

# Loxam Denmark Holding A/S

Svejsegangen 5  
2690 Karlslunde

CVR no. 30 70 52 97

## **Annual report 2017**

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

on 31 May 2018

**Gérard George Deprez**

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 Loxam Denmark Holding A/S for the financial year 1 January – 31 December 2017.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2017 and of the results of the Company's activities for the financial year 1 January – 31 December 2017 in accordance with the Danish Financial Statements Act.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Karlslunde, 31 May 2018  
Executive Board:

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Gérard George Deprez

Board of Directors:

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Stephane Jean Henon  
Chairman

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Gérard George Deprez

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Jean-Paul Dubois



## **Independent auditor's report**

### **To the shareholders of Loxam Denmark Holding A/S**

#### **Conclusion**

We have audited the financial statements of Loxam Denmark Holding A/S for the financial year 1 January – 31 December 2017 comprising income statement, balance sheet, statement of changes in equity and notes. The financial statements have 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 2017 and of the results of the Company's operations for the financial year 1 January – 31 December 2017 in accordance with the rules of the Danish Financial Statements Act.

#### **Basis for opinion**

We conducted our audit in accordance with International Standard 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' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, 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 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.



## Independent auditor's report

### 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 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 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
- 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.



## Independent auditor's report

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 Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 31 May 2018

**KPMG**

Statsautoriseret Revisionspartnerselskab  
CVR no. 30 70 52 97

Jon Beck  
State Authorised  
Public Accountant  
mne 32803

Joakim Juul Larsen  
State Authorised  
Public Accountant  
mne 32803

**Loxam Denmark Holding A/S**  
Annual report 2017  
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## **Management's review**

### **Company details**

Loxam Denmark Holding A/S  
Svejsegangen 5  
2690 Karlslunde

Telephone: +45 46155600  
Website: [www.loxam.dk](http://www.loxam.dk)

CVR no.:	30 70 52 97
Established:	4 July 2007
Registered office:	Greve
Financial year:	1 January – 31 December

### **Board of Directors**

Stéphane Jean Henon  
Gérard George Deprez  
Jean-Paul Dubois

### **Executive Board**

Gérard George Deprez

### **Auditor**

KPMG  
Statsautoriseret Revisionspartnerselskab  
Dampfærgevej 28  
2100 København Ø  
Denmark

## **Management's review**

### **Operating review**

#### **Principal activities**

Loxam Denmark Holding A/S is the holding company for the Danish activities of the Loxam Group.

#### **Valuation of shares in subsidiary**

The shares in the subsidiary are valued at cost. Management has prepared an impairment test at 31 December 2017 based on the discounted value of expected future cash flows in Loxam A/S.

If the expected revenue growth in Loxam A/S does not materialise, there is a risk that the investment in the subsidiary will be impaired.

It is Management's opinion that the recoverable amount of the shares in the subsidiary equals the current book value, and that the impairment test is based on reasonable assumptions.

#### **Financial resources**

The Company's investments are financed by loans from the parent company.

Loxam S.A.S. will not demand repayment of the loans granted until Loxam Denmark Holding A/S has sufficient liquidity to repay the balance, or part thereof, without this being detrimental to its ability to meet its other financial obligations.



## Financial statements 1 January – 31 December

### Income statement

DKK'000	Note	2017	2016
Other operating costs	2	-423	-26
<b>Operating loss</b>		-423	-26
Financial income	3	8,492	7,258
Financial expenses	4	-30.342	-31,183
Income from investment in subsidiary		25,000	0
Impairment of investment in subsidiary		0	-108,700
<b>Income/Loss before tax</b>		2,727	-132,651
Tax on income/loss for the year	5	61	2,679
<b>Income/Loss for the year</b>		<u>2,788</u>	<u>-129,972</u>
 <b>Proposed distribution of income/loss</b>			
Retained earnings		<u>2,788</u>	<u>-129,972</u>
		<u>2,788</u>	<u>-129,972</u>

## Financial statements 1 January – 31 December

### Balance sheet

DKK'000	Note	2017	2016
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Investments</b>			
Investments in subsidiary	6	843,696	843,696
<b>Total non-current assets</b>		<u>843,696</u>	<u>843,696</u>
<b>Current assets</b>			
<b>Receivables</b>			
Loans to subsidiary		383,896	161,200
Receivable corporate tax		1,347	1,347
Deferred tax asset		4,786	2,694
		<u>390.029</u>	<u>165,241</u>
<b>Cash at bank and in hand</b>		<u>47</u>	<u>27</u>
<b>Total current assets</b>		<u>390.076</u>	<u>165,268</u>
<b>TOTAL ASSETS</b>		<u><u>1,233,772</u></u>	<u><u>1,008,964</u></u>

## Financial statements 1 January – 31 December

### Balance sheet

DKK'000	Note	2017	2016
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	7		
Share capital		31,000	31,000
Retained earnings		78,202	75,414
<b>Total equity</b>		<u>109,202</u>	<u>106,414</u>
<b>Long-term liabilities other than provisions</b>	8		
Loans from parent company		400,000	400,000
		<u>400,000</u>	<u>400,000</u>
<b>Current liabilities other than provisions</b>			
Loans from parent company	8	724,324	502,478
Other payables		246	72
		<u>724,570</u>	<u>502,550</u>
<b>Total liabilities other than provisions</b>		<u>1,124,570</u>	<u>902,550</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>1,233,772</u>	<u>1,008,964</u>
<b>Contractual obligations, contingencies, etc.</b>	9		
<b>Related party disclosures</b>	10		

## Financial statements 1 January – 31 December

### Statement of changes in equity

DKK'000	Share capital	Retained earnings	Total
Equity at 1 January 2017	31,000	75,414	106,414
Transferred; see distribution of income	-	2,788	2,788
<b>Equity at 31 December 2017</b>	<b>31,000</b>	<b>78,202</b>	<b>109,202</b>

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies

The annual report of Loxam Denmark Holding A/S for 2017 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in of specific provisions for reporting class C.

#### Consolidated annual report

The annual report of Loxam Denmark Holding A/S is a part of Loxam S.A.S. Pursuant to section 112 of the Danish Financial Statements Act, consolidated financial statements for Loxam Holding A/S have not been prepared. The consolidated financial statements for Loxam S.A.S, which include Loxam Denmark Holding A/S and its subsidiaries, are filed with these financial statements.

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

### Income statement

#### Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Dividends from equity investments in group entities and associates measured at cost are recognised as income in the Parent Company's income statement in the financial year when the dividends are declared.

In case of indication of impairment, an impairment test is conducted. Indication of impairment exists if distributed dividend exceeds profit for the year or if the carrying amount of equity investments exceeds the consolidated carrying amounts of the net assets in the subsidiary.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Tax on profit/loss for the year

Tax for the year comprises current 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 at the amount attributable to the profit/loss for the year and directly in equity at the amount attributable to entries directly in equity.

##### Balance sheet

##### Investments

Equity investments in group entities and associates are measured at cost. In case of indication of impairment, an impairment test is conducted. When the cost exceeds the recoverable amount, write-down is made to this lower value.

Other receivables and deposits are recognised at amortised cost.

##### Receivables

Receivables are measured at amortised cost.

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

##### Equity

##### *Dividends*

Proposed dividends are recognised as a liability at the date when they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as separate item under equity

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### 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.

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 measured on the planned use of the asset or settlement of the liability, respectively. However, deferred tax is not recognised on temporary differences relating to items where temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

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

Financial liabilities are recognised at the date of borrowing at cost, corresponding to the 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 cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Other liabilities are measured at net realisable value.

#### 2 Other operating cost

There are no employees in the Company.

## Financial statements 1 January – 31 December

### Notes

DKK'000	2017	2016
<b>3 Financial income</b>		
Interest income from group companies	8,492	7,258
	<u>8,492</u>	<u>7,258</u>
<b>4 Financial expenses</b>		
Interest expense to parent company	29,515	31,167
Other financial expenses	827	16
	<u>30,342</u>	<u>47,167</u>
<b>5 Tax on loss for the year</b>		
Joint taxation contribution for the year	0	2,106
Adjustment to tax in prior years	2,031	0
Adjustment of deferred tax	2,092	573
	<u>61</u>	<u>2,679</u>
<b>6 Investments in subsidiaries</b>		
Cost at 1 January	1,378,008	1,378,008
Cost at 31 December	1,378,008	1,378,008
Write-down at 1 January	-221,200	-112,500
Write-down for the year	0	-108,700
Write-down at 31 December	-221,200	-221,200
Dividend at 1 January	-313,112	-313,112
Dividend at 31 December	-313,112	-313,112
<b>Carrying amount at 31 December</b>	<u>843,696</u>	<u>843,696</u>

Subsidiary	Owner- ship interest	Equity	Profit
		DKK'000	DKK'000
Loxam A/S, Karlslunde, Denmark	100%	24,623	18,773



## Financial statements 1 January – 31 December

### Notes

#### 7 Share capital

The share capital comprises 310,000 shares of DKK 100 each.

DKK'000	2017	2016
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#### 8 Loans for parent company

The loans fall due as follows:

0-1 year	724,324	502,478
1-5 year	0	0
> 5 year	400,000	400,000
	<u>1,124,324</u>	<u>902,478</u>

Loxam S.A.S. will not demand repayment of the loans granted until Loxam Denmark Holding A/S has sufficient liquidity to repay the balance, or part thereof, without this being detrimental to its ability to meet its other financial obligations.

#### 9 Contractual liabilities, contingencies, etc.

##### Contingent liabilities

The parent company is jointly taxed with Loxam A/S. The companies included in the joint taxation have joint and several unlimited liability for Danish corporation taxes.

Any subsequent corrections of the taxable income subject to joint taxation may entail that the companies' liability will increase. The Group as a whole is not liable to others.

Loxam Denmark Holding A/S is involved in tax litigations which may result in increased tax expenses for 2017 and prior years.

The Company has issued a letter of subordination to a creditor of its subsidiary Loxam A/S' regarding its receivable from the subsidiary. At the balance sheet date, the receivable amounts to DKK 384 million.

## **Financial statements 1 January – 31 December**

### **Notes**

#### **10 Related party disclosures**

##### **Parties exercising control**

— Loxam S.A.S., 256 Rue Nicolas Coatanlem, 56850 Caudan, France.

The Company's annual report is included in the consolidated financial statements of the ultimate owner Loxam S.A.S, France. The Group's annual report is filed with this annual report.