

Grenkeleasing ApS

Marielundvej 48, 3.

2730 Herlev

CVR No. 26914841

Annual Report 2017

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 27 May 2018

A handwritten signature in blue ink, appearing to read 'Ming Bendin', is written over a horizontal line.

Chairman

Grenkeleasing ApS

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Grenkeleasing ApS

Management's Statement

Today, Management has considered and adopted the Annual Report of Grenkeleasing ApS for the financial year 1 January 2017 - 31 December 2017.

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 assets, liabilities and financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January 2017 - 31 December 2017.

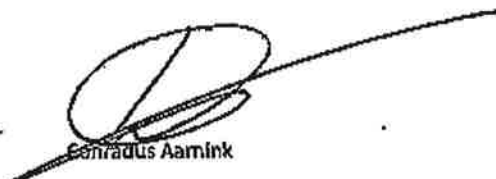
We recommend that the Annual Report be adopted at the Annual General Meeting.

Herlev, 28 May 2016

Executive Board



Nick Hallager



Conradus Aamink

Independent Auditor's Report

To the shareholders of Grenkeleasing ApS

Opinion

We have audited the financial statements of Grenkeleasing ApS for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet 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 financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017 in accordance with the Danish Financial Statements Act.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

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 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 additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- * Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Independent Auditor's Report

- * 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 note 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.

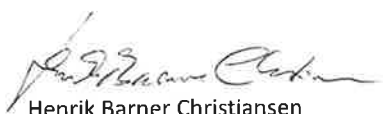
Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

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.

Copenhagen, 28 May 2018

Ernst & Young

Godkendt Revisionspartnerselskab
CVR-no. 30700228



Henrik Barner Christiansen
State Authorised
Public Accountant
MNE no.: mne10778

Grenkeleasing ApS

Company details

Company	Grenkeleasing ApS Marielundvej 48, 3. 2730 Herlev
CVR No.	26914841
Date of formation	13 December 2002
Registered office	Herlev
Financial year	1 January 2017 - 31 December 2017
Executive Board	Nick Hallager Conradus Aarnink
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvold Helmuths Vej 4 P O Box 250 2000 Frederiksberg CVR-no.: 30700228

Management's Review

The Company's principal activities

The Company's activities comprise the establishment and administration of lease agreements.

The Company's leasing business focuses on leasing of IT products, such as PCs, notebooks, servers, monitors and peripheral devices, software, telecommunication and copier equipment, and other IT products. Almost all leases concluded to provide for full cost recovery (full payout leases). This means that the payment made by the lessee during the basis lease period, and the guaranteed residual values exceeds the acquisition price and contract cost.

Unusual matters having affected the financial statements

Payment of 3.522.024 DKK for Intercompany license fee related to years 2014-2016 to GRENKE AG. The cost is related to a transfer pricing review of the parent company.

Going concern

The Company's operations are primarily financed via intercompany loans with the Group's financing company.

Management estimates that the current financing resources of the Company are sufficient to finance the Company's operations at least until 31 December 2018. On this basis, Management presents the financial statements for 2017 on a going concern assumption.

Development in activities and financial matters

The Company's Income Statement of the financial year 1 January 2017 - 31 December 2017 shows a result of DKK -353.995 and the Balance Sheet at 31 December 2017 a total of DKK 482.584.696 and an equity of DKK 21.883.516.

Post balance sheet events

No significant events have occurred subsequent to the financial year end.

Grenkeleasing ApS

Income Statement

	Note	2017 DKK	2016 DKK
Gross profit/loss		-8.353.027	-1.430.927
Employee benefits expense	1	-12.647.008	-9.583.778
Depreciation, amortisation expense and impairment losses		-405.965	-140.931
Profit/loss from ordinary operating activities		-21.406.000	-11.155.636
Finance income	2	34.936.035	31.974.861
Finance expences	3	-11.520.646	-10.703.463
Profit from ordinary activities before tax		2.009.389	10.115.762
Tax expense on ordinary activities	4	-2.363.384	-1.532.925
Profit/loss		-353.995	8.582.837
Proposed distribution of results			
Retained earnings		-353.995	8.582.837
Distribution of profit/loss		-353.995	8.582.837

Grenkeleasing ApS

Balance Sheet as of 31 December

	Note	2017 DKK	2016 DKK
Assets			
Fixtures, fittings, tools and equipment	5	3.956.875	2.746.339
Property, plant and equipment		3.956.875	2.746.339
Lease receivables	6	327.586.164	286.241.027
Investments		327.586.164	286.241.027
Fixed assets		331.543.039	288.987.366
Lease receivables	6	140.481.783	116.195.323
Other short-term receivables		6.734.230	3.739.172
Deferred income		291.285	292.582
Receivables		147.507.298	120.227.077
Cash and cash equivalents		3.534.359	6.389.911
Current assets		151.041.657	126.616.988
Assets		482.584.696	415.604.354

Grenkeleasing ApS

Balance Sheet as of 31 December

	Note	2017 DKK	2016 DKK
Liabilities and equity			
Contributed capital	7	2.075.000	2.075.000
Retained earnings		19.808.516	20.162.511
Equity		21.883.516	22.237.511
Provisions for deferred tax		5.096.874	3.458.795
Provisions		5.096.874	3.458.795
Payables to group enterprises		320.960.000	329.300.000
Long-term liabilities other than provisions	8	320.960.000	329.300.000
Trade payables		3.351.838	1.177.802
Payables to group enterprises		126.133.298	55.142.811
Tax payables		725.305	0
Other payables		4.433.865	4.287.435
Short-term liabilities other than provisions		134.644.306	60.608.048
Liabilities other than provisions within the business		455.604.306	389.908.048
Liabilities and equity		482.584.696	415.604.354
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Notes

	2017	2016
1. Employee benefits expense		
Wages and salaries	11.230.986	7.568.758
Post-employment benefit expense	1.131.115	886.661
Other employee expense	284.907	1.128.359
	12.647.008	9.583.778
Average number of employees	20	15
2. Finance income		
Interest income from finance lease arrangements	34.327.397	31.358.612
Other interest income	608.638	616.249
	34.936.035	31.974.861
3. Finance expenses		
Finance expenses arising from group enterprises	11.517.598	10.700.933
Other finance expenses	3.048	2.530
	11.520.646	10.703.463
4. Tax expense on ordinary activities		
Tax on profit current year	725.305	0
Deferred tax	971.224	1.532.925
Adjustment to prior year	666.855	0
	2.363.384	1.532.925
5. Fixtures, fittings, tools and equipment		
Cost at the beginning of the year	4.375.773	3.033.630
Addition during the year, incl. improvements	1.025.780	1.174.045
Disposal during the year	-1.224.653	-1.040.688
Transfers during the year from other items	1.695.771	1.208.786
Cost at the end of the year	5.872.671	4.375.773
Depreciation and amortisation at the beginning of the year	-1.629.435	-1.441.374
Amortisation for the year	-624.077	-355.541
Reversal of impairment losses and amortisation of disposed assets	337.716	167.480
Impairment losses and amortisation at the end of the year	-1.915.796	-1.629.435
Carrying amount at the end of the year	3.956.875	2.746.338
Amortised over		3-5 years
6. Lease receivables		
Within a year	140.481.783	116.163.253
Between 1 and 5 years	327.586.164	286.241.027
	468.067.947	402.404.280

Notes

7. Contributed capital

	2017	2016
Balance at the beginning of the year	2.075.000	2.075.000
Balance at the end of the year	2.075.000	2.075.000

The share capital has remained unchanged for the last 5 years.

8. Long-term liabilities other than provisions

Of the non-current liabilities other than provisions, DKK 0 fall due for payment after more than 5 years after the balance sheet date.

9. Special items

Special items for the year are specified below, the cost is recognized in the income statement as other external expenses included in the Gross profit/loss. The cost is related to a transfer pricing review.

Intercompany license fee previous year	3.522.024
Result of special items	3.522.024

10. Going concern assumption

The Company's operations are primarily financed via intercompany loans with the Group's financing company. Management estimates that the current financing resources of the Company are sufficient to finance the Company's operations at least until 31 December 2018. On this basis, Management presents the financial statements for 2017 on a going concern assumption.

11. Contingent liabilities

No contingent liabilities exist at the balance sheet date.

12. Collaterals and securities

The Company has not placed any assets as security for loans 31 December 2017.

13. Liabilities under leases

Rent and lease liabilities DKK 1.139.777 (2016: DKK 1.177.058)

14. Related parties

Name and registered office of the Parent preparing consolidated financial statement:

GRENKE AG, Neuer Markt 2, Baden-Baden, Germany

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the share capital:

GRENKE AG, Neuer Markt 2, Baden-Baden, Germany

Accounting Policies

15. Accounting Policies

Reporting Class

The Annual Report of Grenkeleasing ApS for 2017 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, with the option of certain provisions for Class C.

The accounting policies applied remain unchanged from last year.

Leases

Determination of whether an arrangement contains a lease.

Whether an arrangement is, or contains, a lease is determined by the economic substance of the arrangement at the time the contract is concluded. It requires an assessment as to whether the fulfillment of the arrangement is dependent on the use of a specific asset and whether the arrangement conveys a right to use the asset. A reassessment as to whether an arrangement contains a lease is only required after the start of the lease when one of the following conditions has been met:

- There was a change in the contractual conditions, unless the change only renewed or extended the arrangement;
- A renewal option was exercised or an extension was granted, unless the term of the renewal or extension had initially been considered in the lease term;
- There was a change in determination of whether fulfillment is dependent on a specified asset; or
- There was a substantial change made to the asset.

Finance lease

Under a finance lease, all significant risks and rewards of legal ownership are transferred from the lessor to the lessee. The outstanding lease payment are thus treated by the lessor as repayments of principal and finance income. The lease payments are used to reimburse the lessor for his financial investment and to compensate him for his services. Assets from finance leases are initially recognised in the balance sheet as lease receivables at an amount equal to the net investment i.e., the present value of the residual receivables of all lease contracts existing at the end of a fiscal year. Lease payments are divided into interest payments and repayments in such a manner that they reflect a constant periodic rate of return for the receivable. Initial direct costs incurred in connection when calculating the net investment value. These initial direct costs are recognised in profit and loss upon occurrence.

The profit from new business also includes income from lease down-payments, which is the fee paid by the lessee for the use of the lease object during the period from the transfer of the object until the issuance of the lease acceptance letter. Commissions which are not included in the net investment value of the lease receivable but are recognised in the income statement.

Operating lease

Leases, where the Company does not transfer all significant risks and rewards of ownership of the asset to the lessee, are classified as operating leases. Initial direct costs incurred in the negotiation and conclusion of an operating lease are added to the carrying amount of the leased asset. These amounts are depreciated over the term of the lease agreement until the residual value is reached. Contingent rent is recognised as income in the period in which it is generated. Operating lease assets are typically recorded in the income statement as property, plant and equipment.

After the original lease has expired, the contract may be extended or a follow-up contract may be concluded. This leads to a reassessment of the lease. In cases where the criteria for an operating lease are met, the leased asset is

Grenkeleasing ApS

Accounting Policies

recorded as property, plant and equipment from the start of the extension period and recognised at fair value.

Income Statement

Gross profit/loss

With reference to Section 32 of the Danish Financial Statements Act, the item 'Revenue', 'Cost of sale', 'Other external expenses' and 'Other operating income' are consolidated into one item designated 'Gross profit/loss'.

Revenue

Income from the rendering of services is recognised as revenue as the services are rendered, implying that revenue corresponds to the market value of the services rendered in the year.

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

Income from the sale of lease assets is recognised when the relevant risks and rewards of the ownership of the sold goods have been transferred to the customer. Usually it occurs upon delivery of the goods to the customer.

Income from sale after the basic lease contract has ended or from lease contracts prematurely terminated but mutual agreement are recorded in revenue as gains from disposals and income from sale as breached lease agreements are recorded in revenue as settlement of claims and risk provisions.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, lease payments under operating leases, etc.

Employee benefits expense

Employee benefits expense include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc., made to the Company's employees. The item is net of refunds made by public authorities.

Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss

The item comprises amortisation/depreciation and impairment of intangible assets and property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight-line basis over the expected useful life. The expected useful lives are as follows:

	Useful life	Scrap value
Other fixtures and fittings, tools and equipment	3-5 years	0 DKK

Finance income and expenses

Finance income and expenses are recognised in the Income Statement with the amounts that concern the financial year. Finance income and expenses include interest income and expenses, realised and unrealised capital gains and losses regarding securities, debt and foreign currency transactions, dividends received from other equity investments, amortisation of financial assets and liabilities as well as surcharges and allowances under the tax repayment scheme.

Interest income relating to lease receivables is allocated to accounting periods to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. Please refer to the section on lease above.

Accounting Policies

Tax expense on ordinary activities

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Balance Sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost plus revaluations, if any, and less accumulated amortisation and impairment losses. Cost comprises the purchase price and costs directly attributable to the purchase until the date when the asset is available for use.

Receivables

Lease receivables: Leases for fixed assets that transfer substantially all the risks and rewards incident to ownership to the Company (finance lease) are initially recognised in the balance sheet at cost, corresponding to the lower of fair value and the net present value of future lease payments. In calculating the net present value of the future lease payments, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor.

Other receivables are measured at amortised cost.

An impairment loss is recognised if there is objective indication that a receivable or a group of receivables is impaired. If there is objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Receivables with no objective indication of individual impairment are tested for objective indication of impairment on a portfolio basis. The portfolios are primarily composed on the basis of debtors' domicile and credit ratings in accordance with the Company's risk management policy. The objective indicators used for portfolios are determined based on historical loss experience.

Write-downs are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

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

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Corporation 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.

Provisions for deferred tax are calculated using the balance sheet liability method on all temporary differences between carrying amounts and tax values, with the exception of temporary differences occurring at the time of acquisition of asset and liabilities neither affecting the results of operations nor the taxable income.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Grenkeleasing ApS

Accounting Policies

Financial liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual liability in respect of finance leases.

Other liabilities are measured at net realisable value.