

SIXT Danmark A/S

(Mobility Service Danmark A/S)
Kystvejen 42
2770 Kastrup

CVR No. 27972721

Annual Report 2017

13. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 17 May 2018

Henrik Isaksen
Chairman

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Management's Statement

Today, Management has considered and adopted the Annual Report of SIXT Danmark A/S 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 and cash flow for the financial year 1 January 2017 - 31 December 2017.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

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

Kastrup, 17 May 2018

Executive Board

Søren Lithander
Man. Director

Carsten Alberg
Manager

Ulrich Jensen
Manager

Supervisory Board

Henrik Isaksen
Chairman

Mads Isaksen

Christina Isaksen

Independent Auditor's Report

To the shareholders of SIXT Danmark A/S

Opinion

We have audited the financial statements of SIXT Danmark A/S for the financial year 1 January 2017 - 31 December 2017, which comprise an income statement, balance sheet, cash flows and notes. 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 financial position at 31 December 2017 and of the results of its operations and cash flows for the financial year 1 January 2017 - 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 responsibility under those standards and requirements are further described in our auditors' report under "Auditors' responsibility for the audit of the financial statements". As required by the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, we are independent of the Company, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 as Management considers 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 either liquidate the Company or suspend operations, or has no realistic alternative but to do so.

The auditor's responsibility for the audit of the financial statements

Our responsibility is to obtain reasonable assurance as to whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect material misstatements. Misstatements can arise from fraud or error and can be considered material if it would be reasonable to expect that these - either individually or collectively - could influence the economic decisions taken by the users of financial statements on the basis of these financial statements.

Independent Auditor's Report

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

Identify and assess the risk of material misstatements in 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or 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.

Evaluate whether the accounting policies used are appropriate and whether the accounting estimates and the related disclosures made by Management are reasonable.

Conclude on whether Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could 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 auditors' 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 auditors' report. However, future events or conditions may imply that the Company can no longer remain a going concern.

Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the financial statements reflect 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 which we identify during our audit.

Statement on 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 opinion providing assurance regarding the Management's review.

Our responsibility in connection with our audit of the financial statements 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 with the knowledge we have gained during the audit, or otherwise appears to be materially misstated.

Independent Auditor's Report

Moreover, it is our responsibility to consider whether the Management's review meets the disclosure requirements in the Danish Financial Statements Act.

Based on our procedures, we are of the opinion that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. In our opinion, the Management's review is not materially misstated.

Næstved, 17 May 2018

ENGELSTED PETERSEN
Statsaut. revisionsanpartsselskab
CVR-no. 20658231

Lars Engelsted Petersen
State Authorised Public Accountant
mne11683

Company details

Company	SIXT Danmark A/S (Mobility Service Danmark A/S) Kystvejen 42 2770 Kastrup
CVR No.	27972721
Date of formation	9 July 2004
Registered office	Tårnby
Financial year	1 January 2017 - 31 December 2017
Supervisory Board	Henrik Isaksen, Chairman Mads Isaksen Christina Isaksen
Executive Board	Søren Lithander, Man. Director Carsten Alberg, Manager Ulrich Jensen, Manager
Auditors	ENGELSTED PETERSEN Statsaut. revisionsanpartsselskab Farvergade 9 B 4700 Næstved CVR-no.: 20658231

Management's Review

The Company's principal activities

The Company's principal activities consist in car rental.

Insecurity regarding recognition or measurement

There is no material insecurity regarding recognition or measurement.

Exceptional circumstances

No exceptional circumstances have affected recognition or measurement.

Development in activities and financial matters

The Company's result for 2017 shows a loss before tax of DKK 5,4 mio., which the management considers unsatisfactory.

The year 2017 has been influenced by adjustments in general throughout the entire company. During the year adjustments are adopted in relation to management issues, organization structure in general, a changed focus on the cost structure and optimizing the product range offered under the SIXT brand. The company has also been influenced negatively due to change in the law regarding car registration tax.

Post financial year events

After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

Expectations for the future

The Company expects its operation to develop positively next year due to the measures regarding optimizing management, organization adjustment, focus on cost and product development.

Risks

The Company has not been influenced by any risk apart from ordinary risks in the Company's line of business.

Environmental issues

The Company has not caused any significant impact on the external environment.

Research and development activities

No research and development activities has occurred in the Company.

Key Figures and Financial Ratios

The development in the Company's key figures and financial ratios can be described as follows:
Numbers appear in thousands

	2017	2016	2015	2014	2013
Net turnover	186.106	194.422	174.713	145.054	125.599
Operating profit/loss	-3.247	15.769	17.191	11.107	13.327
Net financial income and expenses	-2.148	-2.852	-1.908	-2.474	-6.170
Profit/loss for the year	-4.590	10.091	11.751	6.509	5.422
Investment in non-current assets	1.542	4.161	1.018	270	2.830
Total assets	243.809	170.810	109.355	93.207	65.044
Total equity	30.990	44.081	33.490	26.238	21.729
Return on equity (%)	-12,23	26,02	40,72	28,32	28,50
Solvency ratio (%)	12,71	25,81	30,63	26,01	33,41
Acid test ratio	1,6	1,51	1,39	1,36	1,43

For definitions of key ratios, see Accounting and Valuation Principles

Accounting Policies

Reporting Class

The Annual Report of SIXT Danmark A/S for 2017 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

Reporting currency

The Annual Report is presented in Danish kroner.

General Information

Basis of recognition and measurement

Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the Income Statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the Income Statement.

Assets are recognised in the Balance Sheet when it is probable that future economic benefits attributable to the asset will accrue to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the Balance Sheet when it is probable that future economic benefits attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Accounting Policies

Income Statement

Revenue

Income from rental and sale of cars is recognised in the Income Statement from the date of delivery and when the risk has passed to the buyer if it is possible to calculate the income reliably. The revenue is calculated exclusive of VAT, charges and discounts.

Other external expenses

Other external expenses comprise expenses regarding sale and administration.

Staff expenses

Staff expenses comprise wages and salaries, pensions and social security costs.

Amortisation and impairment of tangible and intangible assets

Amortisation and impairment of intangible and tangible assets has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortised on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-5 years	0%
Leasehold improvements	10 years	0%

Profit or loss resulting from the sale of intangible or tangible assets is determined as the difference between the selling price less selling costs and the carrying amount at the date of sale, and is recognised in the Income Statement under other operating income or expenses.

Financial income and expenses

Financial income and expenses are recognised in the Income Statement with the amounts that concern the financial year. Financial income and expenses include interest income and expenses as well as realised and unrealised capital gains and losses regarding securities, debt and foreign currency transactions.

Tax on net profit/loss for the year

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. The Company and the Danish associates are taxed jointly. The Danish income tax is distributed between profit- and loss-making Danish enterprises in relation to their taxable income (full distribution).

Accounting Policies**Balance Sheet****Tangible assets**

Tangible assets 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.

Tangible assets that are leased and meet the conditions of financial leasing are recognised according to the same guidelines as those applying to purchased assets. At the first recognition in the balance the assets are measured at the lower value of the purchase price of the leased asset and the nominal value of future lease payments. Financially leased assets are subsequently treated as current assets since the leased assets most often are selected and sold before the termination of the lease contracts.

All other leasing contracts are considered as operating leasing and payments regarding operating leasing and other rental cost are recognised in the income statement during the term of the lease. The company's total obligations as to operating leases and rental agreements are stated under contingent liabilities.

Inventories

Inventories are measured at cost on the basis of the FIFO principle or at the net realisable value if the latter is lower.

Receivables

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Accrued income, assets

Accrued income recognised in assets comprises prepaid costs regarding subsequent financial 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.

Equity

Proposed dividend for the year is recognised as a separate item in equity.

Accounting Policies

Provisions

Deferred tax

Deferred tax and the associated adjustments for the year are determined according to the balance-sheet liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Lease commitments

Since the leasing commitments most often are repaid before the termination of the lease contracts and therefore are considered short-termed, the lease commitments are recognised at the present value of the remaining lease payments including any guaranteed residual value based on the interest rate implicit in the individual leases.

Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the Balance Sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Accounting Policies

Accounting policies Cash Flow Statement

The Cash Flow Statement shows the Company's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the year.

Cash flow from the operating activity is determined as the profit/loss for the year adjusted for changes in working capital and non-cash income statement items such as amortisation and impairment losses and provisions. The working capital comprises current assets less short-term liabilities, exclusive of the items that are included in cash and cash equivalents.

Cash flow from the investing activity comprises cash flows from purchase and sale of intangible, tangible and investments.

Cash flow from the financing activity comprises cash flows from raising and repaying long-term liabilities and payments to and from the owners.

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.

Explanation of financial ratios

Key figures and financial ratios are determined based on "Recommendations & Financial Ratios" issued by the Danish Society of Financial Analysts.

Return on equity (%)	=	$\frac{\text{Profit/loss for the year}}{\text{Avg. equity}}$
Acid test ratio	=	$\frac{\text{Total current assets}}{\text{Short-term liabilities}}$
Solvency ratio (%)	=	$\frac{\text{Total equity X 100}}{\text{Total balance}}$

Income Statement

	Note	2017 kr.	2016 kr.
Revenue		186.105.659	194.421.651
Cost of production		-124.745.691	-111.722.931
Other external expense		-20.310.040	-20.708.234
Gross profit		41.049.928	61.990.486
Employee benefits expense	1	-37.173.556	-38.796.809
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss		-7.123.608	-7.424.482
Profit from ordinary operating activities		-3.247.236	15.769.195
Other financial income from group enterprises		305.799	305.195
Financial income		100.453	1.518
Other financial expense		-2.554.330	-3.159.137
Profit from ordinary activities before tax		-5.395.314	12.916.771
Tax expense	2	804.866	-2.826.063
Profit (loss)		-4.590.448	10.090.708
Proposed distribution of profit (loss)	3		
Proposed dividend recognised in equity		0	8.500.000
Proposed extraordinary dividend recognised in equity		0	1.500.000
Retained earnings		-4.590.448	90.708
Distribution of profit (loss)		-4.590.448	10.090.708

Balance Sheet as of 31 December

	Note	2017 kr.	2016 kr.
Fixtures, fittings, tools and equipment	4	2.524.040	4.245.647
Leasehold improvements	5	1.657.344	1.164.745
Property, plant and equipment		4.181.384	5.410.392
Deposits, investments	6	1.616.579	1.579.282
Investments		1.616.579	1.579.282
Fixed assets		5.797.963	6.989.674
Inventories		1.370.289	665.457
Lease assets held for sale		147.817.138	56.810.565
Inventories		149.187.427	57.476.022
Short-term trade receivables		43.831.978	38.923.194
Short-term receivables from group enterprises		18.332.952	23.184.930
Other short-term receivables		238.592	0
Accruals and deferred expenses	7	5.954.936	5.051.123
Receivables		68.358.458	67.159.247
Cash and cash equivalents		20.464.896	39.185.081
Current assets		238.010.781	163.820.350
Assets		243.808.744	170.810.024

Balance Sheet as of 31 December

	Note	2017 kr.	2016 kr.
Contributed capital		1.635.000	1.635.000
Retained earnings		29.355.073	33.945.521
Proposed dividend recognised in equity		0	8.500.000
Equity		30.990.073	44.080.521
Provisions for deferred tax	8	0	804.866
Provisions		0	804.866
Lease commitments		63.731.532	17.565.661
Long-term liabilities other than provisions	9	63.731.532	17.565.661
Lease commitments		84.085.606	39.244.904
Trade payables		37.545.304	38.133.918
Tax payables		0	2.202.244
Other payables		27.456.229	28.777.910
Short-term liabilities other than provisions		149.087.139	108.358.976
Liabilities other than provisions within the business		212.818.671	125.924.637
Liabilities and equity		243.808.744	170.810.024
Contingent liabilities	10		
Collaterals and securities	11		
Related parties	12		

Statement of changes in Equity

	Contributed capital	Retained earnings	Proposed dividend recognised in equity	Total
Equity 1 January 2017	1.635.000	33.945.521	8.500.000	44.080.521
Dividend paid	0	0	-8.500.000	-8.500.000
Profit (loss)	0	-4.590.448	0	-4.590.448
Equity 31 December 2017	1.635.000	29.355.073	0	30.990.073

The share capital has remained unchanged for the last 5 years.
The share capital are divided into 1.635.000 shares each with a nominal value of DKK 1.

Cash Flow Statement

	2017	2016
	kr.	kr.
Profit (loss)	-3.247.236	15.769.195
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets	1.780.414	1.208.846
Decrease (increase) in inventories	-704.832	-22.583
Decrease (increase) in receivables	-1.199.211	-15.931.690
Decrease (increase) in trade payables	-1.910.296	23.075.810
Cash flow from operating activities before financial items	-5.281.161	24.099.578
Interest received	406.252	306.713
Interest paid	-2.554.330	-3.159.137
Cash flow from ordinary operating activities	-7.429.239	21.247.154
Income taxes paid	-2.202.244	-3.716.384
Cash flows from operating activities	-9.631.483	17.530.770
Purchase of property, plant and equipment	-1.542.233	-4.160.689
Purchase of investments	-37.297	0
Reclassification of fixed assets to inventories	969.608	0
Correction to depreciation at the beginning of the year	21.220	0
Decrease (increase) in lease assets	-91.006.573	-30.284.057
Cash flows from investing activities	-91.595.275	-34.444.746
Dividends paid, classified as financing activities	-8.500.000	0
Extraordinary dividend paid	0	-1.500.000
Decrease (increase) in lease commitments	91.006.573	30.282.170
Cash flows from financing activities	82.506.573	28.782.170
Net increase (decrease) in cash and cash equivalents	-18.720.185	11.868.194
Cash and cash equivalents, beginning balance	39.185.081	27.316.887
Cash and cash equivalents, ending balance	20.464.896	39.185.081

Notes

	2017	2016
1. Employee benefits expense		
Wages and salaries	33.795.004	35.207.051
Post-employment benefit expense	1.939.807	1.796.100
Social security contributions	546.893	563.927
Other employee expense	891.852	1.229.731
	37.173.556	38.796.809
<i>Hereof remuneration to management</i>		
Management	6.602.562	4.779.605
Board of directors	2.227.761	1.543.610
	8.830.323	6.323.215
Average number of employees	83	83
2. Tax expense		
Calculated tax on taxable income for the year	0	2.202.244
Adjustment of deferred tax	-804.866	623.819
	-804.866	2.826.063
3. Distribution of profit		
Proposed dividend recognised in equity	0	8.500.000
Proposed extraordinary dividend recognised in equity	0	1.500.000
Retained earnings	-4.590.448	90.708
	-4.590.448	10.090.708
4. Fixtures, fittings, tools and equipment		
Cost at the beginning of the year	8.497.196	5.399.305
Reclassification to inventories	-969.608	0
Addition during the year, incl. improvements	789.938	3.097.891
Cost at the end of the year	8.317.526	8.497.196
Depreciation and amortisation at the beginning of the year	-4.251.549	-3.127.047
Corrections to depreciation and amortisation at the beginning of the year	-21.220	0
Amortisation for the year	-1.520.717	-1.124.502
Impairment losses and amortisation at the end of the year	-5.793.486	-4.251.549
Carrying amount at the end of the year	2.524.040	4.245.647

Notes

	2017	2016
5. Leasehold improvements		
Cost at the beginning of the year	1.414.902	352.104
Addition during the year, incl. improvements	752.295	1.062.798
Cost at the end of the year	2.167.197	1.414.902
Depreciation and amortisation at the beginning of the year	-250.157	-165.812
Amortisation for the year	-259.696	-84.345
Impairment losses and amortisation at the end of the year	-509.853	-250.157
Carrying amount at the end of the year	1.657.344	1.164.745
6. Deposits, investments		
Cost at the beginning of the year	1.579.282	1.476.028
Addition during the year, incl. improvements	37.297	103.254
Cost at the end of the year	1.616.579	1.579.282
Carrying amount at the end of the year	1.616.579	1.579.282
7. Accruals and deferred expenses		
Prepaid, lease payments	2.336.396	2.117.152
Prepaid, green vehicle tax	1.881.519	1.983.070
Prepaid, rent	1.108.413	567.831
Prepaid, other expenses	628.608	383.070
Balance at the end of the year	5.954.936	5.051.123
8. Provisions for deferred tax		
Balance at the beginning of the year	804.866	181.047
Adjustment of deferred tax	-804.866	623.819
Balance at the end of the year	0	804.866
Deferred tax relates to:		
Intangible assets	0	-38.469
Property, plant and equipment	0	843.335
	0	804.866

Notes

9. Long-term liabilities

	Due after 1 year	Due within 1 year	Due after 5 years
Lease commitments	63.731.532	84.085.606	0
	63.731.532	84.085.606	0

10. Contingent liabilities

The company has entered into agreements for rental of premises and parking spaces etc. The obligations can be calculated to TDKK 21.649.

The company has entered into agreements on operating leasing of cars where the payments and residual value can be calculated to TDKK 75.039 of which TDKK 34.338 will be due within 1 year.

The Company is jointly taxed with the other enterprises in the group and are jointly and severally liable for the taxes that concern the joint taxation. The total amount appears from the annual report of HICO Group ApS which is the administration company in the joint taxation.

11. Collaterals and securities

Financially leased assets are owned by the Lessor.

The company has issued guarantees to Københavns Lufthavne A/S regarding rent, TDKK 1.529, to Skattecenter Høje Tåstrup regarding registration tax on cars, TDKK 200 and to Øresundskonsortiet A/S regarding bridge toll, TDKK 25.

12. Related parties

Sixt Danmark A/S' (Mobility Service Danmark A/S) related parties:

HICO Group ApS, Gentofte (Parent Company)
Mobility Lease A/S, København (fellow enterprises)
Green Mobility A/S, København (fellow enterprises)

Ownership:

The following shareholders are registered as owner of more than 5 per cent of the votes and 5 per cent of the share capital:

HICO Group ApS