Greenfleet Holding A/S

Kongevejen 135 A, c/o Dantaxi4x48 A/S, 2830 Virum

Company reg. no. 39 92 64 74

Annual report

8 October 2018 - 31 December 2019

The annual report was submitted and approved by the general meeting on the 10 July 2020.

Uffe Krarup
Chairman of the meeting

Contents

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

Today, the board of directors and the executive board have presented the annual report of Greenfleet Holding A/S for the financial year 8 October 2018 - 31 December 2019.

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

We consider the accounting policies appropriate and, in our opinion, the consolidated financial statements and the financial statements provide a fair presentation of the assets, equity and liabilities, and the financial position, consolidated and for the company, respectively, at 31 December 2019, and of the result of the activities, consolidated and of the company, respectively, during the financial year 8 October 2018 – 31 December 2019.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

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

Virum, 3 July 2020

Executive board

Carsten Aastrup
CEO

Uffe Krarup
CFO

Board of directors

Lars Christian Christiansen
Chairman

Per Olof Martin Frankling

Stig Lars Strömberg

Carl Daniel Björklund

Independent auditor's report

To the shareholders of Greenfleet Holding A/S

Opinion

We have audited the consolidated financial statements and the financial statements of Greenfleet Holding A/S for the financial year 8 October 2018 to 31 December 2019, which comprise accounting policies, income statement, statement of financial position, statement of changes in equity and notes, consolidated and of the company, respectively and consolidated statement af cash flows. The consolidated financial statements and the financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the financial statements present a fair view of the assets, equity and liabilities, and financial position, consolidated and of the company, respectively, at 31 December 2019 and of the results of the company's activities, consolidated and of the company, respectivelyand of consolidated cash flows , for the financial year 8 October 2018 - 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the consolidated financial statements and the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), 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.

Responsibilities of management and those charged with governance for the consolidated financial statements and the financial statements

Management is responsible for the preparation of consolidated financial statements and financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the management determines is necessary to enable the preparation of consolidated financial statements and financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the financial statements, management is responsible for assessing the group's and 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 unless management either intends to liquidate the group or 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 consolidated annual accounts and the financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, 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 consolidated financial statements and financial statements.

As part of an audit conducted in accordance with international standards on auditing, 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 consolidated financial statements and 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 the 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 group’s and 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 preparation of the consolidated financial statements and the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from events or conditions that may cast significant doubt on the group’s and 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 consolidated financial statements and 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 group and the company to cease to continue as a going concern.

Independent auditor's report

- Evaluate the overall presentation, structure, and contents of the consolidated financial statements and the financial statements, including disclosures in notes, and whether the consolidated financial statements and the financial statements reflect the underlying transactions and events in a manner that presents a fair view.

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or the business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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 the internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

In connection with our audit of the consolidated financial statements and the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the consolidated financial statements or the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the management commentary is consistent with the consolidated financial statements and the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Copenhagen, 3 July 2020

Redmark
State Authorised Public Accountants
Company reg. no. 29 44 27 89

Henrik Juul Thomsen
State Authorised Public Accountant
mne33734

Company information

The company	Greenfleet Holding A/S Kongevejen 135 A c/o Dantaxi4x48 A/S 2830 Virum	
	Company reg. no.	39 92 64 74
	Financial year:	8 October - 31 December 1st financial year
Board of directors	Lars Christian Christiansen, Chairman Per Olof Martin Frankling Stig Lars Strömberg Carl Daniel Björklund	
Executive board	Carsten Aastrup, CEO Uffe Krarup, CFO	
Auditors	Redmark Statsautoriseret Revisionspartnerselskab Dirch Passers Allé 76 2000 Frederiksberg	
Parent company	SDale LuxCo Sarl	
Subsidiaries	Greenfleet MidCo A/S, Lyngby-Taarbæk Greenfleet A/S, Lyngby-Taarbæk Greenfleet Dantaxi ApS, Lyngby-Taarbæk Dantaxi4x48 A/S, Lyngby-Taarbæk Kørselskontoret Dantaxi A/S, Lyngby-Taarbæk Cabital Finans A/S, Lyngby-Taarbæk	

Consolidated financial highlights

DKK in thousands.	2018/19
Income statement:	
Gross profit	67.548
Profit from ordinary operating activities	-53.858
Net financials	-9.273
Net profit or loss for the year	-62.576
Statement of financial position:	
Balance sheet total	379.086
Equity	52.548
Cash flows:	
Operating activities	101.041
Investing activities	-291.995
Financing activities	164.014
Total cash flows	-26.940
Employees:	
Average number of full-time employees	77
Key figures in %:	
Acid test ratio	47,9
Solvency ratio	13,9
Return on equity	-238,2

Calculations of key figures and ratios do, in all material respects, follow the recommendations of the Danish Association of Finance Analysts, only in a few respects deviating from the recommendations.

The key figures and ratios shown in the statement of financial highlights have been calculated as follows:

Acid test ratio $$\frac{\text{Current assets x 100}}{\text{Short term liabilities other than provisions}}$$

Solvency ratio $$\frac{\text{Equity, closing balance x 100}}{\text{Total assets, closing balance}}$$

Return on equity $$\frac{\text{Net profit or loss for the year x 100}}{\text{Average equity}}$$

Management commentary

The principal activities of the group
The principal activities of the group are within the business as office of transportation and commercial transportation.

Unusual circumstances
This annual report covers the group's first financial year, 8 October 2018 - 31 December 2019 and the profit for the year is influenced by the establishment and start-up costs.

In addition, significant costs have been incurred in connection with the acquisition of the principal activities. These costs are essentially included in note 1 Special Items in the Financial Statements

Uncertainties about recognition or measurement
The group has acquired a significant goodwill amount in connection with the acquisition of the principal activities.

Valuation of goodwill always entails material uncertainty, but management believes that the recognized value of goodwill in the annual report, DKK 188.599.827, is fair in relation to future expected earnings.

The group has recognized a receivable relating to purchase price adjustment of DKK 5.1M. The group will seek to collect this amount from the sellers under the purchase agreement.

Development in activities and financial matters
The gross loss for the year for the parent company totals DKK -62.500. Loss from ordinary activities after tax totals DKK -62.575.514. The gross profit for the year for the group totals DKK 67.123.029. Loss from ordinary activities after tax totals DKK -58.059.717. Management considers the net loss for the year in line with expectations and the business plan.

Environmental issues
The group operates in an industry that is still largely dependent on fossil fuels. The group has the vision of being the leading company in green restructuring in the taxi market, and seeks a continuous replacement of the fleet to consist of environmentally sound solutions.

The group expects, that public tenders on taxi services increasingly will be linked to zero emission vehicles and the demand for zero emission vehicles from private costumers and business will increase. Furthermore, we expect that the city centers likely will introduce zero emission zones in larger cities in the foreseeable future.

The group wants to replace the existing fleet with zero emission vehicles in a rate that is higher than the requirements from the government. However, the replacement will depend on the infrastructure of the charging stations, the development in the prices of the zero emission vehicles suitable for taxi services as well as the delivery time on the taxi suitable car models.

Management commentary

Expected developments

The group is an active part of the collective transport in Denmark, and through a high level of service and professionalism expect to be the first choice of private taxi customers and public institutions.

It is the expectation that the Covid-19 situation has reinforced trends that were already visible even before the start of the Corona crisis. Including a development where the number of hauliers with only one taxi increases and simultaneously a decline in of hauliers with more than one taxi. The group see a trend towards new hauliers not necessarily having experience in the taxi industry. The changes in hauliers experience and size means that the hauliers profile is changing.

The group focus on a further increase in professionalization, an increased focus on green conversion and a high level of service, thereby adapting to a developing and changing market.

The group therefore have a positive outlook for the near future and expect continued growth, however off put by the consequences of Covid-19 as described in the section below.

Events occurring after the end of the financial year

The Covid 19 virus has spread around the world in the beginning of 2020. This has affected the Danish economy negatively and also the personnel transport sector has suffered due to less travel activities. The Management has initiated actions to secure the group's assets and business by a number of initiatives such as, savings on costs, use of government subsidies and help programs etc.

Apart from above no material events have occurred after 31 December 2019.

Income statement

All amounts in DKK.

Note		Parent 8/10 2018 - 31/12 2019	Group 8/10 2018 - 31/12 2019
	Gross profit	**-62.500**	**67.547.544**
2	Staff costs	0	-56.974.051
	Depreciation, amortisation, and impairment	0	-42.806.469
	Other operating costs	0	-21.625.186
	Operating profit	**-62.500**	**-53.858.162**
	Income from equity investments in group enterprises	-62.515.415	0
	Other financial income from group enterprises	0	203.830
	Other financial income	0	33.035
	Impairment of financial assets	0	-962.352
	Other financial costs	0	-8.547.961
	Pre-tax net profit or loss	**-62.577.915**	**-63.131.610**
	Tax on net profit or loss for the year	2.401	556.096
3	**Net profit or loss for the year**	**-62.575.514**	**-62.575.514**

Statement of financial position

All amounts in DKK.

Note	Assets	Parent 31/12 2019	Group 31/12 2019
	Non-current assets		
4	Goodwill	0	188.599.827
	Total intangible assets	0	188.599.827
5	Property	0	13.290.128
6	Other fixtures and fittings, tools and equipment	0	34.594.621
	Total property, plant, and equipment	0	47.884.749
7	Equity investments in group enterprises	141.754.669	0
8	Equity investments in associate	0	963.818
9	Other receivables	0	27.675.732
	Total investments	141.754.669	28.639.550
	Total non-current assets	**141.754.669**	**265.124.126**
	Current assets		
	Raw materials and consumables	0	86.169
	Assets held for sale	0	3.624.513
	Total inventories	0	3.710.682
	Trade receivables	0	64.284.193
	Receivables from group enterprises	0	400.000
10	Deferred tax assets	0	224.660
	Income tax receivables	0	1.000.000
	Tax receivables from group enterprises	2.401	0
	Other receivables	0	40.953.754
11	Prepayments and deferred expenses	0	605.200
	Total receivables	2.401	107.467.807
	Cash on hand and demand deposits	0	2.783.535
	Total current assets	**2.401**	**113.962.024**
	Total assets	**141.757.070**	**379.086.150**

Statement of financial position

All amounts in DKK.

Equity and liabilities

Note		Parent 31/12 2019	Group 31/12 2019
	Equity		
12	Contributed capital	500.000	500.000
13	Share premium	114.623.030	114.623.030
14	Retained earnings	-62.575.514	-62.575.514
	Total equity	**52.547.516**	**52.547.516**
	Liabilities other than provisions		
	Mortgage loans	0	5.841.812
	Other mortgage loans	0	41.942.573
	Deposits	0	40.940.775
	Other payables	0	21.777
15	Total long term liabilities other than provisions	0	88.746.937
15	Current portion of long term payables	0	7.790.076
	Bank loans	0	29.323.211
	Prepayments received from customers	0	1.108.416
	Trade payables	62.500	107.185.911
	Payables to group enterprises	89.147.054	0
	Other payables	0	92.384.083
	Total short term liabilities other than provisions	89.209.554	237.791.697
	Total liabilities other than provisions	**89.209.554**	**326.538.634**
	Total equity and liabilities	**141.757.070**	**379.086.150**

1 Special items

16 Charges and security

17 Contingencies

18 Related parties

Consolidated statement of changes in equity

All amounts in DKK.

	Contributed capital	Share premium	Retained earnings	Total
Equity 8 October 2018	400.000	0	0	400.000
Cash capital increase	100.000	114.623.030	0	114.723.030
Profit or loss for the year brought forward	0	0	-62.575.514	-62.575.514
	500.000	**114.623.030**	**-62.575.514**	**52.547.516**

Statement of changes in equity of the parent

All amounts in DKK.

	Contributed capital	Share premium	Retained earnings	Total
Equity 8 October 2018	400.000	0	0	400.000
Cash capital increase	100.000	114.623.030	0	114.723.030
Profit or loss for the year brought forward	0	0	-62.575.514	-62.575.514
	500.000	**114.623.030**	**-62.575.514**	**52.547.516**

Statement of cash flows

All amounts in DKK.

Note		Group 8/10 2018 - 31/12 2019
	Net profit or loss for the year	-62.575.514
19	Adjustments	46.504.779
20	Change in working capital	117.758.830
	Cash flows from operating activities before net financials	101.688.095
	Cash flows from ordinary activities	101.688.095
	Income tax paid	-647.042
	Cash flows from operating activities	**101.041.053**
	Purchase of intangible assets	-182.003.868
	Purchase of property, plant, and equipment	-46.683.069
	Purchase of fixed asset investments	-2.057.572
21	Acquisition of enterprises and activities	-52.939.399
	Dividend received from associates	203.830
	Interest received	33.035
	Outstanding loans	-8.547.961
	Cash flows from investment activities	**-291.995.004**
	Long-term payables incurred	47.326.017
	Repayments of long-term payables	-4.636.471
	Cash capital increase	114.723.030
	Other cash flows from financing activities	6.601.699
	Cash flows from financing activities	**164.014.275**
	Change in cash and cash equivalents	**-26.939.676**
	Cash and cash equivalents at 8 October 2018	400.000
	Cash and cash equivalents at 31 December 2019	**-26.539.676**
	Cash and cash equivalents	
	Cash on hand and demand deposits	2.783.535
	Bank loans	-29.323.211
	Cash and cash equivalents at 31 December 2019	**-26.539.676**

Notes

All amounts in DKK.

1. Special items

Special items include significant income and expenses of a special nature relative to the enterprise's ordinary operating activities, such as the cost of extensive structuring of processes and fundamental structural adjustments and any related gains on disposal and losses which, over time, have a significant impact. Special items also include other significant amounts of a nonrecurring nature.

As mentioned in the management commentary, the net profit or loss for the year is affected by a number of factors that differ from what is considered by management to be part of operating activities.

Special items for the year are specified below, indicating where they are recognised in the income statement.

	Parent 8/10 2018 - 31/12 2019	Group 8/10 2018 - 31/12 2019
Expenses:		
Acquisition costs	0	15.075.553
	0	15.075.553
Special items are recognised in the following items in the financial statements:		
Other operating costs	0	-15.075.553
Profit of special items, net	**0**	**-15.075.553**

2. Staff costs

	Parent	Group
Salaries and wages	0	53.956.760
Pension costs	0	2.139.994
Other costs for social security	0	872.984
Other staff costs	0	4.313
	0	**56.974.051**
Executive board	0	240.000
Average number of employees	0	77

Notes

All amounts in DKK.

		Parent 8/10 2018 - 31/12 2019
3.	**Proposed appropriation of net profit**	
	Allocated from retained earnings	-62.575.514
	Total allocations and transfers	**-62.575.514**

		Parent 31/12 2019	Group 31/12 2019
4.	**Goodwill**		
	Additions during the year	0	217.297.794
	Disposals during the year	0	-576.000
	Cost 31 December 2019	**0**	**216.721.794**
	Writedown for the year	0	-28.121.967
	Amortisation and writedown 31 December 2019	**0**	**-28.121.967**
	Carrying amount, 31 December 2019	**0**	**188.599.827**
5.	**Property**		
	Additions during the year	0	16.670.814
	Transfers	0	-3.150.000
	Cost 31 December 2019	**0**	**13.520.814**
	Depreciation for the year	0	-230.686
	Depreciation and writedown 31 December 2019	**0**	**-230.686**
	Carrying amount, 31 December 2019	**0**	**13.290.128**

Notes

All amounts in DKK.

		Parent 31/12 2019	Group 31/12 2019
6.	**Other fixtures and fittings, tools and equipment**		
	Additions during the year	0	44.029.366
	Cost 31 December 2019	**0**	**44.029.366**
	Depreciation for the year	0	-9.434.745
	Depreciation and writedown 31 December 2019	**0**	**-9.434.745**
	Carrying amount, 31 December 2019	**0**	**34.594.621**
7.	**Equity investments in group enterprises**		
	Additions during the year	204.270.084	0
	Cost 31 December 2019	**204.270.084**	**0**
	Results for the year before goodwill amortisation	-62.515.415	0
	Revaluation 31 December 2019	**-62.515.415**	**0**
	Carrying amount, 31 December 2019	**141.754.669**	**0**

Group enterprises:

	Domicile	**Equity interest**
Greenfleet MidCo A/S	Lyngby-Taarbæk	100 %
Greenfleet A/S	Lyngby-Taarbæk	100 %
Greenfleet Dantaxi ApS	Lyngby-Taarbæk	100 %
Dantaxi4x48 A/S	Lyngby-Taarbæk	100 %
Kørselskontoret Dantaxi A/S	Lyngby-Taarbæk	100 %
Cabital Finans A/S	Lyngby-Taarbæk	100 %

Notes

All amounts in DKK.

	Parent 31/12 2019	Group 31/12 2019
8. Equity investments in associate		
Additions during the year	0	1.926.170
Cost 31 December 2019	**0**	**1.926.170**
Adjustment of previous revaluations	0	-962.352
Writedown 31 December 2019	**0**	**-962.352**
Carrying amount, 31 December 2019	**0**	**963.818**

Financial highlights for the enterprise according to the latest approved annual report

	Equity interest	Equity	Results for the year	Carrying amount, Greenfleet Holding A/S
Taxipoolen Svedan A/S, Kastrup	40,08 %	2.364.270	244.860	963.818
		2.364.270	**244.860**	**963.818**

	Parent 31/12 2019	Group 31/12 2019
9. Other receivables		
Other debtors	0	27.544.330
Deposits	0	131.402
	0	**27.675.732**
10. Deferred tax assets		
Deferred tax of the results for the year	0	224.660
	0	**224.660**
The following items are subject to deferred tax:		
Property, plant, and equipment	0	-13.174
Current assets	0	237.834
	0	**224.660**
11. Prepayments and deferred expenses		
Other prepayments	0	605.200

Notes

All amounts in DKK.

	0	**605.200**

12. Contributed capital

Contributed capital 8 October 2018	400.000	400.000
Cash capital increase	100.000	100.000
	500.000	**500.000**

The share capital consists of 162,368 A-shares, 11,356 B-shares and 326,276 C-shares, each with a nominal value of DKK 1.

	Parent 31/12 2019	Group 31/12 2019
13. Share premium		
Share premium account for the year	114.623.030	114.623.030
	114.623.030	**114.623.030**
14. Retained earnings		
Profit or loss for the year brought forward	-62.575.514	-62.575.514
	-62.575.514	**-62.575.514**

15. Liabilities other than provision

	Total payables 31 Dec 2019	**Current portion of long term payables**	**Long term payables 31 Dec 2019**	**Outstanding payables after 5 years**
Group				
Mortgage loans	6.477.924	636.112	5.841.812	3.306.164
Other mortgage loans	49.096.537	7.153.964	41.942.573	5.326.706
Deposits	40.940.775	0	40.940.775	0
Other payables	21.777	0	21.777	0
	96.537.013	**7.790.076**	**88.746.937**	**8.632.870**

Notes

All amounts in DKK.

16. Charges and security

As collateral for mortgage loans, DKK 6.477.924, security has been granted on land and buildings representing a carrying amount of DKK 13.290.128 at 31 December 2019.

The group has issued mortgages registered to the owners totalling DKK 5.000.000 as security for bank loans. The mortgages registered to the owners provide security on the above land and buildings as well as property, plant and equipment.

For bank loans, DKK 78.314.226, the group has provided security in company assets representing a nominal value of DKK 88.022.398. This security comprises the assets below, stating the carrying amounts:

	DKK in thousands
Inventories	86.169
Equipment	27.963.968
Trade receivables	59.972.261

17. Contingencies

Contingent liabilities

Lease liabilities

The group has entered into operational leases with an average annual lease payment of T.DKK 1.118. The leases have between 2-11 months to maturirty and total outstanding lease payments total T.DKK 494.

Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

The liability relating to obligations in connection with withholding tax on dividends, interest, and royalties represents an estimated maximum of DKK 0.

Any subsequent adjustments of corporate taxes or withholding taxes, etc., may result in changes in the company's liabilities.

Notes

All amounts in DKK.

18. Related parties

Controlling interest

Dale LuxCo SARL, Rue Albert Borschette 2C, L-1246 Luxembourg — Majority shareholder

Greenfleet Midco A/S, Greenfleet A/S, Cabital Finans A/S, Koerselskontoret Dantaxi A/S, Dantaxi 4x48 A/S Dantaxi4x48 ApS and other entreprises in the Triton group, are all other related parties.

The management in the entreprises are all defined as related parties.

Transactions

All transactions with related parties have been made at arms's length.

19. Adjustments

Depreciation, amortisation, and impairment	37.787.398
Other financial income	-236.865
Other financial costs	8.547.961
Deferred tax	-556.067
Other adjustments	962.352
	46.504.779

20. Change in working capital

Change in inventories	-2.091.207
Change in receivables	-79.460.127
Change in trade payables and other payables	199.310.164
	117.758.830

21. Acquisition of enterprises and activities

Property, plant, and equipment	10.867.111
Assets held for sale	1.569.475
Receivables	61.282.007
Cash on hand and demand deposits	18.318.917
Bank loans	-72.166.384
Provisions for deferred tax	-331.407
Trade payables	-1.318.246
Goodwill	34.717.926
	52.939.399

Accounting policies

The annual report for Greenfleet Holding A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class C enterprises (medium sized enterprises).

The annual report is presented in DKK. The annual report comprises the first financial year and hence comparative figures are not available.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the group and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the group and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

The consolidated financial statements

The consolidated income statements comprise the parent company Greenfleet Holding A/S and those group enterprises of which Greenfleet Holding A/S directly or indirectly owns more than 50 % of the voting rights or in other ways exercise control. According to the group overview, enterprises in which the group owns between 20 and 50 % of the voting rights and exercises considerable, but not dominant, control are considered associates.

In the consolidation process, intercompany income and expenses, shareholding, intercompany balances and dividends, and realised and unrealised profit and loss derived from transactions among the consolidated enterprises will be eliminated.

Equity investments in group enterprises are eliminated by the proportional share of the group enterprises’ trade value of net assets and liabilities at the date of acquisition.

Income statement

Gross profit

Gross profit comprises the revenue from activities related to transport offices, other operating income, and external costs.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Other operating costs

Other operating costs comprise items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets.

Financial income and expenses

Financial income and expenses comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the income statement with the amounts concerning the financial year.

Dividend from equity investment in associate is recognised in the financial year in which the dividend is declared.

Results from equity investments in group enterprises

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the equity investment in the individual group enterprises are recognised in the income statement of the parent as a proportional share of the group enterprises' post-tax profit or loss.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The parent and the Danish group enterprises are subject to Danish rules on compulsory joint taxation of Danish group enterprises. The parent acts as an administration company in relation to the joint taxation. This means that the total Danish income tax payable by the Danish group companies is paid to the tax authorities by the company.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Intangible assets

Goodwill

Acquired goodwill is measured at cost less accumulated amortisation. Given that it is impossible to make a reliable estimate of the useful life, the amortisation period is set at 7 years.

Property, plant, and equipment

Property is measured at cost plus revaluations and less accrued depreciation and writedown for impairment. Land is not subject to depreciation.

The depreciable amount is cost plus revaluations at fair value less expected residual value after the end of the useful life of the asset. The amortisation period is fixed at the acquisition date and reassessed annually. If the residual value exceeds the carrying mount of the asset, depreciation is discontinued.

Reversal of previous revaluations and recognised deferred taxes concerning revaluations are recognised directly in company equity.

Other property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

Accounting policies

The cost of a total asset is divided into separate components. These components are depreciated separately when the useful lives of each individual components differ.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Buildings	50 years	20 %
Other fixtures and fittings, tools and equipment	3-5 years	0-20 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible assets as well as equity investments in subsidiaries and associates are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation, respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is equal to the value of the net selling price or the value in use, whichever is higher. The value in use is determined as the present value of the expected net cash flow derived from the use of the asset or group of assets.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Investments

Equity in group enterprises

Equity in group enterprises recognised in the statement of financial position as a proportional share of the enterprise’s equity value. This is calculated on the basis of the accounting policies of the parent less/plus unrealised intercompany profits and losses, and less/plus residual value of positive or negative goodwill measured by applying the purchase method.

Accounting policies

Group enterprises with negative equity are recognised at no value and, to the extent they are considered irrevocable, amounts owed by these companies are made subject to impairment by the parent's share of the equity. If the negative equity exceeds the receivables, the residual amount is recognised under liability provisions to the extent that the parent has a legal or actual liability to cover the negative equity of these subsidiaries.

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises are transferred to the reserve under equity for net revaluation according to the equity method. Dividends from group enterprises expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in group enterprises.

Newly acquired or newly established companies are recognised in the financial statement as of the time of acquisition. Sold or liquidated companies are recognised until the date of disposal.

Profit or loss in connection with the disposal of group enterprises are measured as the difference between the sales amount and the carrying amount of net assets at the time of sale, inclusive of remaining consolidated goodwill and expected costs of sale or liquidation. Profit and loss are recognised in the income statement under net financials.

For the acquisition of new group enterprises, the purchase method is applied, by which the acquirees' assets and liabilities are measured at fair value at the time of acquisition. Provisions for payment of costs for pre-determined restructuring activities in the acquirees in relation to the acquisition are recognised. The tax effect of revaluations is taken into consideration.

Positive differences (goodwill) between cost and fair value of identifiable acquired assets and liabilities, inclusive of liability provisions for restructuring, are recognised under equity investments in group enterprises and are amortised over their estimated useful economic life. The useful life is determined on the basis of management's experience in the individual business areas. The amortisation period is maximum 20 years, being the longer for strategical acquirees with a strong market position and a longterm earnings potential. The carrying amount of goodwill is subject to impairment tests on a continuing basis and written down in the income statement in those cases when the carrying amount exceeds the expected future net income from the enterprise or the activity to which the goodwill is attached.

Equity investment in associate

Equity investment in associate is measured at cost. If the recoverable amount is lower than the cost, the latter is impaired to the recoverable amount.

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Accounting policies

Inventories

Inventories are measured at cost on the basis of weighted measured average prices. In cases when the net realisable value is lower than the cost, the latter is written down for impairment to this lower value.

Receivables

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Equity

Share premium

Share premium comprises premium payments made in connection with the issue of shares. Costs incurred for carrying through an issue are deducted from the premium. The premium reserve can be used for dividend, for issuing bonus shares, and for covering losses.

Income tax and deferred tax

Current tax receivables and tax liabilities are recognised in the statement of financial position with the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivables and tax liabilities are offset to the extent that a legal right of set-off exists and the items are expected to be settled net or simultaneously.

Greenfleet Holding A/S is jointly taxed with the Danish group companies and acts, in this respect, as the administration company. According to the rules of joint taxation, Greenfleet Holding A/S is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as ”Income tax receivable” or “Income tax payable”.

Deferred tax is tax on all temporary differences in the carrying amount and tax base of assets and liabilities measured on the basis of the planned application of the asset and disposal of the liability, respectively.

Deferred tax assets, including the tax value of tax losses eligible for carryforward, are recognised at their expected realisable value, either by settlement against tax of future earnings or by setoff in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisation value.

Deferred tax is measured on the basis of the tax rules and tax rates of applicable legislation at the reporting date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Mortgage loans and bank loans are thus measured at amortised cost which, for cash loans, corresponds to the outstanding payables. For bond loans, the amortised cost corresponds to an outstanding payable calculated as the underlying cash value at the date of borrowing, adjusted by amortisation of the market value on the date of the borrowing effectuated over the repayment period.

Other liabilities other than provisions are measured at amortised cost which usually corresponds to the nominal value.

Statement of cash flows

The statement of cash flows shows group cash flows for the year divided into cash flows derived from operating activities, investment activities, and financing activities, respectively, changes in cash and cash equivalents, and cash and cash equivalents at the beginning and end of the year, respectively.

The effect on cash flows derived from the acquisition and sale of enterprises appears separately under cash flows from investment activities. In the statement of cash flows, cash flows derived from acquirees are recognised as of the date of acquisition, and cash flows derived from sold enterprises are recognised until the date of sale.

Cash flows from operating activities

Cash flows from operating activities are calculated as the profit or loss for the year adjusted for noncash operating items, changes in the working capital, and income tax paid.

Cash flows from investment activities

Cash flows from investment activities comprise payments in connection with the acquisition and sale of enterprises and activities as well as the acquisition and sale of intangible assets, property, plant, and equipment, and investments, respectively.

Accounting policies

Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the share capital and associated costs. Furthermore, cash flows comprise borrowings, repayments of interest-bearing payables, and payments of dividend to the shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and shortterm financial instruments with a term of less than 3 months, which can easily be converted into cash and cash equivalents and are associated with an insignificant risk of value change.