

Grenkeleasing ApS

Marielundvej 48, 3.

2730 Herlev

CVR No. 26914841

Annual Report 2023

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 30 May 2024

Claus Bennetsen

Grenkeleasing ApS

Contents

Management's Statement	3
Independent Auditor's Report	4
Company Information	6
Management's Review	7
Income Statement	8
Balance Sheet	9
Notes	11

Grenkeleasing ApS

Management's Statement

Today, Management has considered and adopted the Annual Report of Grenkeleasing ApS for the financial year 1 January 2023 - 31 December 2023.

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 2023 and of the results of the Company's operations for the financial year 1 January 2023 - 31 December 2023.

The management's review includes in our opinion a fair presentation of the matters dealt with in the review.

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

Herlev, 23 April 2024

Executive Board

Nick Hallager

Conradus Aarnink

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 2023, which comprise an income statement, balance sheet, notes and a summary of significant accounting policies. The Financial Statements are prepared under 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 2023 and of the results of the Company operations for the financial year 1 January - 31 December 2023 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 (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements 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 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 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 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 these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment 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.
- 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 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, 23 April 2024

BDO

Statsautoriseret revisionsaktieselskab

CVR-no. 20222670

Brian Olsen Halling

State Authorised Public Accountant

MNE no. mne32094

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	01-01-2023 - 31-12-2023
Executive Board	Nick Hallager Conradus Aarnink
Auditors	BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 1561 København V CVR-no.: 20222670

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.

Going concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The Company's total liabilities exceed total assets by DKK 45.640.213. The short term liability includes amounts payable to group enterprises of DKK 228.389.766. In making the assessments, the directors have given regard to the fact that Grenke AG has pledged its financial support to the Company, for its continued operations for a period of not less than one year from the date of issuing these financial statements. Such support would be in the form of intercompany borrowings.

Management believes the Company is a going concern entity as Grenke AG (the ultimate parent of Grenke Finance Plc, the lender) has provided a letter of financial support to meet the Company's future financial commitments. On this basis, Grenkeleasing ApS requires the support of Grenke Finance Plc to continue as a going concern. The short term liability due to Grenke Finance Plc will expire within one year, and it is expected to be renewed on maturity.

Development in activities and financial matters

The Company's Income Statement of the financial year 1 January 2023 - 31 December 2023 shows a result of DKK -24.719.762 and the Balance Sheet at 31 December 2023 a total of DKK 681.573.736 and an equity of DKK -45.640.213.

There has been a decrease in profit before tax of DKK 7m due to increased financing costs because of the current high interest rate environment and increased levels of borrowing. These increased financing costs have been partially offset by an increase in income from the leasing business due to growth in the level of new leasing business and increased returns on lease receivables.

The management expect to re-establish the share capital through continuing the growth in the levels of new leasing business which will lead to future profits .

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Grenkeleasing ApS

Income Statement

	Note	2023 DKK	2022 DKK
Gross profit/loss		-19.786.919	-22.749.196
Employee benefits expense	1	-19.616.943	-17.421.502
Depreciation, amortisation expense and impairment losses		-491.874	-494.164
Profit/loss from ordinary operating activities		-39.895.736	-40.664.862
Finance income	2	37.464.320	33.755.909
Finance expenses	3	-27.005.451	-15.463.476
Profit from ordinary activities before tax		-29.436.867	-22.372.429
Tax expense on ordinary activities	4	4.717.105	4.048.702
Profit/loss		-24.719.762	-18.323.727
Proposed distribution of results			
Retained earnings		-24.719.762	-18.323.727
Distribution of profit/loss		-24.719.762	-18.323.727

Grenkeleasing ApS

Balance Sheet as of 31 December

	Note	2023 DKK	2022 DKK
Assets			
Software	5	11.925	11.828
Intangible assets		11.925	11.828
Fixtures, fittings, tools and equipment	6	3.186.553	4.719.689
Property, plant and equipment		3.186.553	4.719.689
Lease receivables	7	415.178.340	349.916.814
Investments		415.178.340	349.916.814
Fixed assets		418.376.818	354.648.331
Lease receivables	7	210.550.154	196.767.795
Current deferred tax		15.049.017	10.347.313
Short-term tax receivables		263.484	0
Other short-term receivables		19.494.889	8.248.330
Prepayments and accrued income		504.659	393.371
Receivables		245.862.203	215.756.809
Cash and cash equivalents		17.334.715	17.512.800
Current assets		263.196.918	233.269.609
Assets		681.573.736	587.917.940

Grenkeleasing ApS

Balance Sheet as of 31 December

	Note	2023 DKK	2022 DKK
Liabilities and equity			
Contributed capital	8	2.075.000	2.075.000
Retained earnings		-47.715.213	-22.995.453
Equity		-45.640.213	-20.920.453
Payables to group enterprises		491.000.001	377.500.000
Long-term liabilities other than provisions	9	491.000.001	377.500.000
Trade payables		540.885	2.354.503
Payables to group enterprises		228.389.766	221.174.980
Tax payables		0	2.312.701
Other payables		7.283.297	5.496.209
Short-term liabilities other than provisions		236.213.948	231.338.393
Liabilities other than provisions within the business		727.213.949	608.838.393
Liabilities and equity		681.573.736	587.917.940
Going concern assumption	10		
Liabilities under leases	11		
Related parties	12		

Notes

	2023	2022
1. Employee benefits expense		
Wages and salaries	17.600.721	15.615.129
Social security costs	1.758.602	1.601.949
Other social security costs	257.620	204.424
	19.616.943	17.421.502
Average number of employees	30	28
2. Finance income		
Interest income finance lease	37.350.570	33.564.138
Interest income debtors	113.750	191.771
	37.464.320	33.755.909
3. Finance expenses		
Finance expenses arising from group enterprises	27.005.450	15.373.207
Other finance expenses	1	90.269
	27.005.451	15.463.476
4. Tax expense on ordinary activities		
Current tax for the year	0	2.638.042
Adjustment of deferred tax	-4.701.705	-6.686.744
Adjustment to prior year tax	-15.400	0
	-4.717.105	-4.048.702
5. Software		
Cost at the beginning of the year	30.062	23.504
Addition in connection with merger and purchase of enterprise	6.345	6.558
Cost at the end of the year	36.407	30.062
Depreciation and amortisation at the beginning of the year	-18.234	-10.808
Amortisation for the year	-6.248	-7.426
Impairment losses and amortisation at the end of the year	-24.482	-18.234
Carrying amount at the end of the year	11.925	11.828

Notes

	2023	2022
6. Fixtures, fittings, tools and equipment		
Cost at the beginning of the year	8.158.086	7.450.551
Addition during the year, incl. improvements	1.598.402	2.469.788
Disposal during the year	-2.827.080	-1.762.253
Cost at the end of the year	6.929.408	8.158.086
Depreciation and amortisation at the beginning of the year	-3.438.397	-3.305.150
Amortisation for the year	-521.543	-547.212
Reversal of impairment losses and amortisation of disposed assets	217.085	413.965
Impairment losses and amortisation at the end of the year	-3.742.855	-3.438.397
Carrying amount at the end of the year	3.186.553	4.719.689
7. Lease receivables		
Within a year	210.550.154	196.767.795
Between 1 and 5 years	415.178.340	349.916.814
	625.728.494	546.684.609
8. Contributed capital		
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.

9. 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.

10. Going concern assumption

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The Company's total liabilities exceed total assets by DKK 45.640.213. The short term liability includes amounts payable to group enterprises of DKK 228.389.766. In making the assessments, the directors have given regard to the fact that Grenke AG has pledged its financial support to the Company, for its continued operations for a period of not less than one year from the date of issuing these financial statements. Such support would be in the form of intercompany borrowings.

Management believes the Company is a going concern entity as Grenke AG (the ultimate parent of Grenke Finance Plc, the lender) has provided a letter of financial support to meet the Company's future financial commitments. On this basis, Grenkeleasing ApS requires the support of Grenke Finance Plc to continue as a going concern. The short term liability due to Grenke Finance Plc will expire within one year, and it is expected to be renewed on maturity.

11. Liabilities under leases

As of 31.12.2023 Grenkeleasing has total rent and lease liabilities of DKK 4.096.498, hereof DKK 1,428,187 due within one year.

Notes

12. Related parties

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

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

Accounting Policies

13. Accounting Policies

Reporting Class

The Annual Report of Grenkeleasing ApS for 2023 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.

Reclassification of comparative figures

Minor reclassifications have been made in individual items in the balance sheet and notes. This has not affected the result and equity of this year or last year and has been made solely to ensure the comparability of the individual items in the financial statements.

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

Accounting Policies

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 recognised in profit or loss

The item comprises amortisation/depreciation and impairment of 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, 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.

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.

Accounting Policies

Balance Sheet

Intangible assets

Software recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

Upon completion of software, software is amortised on a straight-line basis over the estimated useful lives.

The amortisation period is usually 3-5 years, however, not exceeding 10 years.

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.

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

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.

Impairment of fixed assets

The carrying amount of property, plant and equipment 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.

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.

Grenkeleasing ApS

Accounting Policies

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.

Financial liabilities

Liabilities are measured at net realisable value.