

Quadiant Finans ApS

Valhøjs Alle 176, 2610 Rødovre

Company reg. no. 78 28 65 12

Annual report

1 February 2022 - 31 January 2023

The annual report was submitted and approved by the general meeting on the 7 July 2023.

Jerome Vigier
Chairman of the meeting

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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 statement

Today, the Managing Director has approved the annual report of Quadient Finans ApS for the financial year 1 February 2022 - 31 January 2023.

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

I consider the chosen accounting policy to be appropriate, and in my opinion, the financial statements give a true and fair view of the financial position of the Company at 31 January 2023 and of the results of the Company's operations for the financial year 1 February 2022 – 31 January 2023.

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

We recommend that the annual report be approved at the Annual General Meeting.

Rødovre, 7 July 2023

Managing Director

Jerome Vigier

Independent auditor's report

To the Shareholder of Quadient Finans ApS

Opinion

We have audited the financial statements of Quadient Finans ApS for the financial year 1 February 2022 – 31 January 2023, which comprise 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 financial position of the Company at 31 January 2023 and of the results of the Company's operations for the financial year 1 February 2022 – 31 January 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. .

Independent auditor's report

Independent auditor's report

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain 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.
- 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 Management's Review

Management is responsible for 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.

Independent auditor's report

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, 7 July 2023

EY

Godkendt Revisionspartnerselskab
Company reg. no. 30 70 02 28

Peter Jensen

State Authorised Public Accountant
mne33246

Company information

The company

Quadient Finans ApS
Valhøjs Alle 176
2610 Rødovre

Company reg. no. 78 28 65 12
Established: 1 May 1985
Domicile: Rødovre
Financial year: 1 February 2022 - 31 January 2023

Managing Director

Jerome Vigier

Auditors

EY Godkendt Revisionspartnerselskab

Management's review

Description of key activities of the company

The company's key activities are leasing of franking machines and graphic equipment.

Development in activities and financial matters

The gross profit for the year totals T.DKK 252 against T.DKK 565 last year. Income from ordinary activities after tax totals T.DKK 242 against T.DKK 457 last year. Management considers the net profit for the year satisfactory.

Income statement 1 February - 31 January

All amounts in DKK.

<u>Note</u>	<u>2022/23</u>	<u>2021/22</u>
Gross profit	252.335	565.206
1 Staff costs	<u>0</u>	<u>0</u>
Operating profit	252.335	565.206
Other financial income from group enterprises	58.486	21.015
Other financial income	8	33
2 Other financial expenses	<u>-253</u>	<u>0</u>
Pre-tax net profit or loss	310.576	586.254
3 Tax on net profit or loss for the year	<u>-68.310</u>	<u>-128.976</u>
Net profit or loss for the year	242.266	457.278
Proposed distribution of net profit:		
Transferred to retained earnings	<u>242.266</u>	<u>457.278</u>
Total allocations and transfers	242.266	457.278

Balance sheet at 31 January

All amounts in DKK.

Assets			
<u>Note</u>		<u>2023</u>	<u>2022</u>
Current assets			
	Trade receivables	924.183	1.885.756
4	Receivables from group enterprises	4.609.883	4.087.484
	Prepayments	0	1.227.664
	Total receivables	<u>5.534.066</u>	<u>7.200.904</u>
	Total current assets	<u>5.534.066</u>	<u>7.200.904</u>
	Total assets	<u>5.534.066</u>	<u>7.200.904</u>

Balance sheet at 31 January

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2023</u>	<u>2022</u>
Equity			
5	Contributed capital	150.000	150.000
6	Retained earnings	3.988.108	3.745.841
	Total equity	4.138.108	3.895.841
Liabilities other than provisions			
	Bank loans	155	0
	Trade payables	185.779	250.003
	Payables to group enterprises	0	246.180
	Income tax payable to group enterprises	68.310	128.976
	Other payables	1.141.714	1.453.071
	Deferred income	0	1.226.833
	Total short term liabilities other than provisions	1.395.958	3.305.063
	Total liabilities other than provisions	1.395.958	3.305.063
	Total equity and liabilities	5.534.066	7.200.904
7	Contingencies		
8	Related parties		

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 February 2021	150.000	3.288.563	3.438.563
Retained earnings for the year	<u>0</u>	<u>457.278</u>	<u>457.278</u>
Equity 1 February 2022	150.000	3.745.841	3.895.841
Retained earnings for the year	<u>0</u>	<u>242.267</u>	<u>242.267</u>
	<u>150.000</u>	<u>3.988.108</u>	<u>4.138.108</u>

Notes

All amounts in DKK.

	<u>2022/23</u>	<u>2021/22</u>
1. Staff costs		
Average number of employees	<u>0</u>	<u>0</u>
2. Other financial expenses		
Financial costs, group enterprises	0	0
Other financial costs	<u>253</u>	<u>0</u>
	<u>253</u>	<u>0</u>
3. Tax on net profit or loss for the year		
Tax on net profit or loss for the year	<u>68.310</u>	<u>128.976</u>
	<u>68.310</u>	<u>128.976</u>
4. Receivables from group enterprises		
Due to the nature of the group's cash pool scheme, the balance is recognized as receivables from group enterprises and not cash and cash equivalents.		
5. Contributed capital		
Contributed capital 1 February 2022	<u>150.000</u>	<u>150.000</u>
	<u>150.000</u>	<u>150.000</u>
6. Retained earnings		
Retained earnings 1 February 2022	3.745.841	3.288.563
Retained earnings for the year	<u>242.267</u>	<u>457.278</u>
	<u>3.988.108</u>	<u>3.745.841</u>

Notes

All amounts in DKK.

7. Contingencies

Joint taxation

With Quadient Danmark A/S, company reg. no 78286512 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for 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 jointly taxed enterprises' total known net liability to the Danish tax authorities emerges from the financial statements of the administration company.

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

8. Related parties

Controlling interest

Quadient Danmark A/S, Valhøjs Alle 176, 2610 Rødovre, Denmark

Majority shareholder

Consolidated financial statements

The company is included in the consolidated financial statements of Quadient S.A., 42-46, avenue Aristide Briand, 92220 Bagneux, France.

Accounting policies

The annual report for Quadient Finans ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

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, write-downs 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 company 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 company 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.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Accounting policies

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit comprises the revenue, cost of sales, and external costs.

The enterprise will be applying IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue comprises lease income from leasing assets and is measured at the fair value of the consideration received or receivable. The net turnover is calculated excluding VAT, taxes, and discounts.

Cost of sales comprises direct costs incurred to achieve the revenue for the year.

Other external expenses comprise expenses 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.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

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 company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

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

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Accounting policies

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Prepayments

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

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Tax receivables from group enterprises" or "Income tax payable to group enterprises"

According to the rules of joint taxation, Quadient Finans ApS 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.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Accounting policies

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

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.

Also, capitalised residual leasing liabilities associated with financial leasing contracts are recognised in the financial liabilities.

Liabilities other than provisions relating to investment properties are measured at amortised cost.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Deferred income

Payments received concerning future income are recognised under deferred income.