

Equipment HC A/S

Troldholm 8, 9400 Nørresundby

36 03 88 53

Annual report 2023

Approved at the Company's annual general meeting on June 11th 2024

Chair of the meeting:

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Lars Bakkegaard

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Statement by Management

The Board of Directors and the Executive Board have today discussed and approved the annual report of Equipment HC A/S for the financial year 1 January –31 December 2023.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of its operations and cash flows for the financial year 1 January –31 December 2023.

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.

Aalborg, June 10th, 2024
Executive Board:

Jens Enggaard
CEO

Board of Directors:

Jørgen Enggaard
Chairman

Tage Thesbjerg
Vice Chairman

Jens Enggaard

John Mikkelsen

Jørn Madsen

Morten Kammer

Independent auditor's report

To the shareholders of Equipment HC A/S

Opinion

We have audited the financial statements of Equipment HCA/S for the financial year 1 January – 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement 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 2023 and of the results of the Company's operations and cash flows 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 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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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.

Independent auditor's report

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

Aalborg, June 10th 2024
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Allan Terp
State Authorised
Public Accountant
mne33198

Management's review

Company details

Name	Equipment HC A/S
Address, postal code, city	Troldholm 8, 9400 Nørresundby
CVR no.	36 03 88 53
Established	7. July 2014
Registered office	Aalborg
Financial year	1 January –31 December
Board of Directors	Jørgen Enggaard (Chairman) Tage Thesbjerg (Vice chairman) Jens Enggaard John Mikkelsen Jørn Madsen Morten Kammer
Executive Board	Jens Enggaard (CEO)
Auditors	EY Godkendt Revisionspartnerselskab Østre Havnegade 65, 9000 Aalborg

Management's review

Financial highlights

DKK'000	2023	2022	2021	2020	2019
Key figures					
Gross profit/loss	70,639	50,923	36,696	1,030	1,524
Operating profit/loss	57,778	43,240	31,018	500	585
Profit/loss before net financials	57,778	43,240	31,018	500	585
Profit/loss from net financials	-13,865	-2,962	-2,774	-20	-31
Profit/loss for the year	34,047	31,614	22,181	373	431
Balance sheet					
Balance sheet total	1,037,306	678,700	459,634	3,298	3,707
Investments in property, plant and equipment	425,324	185,955	185,682	0	0
Equity	137,666	103,925	70,954	2,019	1,646
Financial ratios					
Return on investment	6.7	7.6	13.4	14.3	14.1
Equity ratio	13.3	15.3	15.4	61.2	44.4
Return on equity	28.2	36.2	60.8	20.4	24.9
Average number of fulltime employees	10	8	7	1	1

The financial ratios stated under "Financial highlights" have been calculated as follows:

Return on investment	$\frac{\text{Operating profit/loss} \times 100}{\text{Average assets}}$
Equity ratio	$\frac{\text{Equity, year end} \times 100}{\text{Total liabilities, year end}}$
Return on equity	$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$
Operating profit/loss	$\frac{\text{Profit/loss before net financials} + / - \text{Other operating income and other operating expenses}}{\text{Average assets}}$

The Company has been a part of an intra-group business restructure with financial effect of 1st January 2021. The restructure consists of a partial merger from a group company where property, plant and equipment, liabilities related hereto, and a limited number of employees has been received. The Company now rents the assets to the group company. The comparative figures have not been restated in relation to the merger, as the book value method is applied to business combinations (according to accounting policies).

Management's review

Operating review

Principal activities

The company's main activity, similar to previous years, has consisted of renting out equipment/materials as well as buying and selling.

Development in activities and financial matters

Year's Result

The ordinary profit after tax amounts to 34.0 million DKK compared to 31.6 million DKK last year. Management considers the year's result satisfactory.

Investments

During the year, the company has made investments totalling 425.3 million DKK.

Outlook

Management expects that the result in the next fiscal year will be at a level similar to the current year, ranging between 29.0 million DKK and 39.0 million DKK.

Financial risks and use of financial instruments

Currency risks

The company invoices only in EUR, while purchases occur in both EUR and DKK, which is why management does not consider associated risks.

Interest rate risks

Conversely, the company is exposed to changes in interest rates related to its debt obligations, which are not fixed-rate financing, hence, in accordance with a policy approved by the board, this is hedged by entering into financial contracts for a portion of the company's debt obligations with variable interest rates.

Knowledge resources

Employees and their knowledge are an important resource for the company. Engaged and qualified employees are crucial for the company's development.

Environmental matters

The company believes it complies with all relevant guidelines, laws, and regulations and seeks to reduce its environmental footprint through its activities.

Research and development activities

The company does not engage in development and research.

Events after the balance sheet date

There have been no significant events occurring after the balance sheet date that affect the company's financial position.

Financial statements 1 January – 31 December

Income statement

Note	DKK'000	2023	2022
	Gross profit/ loss	70,639	50,923
3	Administrative expenses	-12,861	-7,683
	Operating profit/ loss	57,778	43,240
4	Financial income	4,587	1,845
5	Financial expenses	-18,452	-4,807
	Profit/ loss before tax	43,913	40,278
6	Tax for the year	-9,866	-8,664
	Profit/ loss for the year	34,047	31,614

Financial statements 1 January – 31 December

Balance sheet

Note	DKK'000	<u>2023</u>	<u>2022</u>
	ASSETS		
	Fixed assets		
8	Tangible fixed assets		
	Plant and machinery	856,183	477,157
	Fixtures and fittings, tools and equipment	13,285	15,833
	Prepayments for tangible fixed assets	0	29,949
		<u>869,468</u>	<u>522,939</u>
	Total fixed assets	<u>869,468</u>	<u>522,939</u>
	Current assets		
	Receivables		
	Receivables from group entities	158,841	105,042
	Receivables from participating interests	5,106	2,334
	Other receivables	3,518	47,600
9	Derivative financial instruments	360	752
		<u>167,825</u>	<u>155,728</u>
	Cash	<u>13</u>	<u>33</u>
	Total current assets	<u>167,838</u>	<u>155,761</u>
	TOTAL ASSETS	<u><u>1,037,306</u></u>	<u><u>678,700</u></u>

Financial statements 1 January – 31 December

Balance sheet

Note	DKK'000	2023	2022
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	1,400	1,400
	Hedging reserve	281	587
	Retained earnings	135,984	101,938
	Total equity	137,665	103,925
	Provisions		
10	Deferred tax	14,122	12,279
	Total provisions	14,122	12,279
	Liabilities other than provisions		
11	Non-current liabilities other than provisions		
	Lease commitments	663,247	383,347
	Payables to group entities	39,863	38,003
	Payables to participating interests	13,288	12,667
		716,398	434,017
	Current liabilities other than provisions		
11	Lease commitments	110,182	67,532
	Credit institutions	6	28,474
	Trade payables	23,099	18,172
	Payables to group entities	24,105	12,625
	Corporation tax	6,725	685
	Other payables	5,004	991
		169,121	128,479
	Total liabilities other than provisions	885,519	562,496
	TOTAL EQUITY AND LIABILITIES	1,037,306	678,700
1	Accounting policies		
2	Depreciation and write-downs		
7	Distribution of profit/loss		
12	Contractual obligations and contingencies, etc.		
13	Mortgages and collateral		
14	Interest rate risks and the use of derivative financial instruments		
15	Related parties		

Financial statements 1 January – 31 December

Statement of changes in equity

Note	DKK'000	Share capital	Hedging reserve	Retained earnings	Total
	Equity at 1 January 2022	1,400	-770	70,324	70,954
	Currency translation of foreign entity	0	0	0	0
	Value adjustment of hedging transactions	0	1,740	0	1,740
	Tax on equity transactions	0	-383	0	-383
	Transferred; see distribution of profit/loss	0	0	31,614	31,614
	Equity at 1 January 2023	1,400	587	101,938	103,925
	Value adjustment of hedging transactions	0	-392	0	-392
	Tax on equity transactions	0	86	0	86
7	Transferred; see distribution of profit/loss	0	0	34,047	34,047
	Equity at 31 December 2023	1,400	281	135,985	137,666

The share capital consists of 1,400 shares with a nominal value of 1,000 kr. No shares have been attributed special rights.

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Equipment HC A/S for 2023 has been prepared in accordance with the provisions applying to medium-sized reporting class C entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Omission of cash flow statement

With reference to section 86, paragraph 4 of the Annual Financial Statements Act, no cash flow statement is prepared. The company's cash flows are included in the consolidated cash flow statement for Jens Enggaard Holding ApS, CVR-no. 19 58 51 74.

Presentation currency

The financial statements are presented in Danish Kroner (t.DKK).

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.

Fixed assets acquired in foreign currency are measured at the exchange rate at the transaction date.

Derivative financial instruments

On initial recognition, derivative financial instruments are recognised in the balance sheet at cost and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are presented as separate items in the balance sheet.

Fair value adjustments of derivative financial instruments designated and qualifying as hedging of the fair value of a recognised asset or liability are recognised in the income statement together with fair value adjustments of the hedged asset or liability.

Fair value adjustments of derivative financial instruments designated and qualifying as hedging of future assets or liabilities are recognised as separate items in the balance sheet and in the hedging reserve under equity. If the forecast transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the forecast transaction results in income or expenses, amounts previously recognised in equity are transferred to the income statement in the period in which the hedged item affects the income statement.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Fair value adjustments of derivative financial instruments held to hedge net investments in independent foreign group entities, associates or participating interests are recognised directly in equity.

Fair value adjustments of derivative financial instruments that do not qualify for hedge accounting are recognised in the income statement on an ongoing basis.

Income statement

Revenue

The Company has chosen IAS 18 *Revenue* as interpretation for revenue recognition.

On the conclusion of sales contracts that consist of several separate sales transactions, the contract price is split up into the individual sales transactions based on the relative fair value approach. The separate sales transactions are recognised as revenue when the criteria for sale of goods, services or construction contracts are met.

A contract is split up into individual transactions when the fair value of each individual sales transaction can be estimated reliably and when each individual sales transaction represents a stand-alone value for the buyer. Sales transactions are deemed to have a stand-alone value for the buyer when the transaction is individually identifiable and usually sold separately.

Revenue is measured at the 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.

Revenue from the sale of services

Income from the rendering of services, which include service contracts, is recognised in revenue on a straight-line basis as the services are rendered because the services are rendered in the form of an indefinite number of actions over a specified period of time. Revenue corresponds to the selling price of the services rendered in the year (percentage of completion method).

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Production costs

Production costs comprise costs incurred in generating revenue for the year. Commercial entities recognise their cost of sales, and production costs incurred in generating the revenue for the year. Such costs include direct and indirect costs of raw materials and consumables, wages and salaries, rent and leases.

Administrative expenses

Administrative expenses comprise costs incurred in the year to manage and administer the Company, including expenses related to administrative staff, management, office premises and office expenses and amortisation/depreciation of assets used for administrative purposes.

Impairment losses and reversal of impairment losses on trade receivables are also recognised in administrative expenses.

Gross profit/loss

In the income statement, net revenue, production costs, and other operating income, as per the Annual Financial Statements Act § 32, are summarized into one accounting item referred to as gross profit.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Financial income and expenses comprise interest income and expenses, including from group entities, associates and participating interests, declared dividends from other securities and equity investments, charges in respect of finance leases, realised and unrealised gains and losses on other securities and equity investments, transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax for the year

Tax for the year comprises current income tax, joint taxation contribution and changes in deferred tax for the year due to changes in the tax rate. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts recognised directly in equity is recognised directly in equity.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Balance sheet

Tangible fixed assets

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

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Individual components of plant and equipment that have different useful lives and where the individual component accounts for a significant part of total costs are accounted for as separate items, which are depreciated separately.

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 of the assets are as follows:

Plant and machinery	5-20 years
Fixtures and fittings, tools and equipment	3-10 years

Depreciation is based on the residual value of the asset after the end of the useful life and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Depreciation is recognised in the income statement as production costs, distribution costs and administrative expenses, respectively.

Gains and losses on the disposal of items of property, plant and equipment are calculated 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 expenses, respectively.

Leases (Company as lessee)

The Company has chosen IAS 17 *Leases* as interpretation for classification and recognition of leases.

On initial recognition, leases for assets that transfer substantially all the risks and rewards incident to ownership to the Company (finance leases) are measured in the balance sheet at the lower of fair value and the present value of future lease payments. In calculating the present value, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently accounted for as the Company's other assets.

The capitalised residual lease commitment is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

Leases that do not transfer substantially all the risks and rewards incident to ownership to the entity are operating leases. Payments relating to operating leases and any other leases are recognised in the income statement over the term of the lease. The Company's total liabilities relating to operating leases and other leases are disclosed under contingencies.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and equity investments in group entities and associates and participating interests is tested annually for indication of impairment other than the decrease in value reflected by amortisation/depreciation made.

Impairment tests are conducted on individual assets or cash-generating units when there is indication of impairment. Write-down is made to the lower of the recoverable amount and carrying amount.

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

Receivables

The Company has chosen IAS 39 *Financial instruments* as interpretation for impairment write-down of financial receivables: *Recognition and measurement*

Receivables are measured at amortised cost.

Write-down for bad and doubtful debts is made when there is objective evidence that a receivable or a portfolio of receivables has been impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the country of domicile and credit ratings of the debtors in accordance with the credit risk management policy of the Company. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses 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 of the individual receivable or portfolio is used as discount rate.

Financial statements 1 January – 31 December

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1 Accounting policies (continued)

Cash

Cash and cash equivalents include bank balances.

Equity

Hedging reserve

The hedging reserve comprises the cumulative net change in the fair value of hedging transactions that qualify for recognition as a cash flow hedge and where the hedged transaction has not yet been realised. The reserve is dissolved when the hedged transaction is realised, if the hedged cash flows are no longer expected to be realised or if the hedging relationship is no longer effective. The hedging reserve does not represent a limitation under company law and may therefore be negative.

Proposed dividend

Proposed dividend is recognised as a liability at the date when it is adopted at the annual general meeting (declaration date). Dividend expected to be distributed for the year is presented as a separate line item in equity.

Corporation tax and deferred tax

Current tax payables and receivables are recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on taxable income in previous years and 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 base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to non-deductible goodwill and on office premises and other items where temporary differences – apart from acquisitions – arise at the acquisition date without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation; 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 and jurisdiction.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

As administration company in the joint taxation group liability for the group entities' corporation tax to the tax authorities is taken over as the group entities pay their joint taxation contribution. Joint taxation contributions payable or receivable are recognised in the balance sheet as joint taxation contribution receivable or payable.

Financial statements 1 January – 31 December

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1 Accounting policies (continued)

Liabilities other than provisions

The Company has chosen IAS 39 *Financial instruments: Recognition and measurement* as interpretation for recognition and measurement of liabilities.

Financial liabilities are recognised at the date of borrowing at the proceeds received less transaction costs paid. On subsequent recognition, 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 lease commitment in respect of finance leases.

Other liabilities are measured at net realisable value.

Subordinated loan capital

Liabilities where the creditor has indicated willingness to step back in favor of all other creditors of the company are presented as subordinated loan capital. Recognition is made using the same method as for liabilities.

Fair value

Fair value is determined based on the principal market. If no principal market exists, the measurement is based on the most advantageous market, i.e. the market that maximises the price of the asset or liability.

All assets and liabilities that are measured at fair value or whose fair value is disclosed are classified based on the fair value hierarchy, see below:

- Level 1: Value based on the fair value of similar assets/liabilities in an active market.
- Level 2: Value based on generally accepted valuation methods on the basis of observable market information.
- Level 3: Value based on generally accepted valuation methods and reasonable estimates based on non-observable market information.

If a reliable fair value cannot be stated according to the above levels, the asset or liability is measured at cost.

Financial statements 1 January – 31 December

Notes

DKK'000	<u>2023</u>	<u>2022</u>
2 Depreciation and write-downs		
Plant and machinery	73,576	63,390
Other fixtures, operating equipment, and fittings	4,649	3,471
	<u>78,225</u>	<u>66,831</u>

DKK'000	<u>2023</u>	<u>2022</u>
3 Staff costs		
Wages and salaries	6,766	5,211
Pensions	936	694
Other social security costs	34	26
	<u>7,736</u>	<u>5,931</u>

Staff costs are recognised in the financial statements as follows:

Administration	<u>7,736</u>	<u>5,931</u>
	<u>7,736</u>	<u>5,931</u>

Average number of full-time employees	<u>10</u>	<u>8</u>
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There are no remunerations for the company's board of directors.

For 2023 remuneration to the Executive Board has not been disclosed in accordance with section 98 B (3) of the Danish Financial Statements Act due to only one category of Management has received remuneration.

In 2022 Remuneration for the company's management is included in administrative expenses through management fees. The total remuneration for the executive board amounts to 324 thousand DKK and pensions amount to 36 thousand DKK.

DKK'000	<u>2023</u>	<u>2022</u>
4 Financial income		
Interest income from group entities	3,823	571
Other interest income	764	1,274
	<u>4,587</u>	<u>1,845</u>

Financial statements 1 January – 31 December

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DKK'000	<u>2023</u>	<u>2022</u>
5 Financial expenses		
Interest expenses, group entities	3,317	503
Interest expenses, participating interests	636	168
Other interest expenses	14,499	4,136
	<u>18,452</u>	<u>4,807</u>
6 Tax for the year		
Current tax for the year	7,937	829
Deferred tax adjustment for the year	1,843	8,218
	<u>9,780</u>	<u>9,047</u>
Specified as follows:		
Tax for the year	9,866	8,664
Tax on equity transactions	-86	383
	<u>9,780</u>	<u>9,047</u>
7 Distribution of profit/ loss		
Proposed distribution of profit/ loss		
Retained earnings	34,047	31,614
	<u>34,047</u>	<u>31,614</u>

Financial statements 1 January – 31 December

Notes

8 Plant and equipment

DKK'000	Plant and machinery	Fixtures and fittings, tools and equipment	Prepayment for tangible fixed assets	Total
Cost at 1 January 2023	758,927	26,056	29,949	814,932
Additions	423,003	2,321	0	425,324
Transferred	29,949	0	-29,949	0
Disposals	-465	-259	0	-724
Cost at 31 December 2023	1,211,414	28,118	0	1,239,532
Depreciation and impairment losses				
at 1 January 2023	281,770	10,223	0	291,993
Depreciation	73,576	4,649	0	78,225
Depreciation, assets sold	-116	-38	0	-154
Depreciation and impairment losses at 31 December 2023	355,230	14,834	0	370,064
Carrying amount at 31 December 2023	856,184	13,284	0	869,468
Property, plant and equipment include assets held under finance leases with a carrying amount totalling	811,442	1,359	0	812,801
Depreciated over	5-20 years	3-10 years		

Financial statements 1 January – 31 December

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9 Fair value disclosures

The Company has the following assets and liabilities measured at fair value.

DKK'000	Derivative financial instruments
Fair value at year end	360
Unrealised fair value adjustments for the year, recognised in hedging reserve	-392
Fair value level	2

The derivative financial instruments are categorised in level 2 in the fair value hierarchy and no significant unobservable input is included in the valuation.

10 Deferred tax

DKK'000	2023	2022
Deferred tax at 1 January	12,279	4,061
Deferred tax adjustment for the year	1,843	8,218
Deferred tax at 31 December	14,122	12,279

Deferred tax includes tangible fixed assets.

11 Non-current liabilities

DKK'000	Total liabilities at 31/12 2023	0-1 year	1-5 years	Outstanding debt after 5 years
Lease commitments	773,429	110,181	331,511	331,737
Payables to group entities	39,863	0	0	39,863
Payables to participating interests	13,288	0	0	13,288
	826,580	110,181	331,511	384,887

As part of the long-term liabilities, subordinated loan capital totalling 53,151 thousand DKK is included, provided by group entities with 39,863 thousand DKK and participating interests with 13,288 thousand DKK.

The subordinated loans rank behind all other creditors. The bonds are instalment-free until December 31, 2032, and are non-cancellable by the lender.

Financial statements 1 January – 31 December

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12 Contractual obligations and contingencies, etc.

Operating lease liabilities

The company has entered into operating lease contracts with an average annual lease payment of 1,651 thousand DKK. The lease contracts have a maximum remaining term of 111 months with a total nominal residual lease payment of 535,457 thousand DKK, of which 358,539 thousand DKK are with related parties.

Joint taxation

The company is tax consolidated with the parent company Jens Enggaard Holding ApS, acting as an administration company. It is jointly and severally liable with other tax consolidated companies for the payment of corporate tax as well as withholding tax on interest, royalties, and dividends due for payment.

13 Mortgages and collateral

Plant and machinery, as well as other fixtures, operating equipment, and fittings, with a carrying amount of 812,801 thousand DKK as of December 31, 2023, as noted in note 8, are financed through financial leasing, with the lease liability totalling 773,429 thousand DKK as of December 31, 2023.

The company has provided a guarantee for a related company's financial lease obligation, amounting to a total of 44,944 thousand DKK as of December 31, 2023. Additionally, the company has also provided a guarantee for a group credit facility totalling 50,000 thousand DKK and has acted as a guarantor for a related company's debt to banks totalling 30,910 thousand DKK as of December 31, 2023.

Financial statements 1 January – 31 December

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14 Derivative financial instruments

Interest Rate Risk

The company utilizes interest rate swaps as financial instruments to hedge against the risk of interest rate fluctuations for incurred debt obligations with variable interest rates.

DKK '000	2023				2022			
	Principal	Value adjustment	Fair value	Maturity (months)	Principal	Value adjustment	Fair value	Maturity (months)
Interest rate swaps	19,161	360	19,522	5 - 15	27,899	752	28,651	17 - 27

15 Related parties

Equipment HCA/S' related parties comprise the following:

Control

Jens Enggaard Holding ApS, located at Sofiendalsvej 94A, 1. tv, 9200 Aalborg SV, holds the majority of the share capital in the company. The consolidated financial statements for Jens Enggaard Holding ApS can be requested by contacting the company or visiting the website www.cvr.dk.

Related party transactions

Equipment HCA/S has carried out the following related party transactions:

DKK'000	2023	2022
Sales of services, group companies	466,142	346,302
Sales of fixed assets, group companies	709	2,370
Interest income, group companies	3,823	571
Purchase of services, group companies	-51,204	-89,507
Purchase of fixed assets, group companies	-3,205	-293
Interest expenses, group companies	-3,317	-671
Purchase of fixed assets, group companies	-46,559	-293
Sale of services, participating interest	2,772	0
Interest expenses, participating interest	-636	-168

Receivables and payables from group entities can be derived from the Company's balance sheet as at December 31, 2023.

The remuneration of the Company's Executive Management is stated in note 3.

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Jens Jørgen Enggaard

CEO

På vegne af: Equipment HC A/S

Serienummer: 83827c6a-6250-450e-a7ad-e2a669696b3b

IP: 104.28.xxx.xxx

2024-06-10 18:45:00 UTC



Morten Kammer

Board of Directors

På vegne af: Equipment HC A/S

Serienummer: e45214a3-2f7c-4432-98eb-6e00876e8e27

IP: 62.107.xxx.xxx

2024-06-11 07:46:28 UTC



Tage Thesbjerg

Vice Chairman

På vegne af: Equipment HC A/S

Serienummer: 0bbac564-d771-4a98-ab34-5a7a74bc7658

IP: 178.72.xxx.xxx

2024-06-11 07:49:21 UTC



John Helmenkamp Mikkelsen

Board of Directors

På vegne af: Equipment HC A/S

Serienummer: d964a0f7-f85d-4eee-b0e2-8b16a8d7dcc6

IP: 77.241.xxx.xxx

2024-06-11 08:07:15 UTC



Jørgen Enggaard

Chairman

På vegne af: Equipment HC A/S

Serienummer: 119d2820-6f4f-4b78-b2a8-f9fca978608

IP: 78.157.xxx.xxx

2024-06-11 08:45:39 UTC



Jens Jørgen Enggaard

Board of Directors

På vegne af: Equipment HC A/S

Serienummer: 83827c6a-6250-450e-a7ad-e2a669696b3b

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Jørn Madsen

Board of Directors

På vegne af: Equipment HC A/S

Serienummer: jorn.madsen@gmail.com

IP: 176.22.xxx.xxx

2024-06-13 10:35:18 UTC



Allan Terp

State Authorised Public Accountant

På vegne af: EY Godkendt Revisionspartnerselskab

Serienummer: 3db8ddc0-a72b-41b0-96f4-9194dba55950

IP: 165.225.xxx.xxx

2024-06-13 13:02:40 UTC



Lars Bakkegaard

Chairman of the general meeting

På vegne af: Equipment HC A/S

Serienummer: 714d1e3e-6201-4419-b3b8-18f781eb7bb5

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