Drivalia Lease Danmark A/S

Park Allé 295,

2605 Brøndby

CVR No. 43071831

Annual Report 2022

17-02-2022 - 31-12-2022

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 6 July 2023

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Michael Hald Wøhlk
Chairman

Contents

Management's Statement

Today, Management has considered and adopted the Annual Report of Drivalia Lease Danmark A/S for the financial year 17 February 2022 - 31 December 2022.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 17 February 2022 - 31 December 2022.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 6 July 2023

Executive Board

Niels Kenneth Bjørn Jacobsen
Manager

Supervisory Board

Michael Hald Wøhlk Chairman	Nikolaj Holme Skipper Member	Paolo Manfreddi Member

Independent Auditors' Report

To the shareholders of Drivalia Lease Danmark A/S

Opinion
In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2022, and of the results of the Company's operations for the financial year 17 February 2022 - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the financial statements of Drivalia Lease Danmark A/S for the financial year 17 February 2022 - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

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 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review
Management is responsible for Management's Review.

Our opinion on the financial statements does not cover 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 Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, 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 in Management's Review.

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 about 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.

Independent Auditors' Report

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 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 financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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 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.

Hellerup, 6 July 2023
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR-no. 33771231

Benny Voss
State Authorised Public Accountant
mne15009

Stefan Vastrup
State Authorised Public Accountant
mne32126

Company details

Company	Drivalia Lease Danmark A/S Park Allé 295, 2605 Brøndby
Telephone	82822424
CVR No.	43071831
Financial year	17 February 2022 - 31 December 2022
Supervisory Board	Michael Hald Wøhlk Nikolaj Holme Skipper Paolo Manfreddi
Executive Board	Niels Kenneth Bjørn Jacobsen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900 Hellerup CVR-no.: 33771231

Management's Review

The Company's principal activities
The Company's principal activity is operational leasing for private consumers.

Development in the activities and the financial situation of the Company
Development in activities and the financial situation
The Company's Income Statement of the financial year 17 February 2022 - 31 December 2022 shows a result of DKK -529.320 and the Balance Sheet at 31 December 2022 a balance sheet total of DKK 486.256.549 and an equity of DKK 1.264.487.

Material changes in the Company's operations and financial matters
2022 was the first operational year for the company.
During the year the company took over the activities in A Lease & Mobility, Affiliate of Leasys S.P.A., Italy, CVR: 41610794

Accounting Policies

Reporting Class
The annual report of Drivalia Lease Danmark A/S for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as selected rules applying to reporting class C.

As the financial year 2022 is the Company's first financial year, the Financial Statements with associated notes have been prepared without comparative figures from the previous year.

Reporting currency
The annual report is presented in Danish kroner.

General information

Basis of recognition and measurement
The financial statement have been prepared under the historical cost principle.

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will accrue to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Income statement

Revenue
Leasing income from operating lease instalments is recognised on a straight-line basis over the lease term, based on the total of the contractual payments divided by the number of months of the lease term.

Cost of sales
Cost of finished goods and goods for resale include finished goods and goods for resale used in generating the year´s revenue.

Other external expenses
Other external expenses include expenses for distribution, sales, advertising, administration, premises, bad debts,

Accounting Policies

operating leasing expenses etc.

Staff costs
Staff costs include wages and salaries including compensated absence and pension to the Companies employees, as well as other social security contributions etc. The item is deducted from refunds from public authorities.

Amortisation and impairment of tangible and intangible assets
Amortization and impairment of intangible assets, property, plant and equipment has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortized on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values.

Profit or loss resulting from the sale of intangible assets or property, plant and equipment is determined as the difference between the selling price less selling costs and the carrying amount at the date of sale, and is recognised in the income statement under other operating income or expenses.

Financial income and expenses
Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, financial expenses of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the advance-payment of tax scheme.

Dividends from other investments are recognised as income in the financial year in which the dividends are declared.

Tax on net profit for the year
Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Balance sheet

Intangible assets
Other intangible assets, including licenses and acquired rights etc., are measured at cost less accumulated amortization and impairment losses.

Property, plant and equipment
Property, plant and equipment are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

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

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual component differ.

The carrying amounts of property plant and equipment are tested annually to determine whether there is any indication of impairment other than what is expressed by amortization and depreciation. If so, the assets are tested for impairment to determine whether the recoverable amounts are lower than the carrying amounts and the relevant assets are written down to such lower recoverable amounts. An impairment test is carried out annually of ongoing development projects, whether or not there is any indication of impairment.

The recoverable amount of an asset is determined as the higher of the net sales price and the value in use. Where the recoverable amount of the individual assets cannot be determined, the assets are grouped together into the smallest group of assets that can be estimated to determine an aggregate reliable recoverable amount for those units.

Receivables

Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment on trade receivables is based on the simplified expected credit loss model. An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecast of future economic conditions.

Impairment on long term and short term loan receivables measured at amortized cost is based on the general expected credit loss model. The guiding principle of the expected credit loss model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments. The amount of ECLs recognized as a loss allowance or provision depends on the extent of credit deteroration since initial recognition. Under the general approach, the company has applied two measurement bases:

- 12-month ECLs (Stage 1), which applies to all items (from initial recognition) as long as there is no significant deterioration in credit quality;
- Lifetime ECLs (Stages 2 and 3), which applies when a significant increase in credit risk has occurred on an individual or collective basis.

Accrued income, assets

Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Equity

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the balance sheet as estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Accounting Policies

Liabilities
Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortized cost, corresponding to the capitalized value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the income statement over the life of the financial instrument.

Mortgage debt is accordingly measured at amortized cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortized cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

Other liabilities are measured at net realisable value.

Other payables
Other payables are measured at amortized cost, which usually corresponds to the nominal value.

Contingent assets and liabilities
Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Income Statement

	Note	2022 kr.
Gross Profit		**4.095.677**
Employee benefits expense	1	-796.079
Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets		-3.127.482
Profit from ordinary operating activities		**172.116**
Finance expenses	2	-850.731
Profit from ordinary activities before tax		**-678.615**
Tax expense on ordinary activities		149.295
Profit		**-529.320**
Proposed distribution of results		
Retained earnings		-529.320
Distribution of profit		**-529.320**

Balance Sheet as of 31 December

	Note	2022 kr.
Assets		
Acquired intangible assets		4.367.350
Intangible assets		**4.367.350**
Fixtures, fittings, tools and equipment		231.759
Operating lease assets		237.374.613
Other fixtures and fittings, tools and equipment		**237.606.372**
Fixed assets		**241.973.722**
Current deferred tax		149.295
Other short-term receivables		56.999.731
Receivables		**57.149.026**
Cash and cash equivalents		**187.133.801**
Current assets		**244.282.827**
Assets		**486.256.549**

Balance Sheet as of 31 December

	Note	2022 kr.
Liabilities and equity		
Contributed capital		6.700.000
Retained earnings		-5.435.513
Equity		**1.264.487**
Payables to group enterprises		476.366.811
Other payables		7.851.645
Deferred income, liabilities		773.606
Short-term liabilities other than provisions		**484.992.062**
Liabilities other than provisions within the business		**484.992.062**
Liabilities and equity		**486.256.549**
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Statement of changes in Equity

	Contributed capital	Retained earnings	Total
Equity 17 February 2022	6.700.000		6.700.000
Profit (loss)		-529.320	-529.320
Addition net assets		-4.906.193	-4.906.193
Equity 31 December 2022	**6.700.000**	**-5.435.513**	**1.264.487**

Notes

	2022
1. Employee benefits expense	
Wages and salaries	522.233
Pension	67.740
Social security contributions	1.453
Other employee expense	204.653
	796.079
Average number of employees	1
2. Finance expenses	
Finance expenses arising from group enterprises	807.368
Other finance expenses	43.363
	850.731

3. Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where CA Auto Finance Danmark A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities.

4. Consolidated financial statement

Drivalia Lease Danmark A/S is included in the consolidated financial statement of the parent company Drivalia SpA.

The consolidated financial statements for Drivalia SpA can be obtained at the adress:
Drivalia SpA
Corso Orbassano 367
Torino Cap 10137
Italien (IT)

5. Receivables

Receivables follows secured payments totalling TDKK 10.000