

FCA Denmark A/S

Hovedvejen 208
2600 Glostrup
Denmark

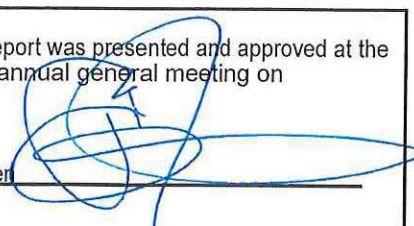
CVR no. 62 85 77 14

Annual report 2020

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

12 July 2021

Peter Sørensen
Chairman



FCA Denmark A/S
Annual report 2020
CVR no. 62 85 77 14

Contents

Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
Management's review	5
Company details	5
Financial highlights	6
Operating review	7
Financial statements 1 January – 31 December	9
Income statement	9
Balance sheet	10
Statement of changes in equity	12
Notes	13

FCA Denmark A/S
Annual report 2020
CVR no. 62 85 77 14

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 FCA Denmark A/S for the financial year 1 January – 31 December 2020.

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 Company's assets, liabilities and financial position at 31 December 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters, of the results for the year and of the Company's financial position.

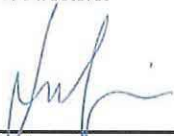
We recommend that the annual report be approved at the annual general meeting.

Glostrup, 12 July 2021
Executive Board:



Simon Jean Emile Rivier

Board of Directors:



Luca Patrignani
Chairman



Barbara Serra



Simon Jean Emile Rivier

Independent auditor's report

To the shareholders of FCA Denmark A/S

Opinion

We have audited the financial statements of FCA Denmark A/S for the financial year 1 January – 31 December 2020 comprising income statement, balance sheet, statement of changes in equity 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 Company's assets, liabilities and financial position at 31 December 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We 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' 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 rules and requirements.

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.

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 made 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

Independent auditor's report

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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.


Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 12 July 2021

EY Godkendt Revisionspartnerselskab

CVR no. 30 70 02 28



Mogens Andreasen
State Authorised
Public Accountant
mne28603



Dennis Dupont
State Authorised
Public Accountant
mne36192

FCA Denmark A/S
Annual report 2020
CVR no. 62 85 77 14

Management's review

Company details

FCA Denmark A/S
Hovedvejen 208
2600 Glostrup
Denmark

Telephone: +45 43 22 88 00
Fax: +45 43 22 88 70
Website: www.fiat.dk

CVR no.: 62 85 77 14
Established: 13 October 1930
Financial year: 1 January – 31 December

Board of Directors

Luca Patignani, Chairman
Barbara Serra
Simon Jean Emile Rivier

Executive Board

Simon Jean Emile Rivier

Auditor

EY Godkendt Revisionspartnerselskab
Dirch Passers Allé 36
2000 Frederiksberg
Denmark

Management's review

Financial highlights

DKK'000	2020	2019	2018	2017	2016
Key figures					
Revenue	432,922	494,580	658,181	618,986	650,763
Gross profit	37,054	35,020	57,319	61,071	83,475
Operating profit	5,558	4,239	23,002	25,333	15,666
Net financials	-3,338	-4,879	128	92	-3,326
Net profit for the year	1,744	-533	17,185	19,784	9,411
Balance sheet					
Balance sheet total	447,901	390,864	437,260	428,018	394,294
Equity	205,607	203,863	204,396	187,211	167,427
Investment in property, plant and equipment	21,930	25,379	29,238	31,065	21,399
Inventories	31,235	21,418	50,825	33,396	90,298
Trade receivables	9,768	7,618	26,731	31,215	15,541
Ratios					
Gross margin	9%	7%	9%	11%	13%
Operating margin	1%	1%	3%	4%	2%
Solvency ratio	46%	52%	46%	44%	42%
Average number of full-time employees					
Average number of full-time employees	46	51	56	58	60

Pursuant to section 101(3) of the Danish Financial Statements Act, the Company has omitted to restate comparative figures for the 5th previous financial year in connection with the change of accounting policies.

In 2018, the Company has chosen to change the presentation of the profit and loss statement, going from a function to a nature presentation, in order to present a more viable and sustainable presentation of the Company's performance.

The change in applied presentation schematics, have thus impacted on the Financial Highlights as presented above. The gross profit and hence also the gross margin is thus affected by the change. Other than these changes there are no further impact to the amounts presented in the Financial Highlights.

The financial ratios have been calculated as follows:

Gross margin
$$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$$

Operating margin
$$\frac{\text{Operating profit/loss} \times 100}{\text{Revenue}}$$

Solvency ratio
$$\frac{\text{Equity ex. non-controlling interests at year end} \times 100}{\text{Total equity and liabilities at year end}}$$

Management's review

Operating review

Principal activities

The Company's principal activities comprise import of passenger cars and vans, including related spare parts, of the brands Fiat, Alfa Romeo, Jeep and Fiat Professional. Distribution and marketing are handled via the Danish dealer network.

Development in activities and financial position

The passenger car market decreased by around 12% compared to previous year. There were 198.114 passenger cars registrations in 2020 vs. 225.580 registrations in 2019 (data from the Danish Car Importers Association).

The Company's total market share of passenger cars stayed stable at 1.2% in 2020.

For the light Commercial vehicles we have a decrease of 4,3%, 32.406 registered in 2020 vs 33.096 in 2019. Fiat's market share increased to 5.6% in 2020 vs 3,6% in 2019.

After sales activities were lower compared to 2019 and amounted to DKK 73 million.

The result of the year 2020 before tax amounted to DKK 2,220 thousand, tax for the year amounted to DKK 476 thousand, and result for the year after tax amounted to DKK 1,744 thousand. The result for the year is considered acceptable and in line with the expectations for the year.

Financial instruments

The Company's goals and policies for management of financial risks

Instability in the financial markets may adversely affect our sales and thus our earnings.

The Company's risk exposure

Instability in the financial markets may adversely affect our sales and thus our earnings. The car industry is a very competitive environment in a mature market, which increases the competition between the manufacturers.

Liquidity

Liquidity for 2020 has been at a required level and is expected to remain unchanged in 2021.

Corporate social responsibility

FCA Denmark, being part of the FCA group, share the policies of the FCA group regarding the respect of human rights, reduction of environmental pollution, impact on climate change, social and labour conditions and anti-corruption from the Company's activities and therefore no individual country related policies have been prepared locally. For further interest, reference are made to FCA Group's CSR sustainability report, which is available on the FCA Group own website (https://www.stellantis.com/content/dam/stellantis-corporate/sustainability/csr-disclosure/fca/fca_2020_sustainability_report.pdf).

Management's review

Operating review

Events after the balance sheet date

The FCA and PSA groups merged on 16 January 2021 and a new undertaking was formed - Stellantis N.V. This company is now regarded as the ultimate parent of FCA Denmark A/S.

Apart from the above, no events have occurred after the balance sheet date that affect the assessment of the annual report.

Goals and policies for the underrepresented gender

FCA Denmark has with the change of directors done in 2019, made that the Company is in compliance with section 99 B of the Danish Financial Statements Act. At present, the underrepresented gender equals 33% of the members elected to the Board in line with the target we determined.

FCA Denmark has a non-discriminatory equality policy with a focus on personal skills required for each job profile at all levels of Management. Women and men have equal opportunities within the Company. However, we will still work to improve and counterbalance the underrepresented gender within the Company.

This policy provides a framework for the individual executive's and manager's career development and also the guidelines for the recruitment and retention of managers. This applies in particular to the following:

- Support for the preparation of individual career plans
- Mentor arrangement
- Personnel policy that promotes career opportunities for both genders
- Hiring procedures to help ensure uniform recruitment opportunities for both genders.

Consequently, the share in % of the underrepresented gender in middle and senior management has decreased from 36% to 33% over the past year. FCA Denmark expects to turn this trend around in the following years.

Outlook

We expect the market to stay on the same level as last year. Due to the introduction of new products such as the Jeep Compass PHEV and Jeep Renegade PHEV in the second half of 2020 and the Fiat 500 BEV and the Ducato BEV in 2021, we expect our market share to increase.

Our Company will focus on improving the financial results obtained in 2020 by strengthening all business measures and price positioning on all products as well as by introducing new models.

Financial statements 1 January – 31 December

Income statement

DKK'000	Note	2020	2019
Revenue	2	432,922	494,580
Cost of sales		-357,634	-410,337
Other operating income	3	1,003	1,861
Other external costs		-39,237	-51,084
Gross profit		37,054	35,020
Staff costs	4	-27,698	-26,450
Depreciation, amortisation and impairment losses		-3,798	-4,331
Profit before financial income and expenses		5,558	4,239
Other financial income	5	11	4
Other financial expenses	6	-3,349	-4,883
Profit/loss before tax		2,220	-640
Tax on loss for the year	7	-476	107
Profit/loss for the year	8	1,744	-533

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	2020	2019
ASSETS			
Fixed assets			
Property, plant and equipment	9		
Fixtures and fittings, tools and equipment		<u>18,214</u>	<u>18,970</u>
Investments	10		
Deposits		<u>3,281</u>	<u>835</u>
Total fixed assets		<u>21,495</u>	<u>19,805</u>
Current assets			
Inventories			
Finished goods and goods for resale		<u>31,235</u>	<u>21,418</u>
Receivables			
Trade receivables		9,768	7,618
Receivables from group entities		354,217	322,967
Receivables from participating interests		21,324	9,362
Deferred tax asset	11	6,933	7,907
Corporation tax		2,806	1,736
Prepayments	12	<u>123</u>	<u>51</u>
		<u>395,171</u>	<u>349,641</u>
Total current assets		<u>426,406</u>	<u>371,059</u>
TOTAL ASSETS		<u><u>447,901</u></u>	<u><u>390,864</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	2020	2019
EQUITY AND LIABILITIES			
Equity			
Contributed capital	13	55,000	55,000
Retained earnings		<u>150,607</u>	<u>148,863</u>
Total equity		<u>205,607</u>	<u>203,863</u>
Provisions			
Other provisions	14	<u>46,323</u>	<u>50,864</u>
Total provisions		<u>46,323</u>	<u>50,864</u>
Liabilities other than provisions			
Non-current liabilities other than provisions			
Other payables		<u>3,241</u>	<u>1,272</u>
Current liabilities other than provisions			
Trade payables		22,066	17,294
Payables to group entities		105,643	74,198
Other payables	15	64,255	43,373
Deferred income		<u>766</u>	<u>0</u>
		<u>192,730</u>	<u>134,865</u>
Total liabilities other than provisions		<u>195,971</u>	<u>136,137</u>
TOTAL EQUITY AND LIABILITIES		<u>447,901</u>	<u>390,864</u>
Fees to auditor appointed at the general meeting	16		
Contractual obligations, contingencies, etc.	17		
Mortgages and collateral	18		
Related party disclosures	19		
Disclosure of events after the balance sheet date	20		

FCA Denmark A/S
Annual report 2020
CVR no. 62 85 77 14

Financial statements 1 January – 31 December

Statement of changes in equity

DKK'000	Contributed capital	Retained earnings	Total
Equity at 1 January 2020	55,000	148,863	203,863
Transferred over the distribution of loss	0	1,744	1,744
Equity at 31 December 2020	55,000	150,607	205,607

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of FCA Denmark A/S for 2020 has been prepared in accordance with the provisions applying to reporting class C large entities under the Danish Financial Statements Act.

Effective from the financial year 2020, the Company has implemented amending act no. 1716 of 27 December 2018 to the Danish Financial Statements Act. The implementation of the amending act has not affected the Company's accounting policies on recognition and measurement of assets and liabilities but has solely entailed a requirement for further disclosures. .

Omission of cash flow statement

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are included in the Parent Company's cash flow statement.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date.

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.

Government grants

Government grants are recognised when it is fairly certain that the grant conditions will be complied with, and the grant will be received.

Grants compensating for costs incurred are recognised directly as operating income in the income statement as costs eligible for grants are incurred. If the conditions for receiving the grant are not complied until after related costs have been recognised, the grant is to be recognised in the income statement when the conditions have been complied with and it is fairly certain that the grant will be awarded.

Grants to acquire assets are recognised in the balance sheet as deferred income/prepayments and transferred to other operating income in the income statement line with depreciation/amortisation of the assets covered by the grant.

Income statement

Revenue

Revenue from sales is recognised in the income statement when delivery and transfer of risk to the buyer has taken place. Revenue is recognised net of VAT, duties and sales discounts.

Cost of sales

Cost of sales comprises costs incurred to generate revenue for the year. This item also comprises direct costs for goods for resale and changes to inventory of goods for resale.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Other operating income

Other operating income comprises items secondary to the activities of the entity, including gains on the disposal of property, plant and equipment.

Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, operating leases, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

Financial income and expenses

Financial income and expenses comprise interest income and expense, 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.

Tax on profit/loss for the year

Tax for the year comprises current corporation 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, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

The Company is jointly taxed with all its Danish affiliated companies. The current Danish income tax is allocated among the jointly taxed Danish companies in proportion to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Property, plant and equipment

Fixtures and fittings, tools and equipment and leasehold improvements 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 on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Fixtures and fittings, tools and equipment	3-6 years
Leasehold improvements	5 years

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Financial assets

Deposits are measured at cost.

Inventories

Inventories are measured at cost in accordance with the FIFO method.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

Demo cars and company cars formerly used internally in the Company that are put up for sale are recognised as inventories at the lower of the written-down value and net realisable value.

Receivables

Receivables are measured at amortised cost, usually equaling nominal value less write-downs for bad debts.

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 based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the 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.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Provisions

Warranty provisions comprise commitments to remedy defect and deficiencies within the warranty period.

Warranty provisions are measured and recognised on the basis of historical experience.

Contractual obligations comprise expected future obligations in connection with service contract made with end users.

Liabilities other than provisions

Other liabilities are measured at net realisable value.

Segment information

Segment information is provided on business segments and geographical markets. The segment information is based on the Company's accounting policies, risks and internal financial management.

Financial statements 1 January – 31 December

Notes

DKK'000	2020	2019
2 Revenue		
Cars	345,908	390,941
Parts	63,486	74,015
Other	23,528	29,624
	<u>432,922</u>	<u>494,580</u>
Revenue mainly originates from customers in the Danish market.		
3 Other operating income		
Other operating income includes special items comprising compensation under COVID-19 government aid packages of DKK 1.003 thousand.		
4 Staff costs		
Wages and salaries	24,812	23,141
Pensions	2,574	2,964
Other social security costs	312	345
	<u>27,698</u>	<u>26,450</u>
Average number of full-time employees	<u>46</u>	<u>51</u>
In accordance with section 98b(3) of the Danish Financial Statements Act, remuneration of the Executive Board is not presented. The board of directors has not received any remuneration.		
There are no incentive programmes for the Executive Board or the Supervisory Boards.		
5 Other financial income		
Interest income from group entities	11	1
Exchange gains	0	3
	<u>11</u>	<u>4</u>
6 Other financial expenses		
Interest expense to group entities	3,060	4,362
Other financial costs	288	500
Exchange losses	1	21
	<u>3,349</u>	<u>4,883</u>

Financial statements 1 January – 31 December

Notes

DKK'000	2020	2019	
7 Tax on profit/loss for the year			
Current tax for the year	-498	1,170	
Deferred tax for the year	974	-1,277	
	<u>476</u>	<u>-107</u>	
8 Proposed profit appropriation/distribution of loss			
Retained earnings	1,744	-533	
	<u>1,744</u>	<u>-533</u>	
9 Property, plant and equipment			
DKK'000	Fixtures and fittings, tools and equipment	Leasehold improvements	Total
Cost at 1 January 2020	30,481	3,379	33,860
Additions for the year	21,930	0	21,930
Disposals for the year	-22,546	0	-22,546
Cost at 31 December 2020	<u>29,865</u>	<u>3,379</u>	<u>33,244</u>
Depreciation and Impairment losses at 1 January 2020	-11,511	-3,379	-14,890
Depreciation for the year	-3,798	0	-3,798
Reversed depreciation and Impairment losses on assets sold	3,658	0	3,658
Depreciation and Impairment losses at 31 December 2020	<u>-11,651</u>	<u>-3,379</u>	<u>-15,030</u>
Carrying amount at 31 December 2020	<u>18,214</u>	<u>0</u>	<u>18,214</u>
10 Financial assets			
DKK'000		Deposits	
Cost at 1 January 2020		835	
Additions for the year		2,514	
Disposals for the year		-68	
Cost at 31 December 2020		<u>3,281</u>	
Carrying amount at 31 December 2020		<u>3,281</u>	

Financial statements 1 January – 31 December

Notes

DKK'000	<u>2020</u>	<u>2020</u>
11 Deferred tax assets		
Deferred tax at 1 January	7,907	6,631
Deferred tax adjustment for the year in the income statement	<u>-974</u>	<u>1,276</u>
	<u>6,933</u>	<u>7,907</u>
Recognised as follows:		
Property, plant and equipment	561	732
Provisions	298	242
Current assets	548	409
Warranty provisions	<u>5,526</u>	<u>6,524</u>
	<u>6,933</u>	<u>7,907</u>

Deferred tax primarily relates to warranty provisions expected to be reversed within 1-5 years. As stated in the Outlook section in the Management's review, Management expects a profit for the coming year.

12 Prepayments

Prepayment consist of prepaid expenses concerning costs regarding 2021.

13 Equity

The share capital consists of 55,000 shares of a nominal value of DKK 1,000 each. The shares are not divided into classes.

There have been no changes in the share capital during the previous 5 years.

14 Provisions

Warranty provisions	21,066	25,043
Contractual provisions	22,314	23,920
Other provisions	<u>2,943</u>	<u>1,901</u>
	<u>46,323</u>	<u>50,864</u>
The provisions are expected to be activated as follows:		
0-1 years	2,973	1,901
1-5 years	<u>43,380</u>	<u>48,963</u>
	<u>46,353</u>	<u>50,864</u>

Other provisions consist of obligations regarding return of spare parts and local service provisions.

15 Other payables

Other payables consist of VAT payables, taxes and duties, debt regarding staff costs, dealer discounts and other payables.

Financial statements 1 January – 31 December

Notes

DKK'000	<u>2020</u>	<u>2019</u>
16 Fees to auditor appointed at the general meeting		
Ernst & Young P/S:		
Audit fee	<u>184</u>	<u>184</u>
	<u>184</u>	<u>184</u>
17 Contractual obligations, contingencies, etc.		
The Company is jointly taxed with all the Danish affiliated companies. The Company has joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interests and royalties.		
18 Mortgages and collateral		
Operating lease commitments		
Total future lease payments:		
Within 1 year	<u>2,113</u>	<u>2,072</u>
	<u>2,113</u>	<u>2,072</u>
The Company's operating lease is specified as follows:		
Photocopiers	15	15
Rent	<u>2,098</u>	<u>2,057</u>
	<u>2,113</u>	<u>2,072</u>

Financial statements 1 January – 31 December

Notes

19 Related party disclosures

FCA Denmark A/S' related parties comprise the following:

Control

FCA Denmark A/S is part of the consolidated financial statements of FCA Italy S.p.A., which is the largest group in which the Company is included as a subsidiary.

The consolidated financial statements of FCA Italy S.p.A. can be obtained by contacting the company at the following address:

FCA Italy S.p.A.
Corso Giovanni Agnelli 200
Torino
Italy

FCA Denmark A/S is part of the consolidated financial statements of FIAT CHRYSLER AUTOMOBILE N.V., which is the smallest group in which the Company is included as a subsidiary.

The consolidated financial statements of FIAT CHRYSLER AUTOMOBILES N.V., can be obtained by contacting the Company at the following address

FIAT CHRYSLER AUTOMOBILES N.V.
Corporate Office
25 S.t James's Street
London, SW1A 1HA
United Kingdom

Related party transactions

DKK'000	2020	2019
Purchases of goods from Parent Company	337,417	341,729
Purchases of services from Parent Company	8,055	8,806
Sale of services to associates	13,236	12,804
Interest income from group entities	11	1
Interest expenses to group entities	3,060	4,362
Interest expenses to participating interests	0	1
Receivables from group entities	354,217	322,967
Payables to group entities	105,643	74,198
Receivables from participating interests	21,324	9,362
	<u>842,963</u>	<u>774,230</u>

Remuneration to the Parent Company's Executive Board and Board of Directors is disclosed in note 4.

FCA Denmark A/S
Annual report 2020
CVR no. 62 85 77 14

Financial statements 1 January – 31 December

Notes

20 Disclosure of events after the balance sheet date

The FCA and PSA groups merged on 16 January 2021 and a new undertaking was formed - Stellantis N.V. This company is now regarded as the ultimate parent of FCA Denmark A/S.

Apart from the above, no events have occurred after the balance sheet date that affect the assessment of the annual report.