

DKK'000	Plant and machinery	Fixtures and fittings, tools and equipment	Leasehold improvements	Prepayments for property, plant and equipment	Total
Cost at 1 January 2021	345,491	17,597	2,511	1,317	366,916
Additions for the year	34,230	1,690	0	0	35,920
Disposals for the year	-6,615	-1,264	-344	0	-8,223
Transfers for the year	0	1,317	0	-1,317	0
Cost at 31 December 2021	<u>373,106</u>	<u>19,340</u>	<u>2,167</u>	<u>0</u>	<u>394,613</u>
Depreciation and impairment losses at 1 January 2021	-234,154	-13,179	-1,683	0	-249,016
Depreciation for the year	-34,213	-1,945	-210	0	-36,368
Reversed depreciation and impairment losses on assets sold	6,518	1,025	344	0	7,887
Depreciation and impairment losses at 31 December 2021	<u>-261,849</u>	<u>-14,099</u>	<u>-1,549</u>	<u>0</u>	<u>-277,497</u>
Carrying amount at 31 December 2021	<u>111,257</u>	<u>5,241</u>	<u>618</u>	<u>0</u>	<u>117,116</u>

Financial statements 1 January – 31 December

Notes

5 Financial assets

DKK'000	
Cost at 1 January 2021	Deposits 1,799
Additions for the year	35
Cost at 31 December 2021	1,834
Carrying amount at 31 December 2021	1,834

6 Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years with regard to insurance, contingents, etc.

DKK'000	31/12 2021	31/12 2020
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7 Provisions

Deferred tax at 1 January	5,278	5,282
Deferred tax adjustment for the year in the income statement	-425	-4
	4,853	5,278

Deferred tax constitutes of:

Intangible assets	0	-209
Tangible assets	4,853	5,487
	4,853	5,278

8 Contractual obligations, contingencies, etc.

Contingent liabilities

The Company is jointly taxed with other Danish companies in the Loxam Group. As a wholly-owned subsidiary, together with the other companies included in the joint taxation, the Company has joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends. Any subsequent correction of the taxable jointly taxed income or withholding taxes could result in an adjustment of the Company's liability.

Operating lease obligations

The Company has entered into rent obligation with a remaining term of 108 months. The total obligation is DKK 6,260 thousand. Of the total obligation, DKK 3,534 thousand falls due within 1 year and DKK 738 thousand falls due after 5 years from the balance sheet date.

Financial statements 1 January – 31 December

Notes

9 Related party disclosures

JM Trykluft A/S related parties comprise the following:

Control

Loxam Denmark Holding A/S, Fabrikparken 30, DK-2600 Glostrup

Loxam Denmark Holding A/S holds the majority of the contributed capital in the Company.

JM Trykluft A/S is part of the consolidated financial statements of Loxam Group (Immeuble Le Cap), CS 40229, 8, rue Félix Pyat, 92043 Paris La Défense Cedex. which is the smallest group, in which the Company is included as a subsidiary.

The consolidated financial statements of Loxam Group can be obtained by contacting the companies at the address above.

Related party transactions

For remuneration of the Executive Board and the Board of Directors, refer to note 2.

Payables to group entities are disclosed in the balance sheet.

Besides remuneration of Management and payables to group entities and outlays on behalf of JM Trykluft A/S, no related party transactions took place in 2021.