

# **Avis Budget Denmark A/S**

14, Roskildevej  
DK-2620 Albertslund

Central Business Registration No. (CVR-no): 19 67 31 46

Adopted at the Company's Annual General Meeting on 8<sup>th</sup> July 2025

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Chairman: Hans Waldemar Müller

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## Statement by Management on the annual report

We have today presented the annual report of Avis Budget Denmark A/S for the financial year 1<sup>st</sup> January 2024 to 31<sup>st</sup> December 2024.

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 Company's assets, liabilities and financial position at 31<sup>st</sup> December 2024 as well as the Company's activities and cash flow for the financial year 1<sup>st</sup> January 2024 to 31<sup>st</sup> December 2024.

Also, we believe that the management's commentary contains a fair review for the affairs and conditions, the financial outcome for the year and for the financial position referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Albertslund, 8<sup>th</sup> July 2025

### Executive Board:

.....  
Donald Richard Hayes  
Managing director

### Supervisory Board:

.....  
Hans Waldemar Müller  
  
(Chairman)

.....  
Alfredo Hernandez Peña  
  
(Board Member)

.....  
Camilla Larsen  
  
(Board Member)

.....  
Jesper Lund Larsen  
  
(Board Member)

.....  
Donald Richard Hayes  
  
(Board Member)

## Independent auditor's reports

### To the shareholders of Avis Budget Denmark A/S

#### Opinion

We have audited the Financial Statements of Avis Budget Denmark A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement, notes, and a summary of significant accounting policies. The Financial Statements are prepared under the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2024, and of the results of the Company operations and cash flows for the financial year 1 January - 31 December 2024 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 are independent of the Company in accordance with the International Ethics Standards Board for Accountants' international Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements 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.

#### 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. 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.

**Statement on the Management's review**

Management is responsible for Management Commentary.

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

Based on the work we have performed, we conclude that Management Commentary 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 Management Commentary.

Copenhagen, 8th July 2025

**Deloitte**

Statsautoriseret Revisionspartnerselskab

Central Business Registration No: 33963556

Christian Sanderhage  
State Authorised Public Accountant  
Identification number (MNE) mne23347

Sebastian Reinbach Kilde Hye  
State Authorised Public Accountant  
Identification number (MNE) mne51486

## Management's review

### Financial highlights

DKK '000.000	2024	2023	2022	2021	2020
<b>Key figures</b>					
Revenue	272,2	277,3	259,9	213,6	164,6
Gross profit/loss	-11,9	16,0	36,6	-6,8	-43,1
Operating profit/(loss)	-54,0	-30,5	-21,5	-58,4	-78,5
Financial profit/(loss)	-2,3	-2,0	38,0	-1,3	-1,1
Net profit/(loss) for the year	-43,2	-21,8	27,1	-43,6	-66,4
Balance sheet total	110,9	102,4	136,4	69,0	82,1
Equity	28,3	26,5	15,6	-21,5	22,0
Cash flow from operating activities	-39,6	-21,7	6,8	-20,4	-52,9
Cash flow from investments	-1,1	-2,6	-1,8	-1,4	-2,1
Cash flow from financing	41,9	9,1	-5,8	31,9	51,6
Total cash flow	1,2	-15,3	-0,8	10,1	-3,4
Hereof investments in property, plant and eq.	1,1	2,6	2,7	1,4	2,1
<b>Ratios</b>					
Gross margin	-4,4%	5,8%	14,1%	-3,2%	-26,2%
Equity ratio	25,5%	25,9%	11,4%	-31,2%	26,8%
Return on equity	-196,8%	-144,7%	727,3%	-21910,7%	-393,8%
Average number of employees	121	124	116	96	86

## Management's review

### Company details

#### Company

Avis Budget Denmark A/S  
14, Roskildevej  
DK-2620 Albertslund

Central Business Registration No (CVR-nr): 19 67 31 46  
Registered in: Albertslund

Phone: +45 33 26 80 00  
Internet: [www.avis.dk](http://www.avis.dk)  
E-mail: [info@avis.dk](mailto:info@avis.dk)

#### Supervisory Board

Hans Waldemar Müller (Chairman)  
Alfredo Hernandez Peña  
Camilla Larsen  
Jesper Lund Larsen  
Donald Richard Hayes

#### Executive Board

Donald Richard Hayes (Managing director)

#### Company Auditors

Deloitte Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
2300 København S

## Management's review

### Review

#### Primary activities

The Company is a regional operating company of the Avis Budget Group, Inc. group of companies ("the Group"). The Company is a provider of mobility solutions across the Danish market through the well-recognised Avis and Budget brands. The differentiated brands help to meet a wide range of customer mobility needs. Avis is a leading vehicle rental brand positioned to serve the premium commercial and leisure segments of the travel industry. Budget is a leading vehicle rental brand focused primarily on more value-conscious segments of the industry.

#### Strategic review

The strategy of the Company is aligned to those of the Avis Budget Group, Inc. group of companies, which are as disclosed in the consolidated financial statements of Avis Budget Group, Inc. The objective is to drive sustainable, profitable growth by delivering strategic initiatives aimed at winning and retaining customers through differentiated brands and products, increasing our margins via revenue growth and operational efficiency and enhancing our leadership in the evolving mobility industry.

In executing the strategy, the Company will continue to position the distinct and well-recognised global brands to focus on different segments of customer demand. While the brands address different use-cases and target customers, the Company achieves efficiencies by sharing the same operational and administrative infrastructure while providing differentiated value propositions tailored to each of the brands.

The Company's distinct and well-recognised global brands focus on different segments of customer demand. The Company continues to support and build the reputation of our Avis brand as an innovative, reliable and high-quality service provider. Investments in technology, including the Avis mobile application and websites, are key parts of the Group's efforts to enhance the Avis experience for our customers. The Budget brand is a global leader among value-conscious vehicle rental consumers who are looking to "get more" from their vehicle rental provider.

The Company plans to drive incremental performance by continuing to improve its customer experience by growing ancillary sales, including services such as providing discounted bundling of products, promoting car class upgrades, piloting new customer vehicle choice models (through the mobile application) and new payment features.

The Company aims to provide a range of vehicles, products and services at competitive prices, to leverage various marketing channels and to maintain marketing affiliations and corporate account contracts that complement each brand's positioning. The Company continues to promote the brands through a variety of efforts, including both on-line and off-line marketing.

The Company maintains a diverse rental fleet, in which no vehicle manufacturer represented more than 25% of fleet purchases, and regularly adjusts fleet levels to be consistent with demand, participating in a variety of vehicle purchase programs with major vehicle manufacturers.

To further support and strengthen the brands, the Company is committed to serving its customers and enhancing their rental experience through new organic offerings that optimize the brands, systems and employees. Customers are regularly surveyed to solicit feedback and to better understand their needs and drive actions to enhance the services.

## Management's review

### Review

#### Development in activities and finances

The Operating profit for 2024 is below the 2024 expectations mentioned in 2023 Financial Statement (DKK -10m – DKK -20m). Competition and market conditions affects 2024, as well as cost for restructuring. Final settlement of COVID-19 compensation has affected the 2024 result positively by DKK 7.5 m.

In the years 2021 – 2023 total cost was not correct, it was overstated with total DKK 12.7 m, and the 2021 – 2023 Net Profit was therefore understated with DKK 12.7 m. The following 2023 accounting items have been corrected as a consequence of this: Payables to Group Enterprises: DKK 12.7 m, Retained earnings: DKK 12.7 m. The correction is made in the opening Equity and the comparable numbers have been adjusted.

#### Going concern

During the year ended 31<sup>st</sup> December 2024 the Company generated a loss of DKK -43.2.5m (2023: loss of DKK -21.8m). At the year end the Company had net current assets of DKK 43.1 m (2023: DKK 37.5m). Included within net current assets as of 31<sup>st</sup> December 2024 are net receivables on demand from fellow group undertakings of DKK 30.2m (2023: DKK 27.1m).

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. After making enquiries, the Directors have received a letter of support from a parent company, Avis Budget EMEA Limited, confirming that they are willing to provide the necessary financial support and that they have the necessary funds available to pay the Company's debts as they fall due. Thus, the Directors have adopted the going concern basis in preparing the Financial Statements.

The Company received a capital injection of DKK 45m in 2024 to strengthen its solidity.

#### Business risks

Risk mitigation is a key part of the management of the Company and the Company has a consistent process to identify, manage and help mitigate exposure to issues that may have a negative impact on the business. The relative importance of identified risks is reviewed regularly and in respect of all such risks we continue to monitor and respond to the changing environment. Summarised below are some of the key risks that may affect the Company's business.

##### Demand

The Company faces various risks associated with demand for its fleet services, which in itself is subject to seasonal variations. There may be disruptions in air travel for a number of reasons including natural disasters, terrorist activity or as a consequence of increased security measures being taken by authorities in anticipation of such a threat. An economic downturn, particularly sudden, poses challenges for the Company given its capital intensity and limited visibility of forward reservations.

Any significant airline capacity reductions, airfare or related fee increases, reduced flight schedules, or any events that disrupt or reduce business or leisure air travel or weaken travel demand and tourism, such as work stoppages, military conflicts, terrorist incidents, natural disasters, disease epidemics, or the response of governments to any such events, could have an adverse impact on our results of operations. In addition, any significant increases in fuel prices, a severe protracted disruption in fuel supplies or rationing of fuel could discourage our customers from renting vehicles or reduce or disrupt air travel, which could also adversely impact our results of operations.

The Company has detailed management reporting systems that help to monitor daily rental patterns and future reservation trends. The Company maintains a flexible business model to allowing it to readily flex fleet and staff when

## Management's review

required in response to changes in demand. The Company is dependent on the granting and renewal of concessionary arrangements at airports and railway stations. The Company seeks to maintain strong relationships with all relevant authorities and have a strong track record of renewing such contracts on a regular basis.

### Price

The Company is exposed to the risk of price movements in the market. The car rental industry faces pressure from increased price competitiveness as a result of the growth of internet travel portals, other forms of ecommerce and rental brokers. This transparency has increased the prevalence and intensity of price competition. The business has a team and systems that review market prices and demand on a regular basis relative to fleet availability and adjusts prices accordingly.

### Fleet

Loss or material change in the terms on which the Company obtains fleet vehicles from major vehicle suppliers could harm the performance of the Company. In the event that the Company could not procure all of the required vehicles from current sources, vehicles could be obtained from other sources, such as dealers. Where difficulties are experienced in sourcing vehicles, or where prevailing economic conditions result in depressed used vehicle prices and reduced demand, these risks may be mitigated by extending the holding period of vehicles.

The Company is facing pressure to ensure its fleet has both electric and hybrid vehicles both from consumer demand, and from purchase agreements with various vehicle manufacturers. The vehicle manufacturing industry is expected to continue to experience significant change in the coming years, in particular as it relates to vehicle electrification. Worldwide demand for electric and hybrid vehicles continues to increase, and manufacturers continue to invest more time and cost into producing these types of vehicles to reduce fuel consumption and greenhouse gas emissions, as mandated by various governmental standards and regulations. If the Company is not adequately prepared to meet consumer demand for electric, hybrid and autonomous vehicles as such demand develops, the financial condition or results of operations could be adversely impacted.

### Environmental laws and regulations

The Company is subject to a wide variety of environmental laws and regulations in connection with its operations. The Company will continue to comply with environmental laws and regulations. Environmental regulatory authorities are likely to continue to pursue measures related to climate change and greenhouse gas emissions, including vehicle emissions. Should rules establishing limitations on greenhouse gas or other emissions or rules imposing fees on entities deemed to be responsible for greenhouse gas emission, or rules establishing bans on diesel or fuel vehicles from entering certain locations become effective, demand for Company's services could be affected, fleet and/or other costs could increase, and Company's business could be adversely impacted.

The Company is driving the efficiencies needed to reduce environmental impacts and enhance the sustainability of operations. These include improvements in vehicle preventive maintenance, the incorporation of green building practices and by complying with all environmental regulations. Customers also have the opportunity to choose from a wide variety of vehicles, including hybrids, electric or fuel-efficient vehicles at almost all of locations. Given that the fleet consists primarily of vehicles from the current and immediately preceding model year, this ensures the highest possible standards of air emissions control.

### Liability and insurance

The nature of the Company's operations exposes the business to several forms of liability, including claims for bodily injury, death and property damage related to the use of the Company vehicles, or for having our customers on our premises, as well as workers' compensation and other employment-related claims by our employees. The Company insures most of its liability exposures through unaffiliated third-party insurers.

As the Company retains a certain element of risk, it may become exposed to uninsured liability at levels in excess of historical levels resulting from unusually high losses or otherwise. In addition, liabilities in respect of existing or future claims may exceed the level of our reserves and/or our insurance, which could adversely impact our financial condition

and results of operations. Furthermore, insurance with unaffiliated insurers may not continue to be available to us on economically reasonable terms or at all. Should the Company be subject to an adverse ruling or experience other significant liability for which it did not plan and are unable to adequately insure against such liability, the results of operations, financial position or cash flows could be negatively impacted.

### **Financial risks**

The Directors consider that there is limited exposure to financial risk, as the majority of the Company's financial exposure is to other companies within the Avis Budget Group Inc group. As such the Directors have not implemented a policy for the Company. Instead, the Company's financial risk management objectives and policies are aligned to those of Avis Budget Group Inc.

#### Credit risk

The Company manages credit risk by performing credit checks where considered appropriate on corporate customers. Respected credit agencies are used as part of an internal process for setting and reviewing credit lines.

#### Liquidity risk

The Company's primary liquidity needs include the procurement of rental vehicles to be used in its operations, servicing of corporate and vehicle-related debt and the payment of operating expenses. The primary sources of funding are operating revenue, cash received upon the sale of vehicles, borrowings under vehicle-backed borrowing arrangements, funding from other companies in the Avis Budget Group Inc group, and other financing activities. The nature of the car rental business model is such that operations have the ability to flex the size of the business and hence funding requirements as required. The Company is primarily funded by secured bank loans, finance lease facilities, and other group undertakings.

#### Fleet residual values

The Company closely monitors residual values of its vehicles to ensure no impairment is required. Regular monitoring and analysis of market trends allow accurate forecasting of residual values limiting any gain or loss on sale at the end of the vehicle's life. Provisions are made should management see consistent downward trends in residuals values and the used car market. Management uses professional judgement in determining residual value provisions. The best possible information, data, and experience is available to enable informed decisions to be made. In addition, management exercises an element of prudence when valuing the rental fleet using the industry standard valuation model as the basis for measurement. Sensitivity analysis is performed on a regular basis.

#### Foreign exchange risk

The Company is exposed to a variety of market risks, including changes in currency exchange rates. The Company manages its exposure to currency risks, where deemed appropriate, through the use of derivative financial instruments, particularly currency forward contracts to manage and reduce currency exchange rate risk.

### **Environment**

The company is part of a Group that recognize its role as one of the world's leading mobility solutions providers. As a result, we are focused on supporting the transition to a low-carbon economy: We are committed to offering safe and low-carbon transportation solutions:

- **Greenhouse Gas Emissions:** As our corporate and leisure customers become increasingly aware and concerned about pollution and congestion caused by vehicles, we aim to provide sustainable transportation solutions by leveraging connected vehicle technology and introducing more fuel efficient and low emission vehicles.

## Management's review

### Environment (continued)

- Sustainable Operations: We are driving the efficiencies needed to reduce our environmental impact and enhance the sustainability of our operations. These are mainly driven by improvements in vehicle preventive maintenance, the incorporation of green building practices and by complying with environmental regulations.
- Carbon Offset Program: We work closely with our corporate customers to help them achieve their environmental impact reduction targets through our carbon offset program.
- Sustainable Fleet: We are actively anticipating and driving changes in mobility. Connected and autonomous vehicles are likely to become a common feature worldwide, along with an increased use of electric and shared vehicles, which is why we are building on our core experience, data intelligence and technology to develop entirely new lines of business and extend our offering and capabilities for our customers, businesses and cities. Our efforts include Fleet Efficiency, We offer our customers the opportunity to choose from a wide variety of vehicles, including hybrids, electric or fuel-efficient vehicles at almost all of our locations. Our fleet consists primarily of vehicles from the current and immediately preceding model year - this ensures the highest possible standards of air emissions control.

### Events after the balance sheet date

No events of significant importance to the company's financial position have occurred after the end of the financial year.

### Outlook

The Company is well-positioned as part of a global leading group in the evolving mobility marketplace. Mobility is more than providing a clean reliable car of choice for a customer to use to get from point A to point B. Mobility means customers, using their smartphones or tablets, can customise their experiences with our products, services, and employees, bypass the counter or change their minds about the make or model of a vehicle and review their options on their mobile device right up to the moment they exit the parking lot. For 2025 a positive development in revenue and operating profit is expected, and also the currently decreased interest level is expected to affect the net result positively. Operating profit for 2025 is expected to improve compared to 2024, DKK -15 m – DKK – 0 m.

Annual Report 1<sup>st</sup> January to 31<sup>st</sup> December

Profit & Loss

Note	DKK'000	2024	2023
4	Revenue	272.229	277.340
5, 6	Cost of sales	(284.153)	(261.335)
	<b>Gross profit/loss</b>	<b>(11.924)</b>	<b>16.005</b>
5, 6	Distribution costs	(11.568)	(11.743)
5, 6	Administrative expenses	(46.079)	(41.085)
7	Other operating income	15.594	6.332
	<b>Operating profit</b>	<b>(53.977)</b>	<b>(30.491)</b>
8	Financial income	697	987
8	Income from capital shares	-	-
9	Financial expenses	(2.954)	(3.023)
	<b>Profit/loss before tax</b>	<b>(56.234)</b>	<b>(32.527)</b>
10	Tax on profit/loss for the year	13.027	10.758
11	<b>Net profit/loss for the year</b>	<b>(43.207)</b>	<b>(21.769)</b>

Annual Report 1<sup>st</sup> January to 31<sup>st</sup> December

Balance sheet at 31<sup>st</sup> December

Note	DKK' 000	2024	2023
	<b>Assets</b>		
	<b>Fixed assets</b>		
	<b>Property, plant and equipment</b>		
12	Land and buildings	2.311	2.347
12	Leasehold improvements	1.840	3.338
12	Other fixtures and fittings, tools and equipment	1.382	1.718
	<b>Property, plant and equipment</b>	<b>5.533</b>	<b>7.403</b>
	<b>Financial assets</b>		
13	Investment in a subsidiary	500	500
	<b>Financial assets</b>	<b>500</b>	<b>500</b>
	<b>Fixed assets</b>	<b>6.033</b>	<b>7.903</b>
	<b>Current assets</b>		
	<b>Inventories</b>		
	Inventories	2.189	3.078
	<b>Inventories</b>	<b>2.189</b>	<b>3.078</b>
	<b>Receivables</b>		
	Trade receivables	23.865	23.827
	Receivables from group enterprises	58.431	51.917
	Other receivables	3.211	2.669
14	Prepayments	9.545	6.596
	<b>Receivables</b>	<b>95.053</b>	<b>85.010</b>
	<b>Cash</b>		
	Cash	7.653	6.445
	<b>Cash</b>	<b>7.653</b>	<b>6.445</b>
	<b>Current assets</b>	<b>104.895</b>	<b>94.533</b>
	<b>Assets</b>	<b>110.928</b>	<b>102.436</b>

Annual Report 1<sup>st</sup> January to 31<sup>st</sup> December

Balance sheet at 31<sup>st</sup> December

Note	DKK'000	2024	2023
	<b>Liabilities</b>		
	<b>Equity</b>		
	<b>Equity</b>		
	Share capital	3.005	3.004
	Share premium	259.040	214.041
	Retained earnings	(233.721)	(190.514)
	<b>Equity</b>	<b>28.324</b>	<b>26.531</b>
	<b>Liabilities</b>		
	<b>Long-term liabilities and provisions</b>		
15	Other payables	5.521	4.607
17	Provisions for liabilities	15.272	14.239
	<b>Long-term liabilities and provisions</b>	<b>20.793</b>	<b>18.846</b>
	<b>Short-term liabilities other than provisions</b>		
	Trade payables	23.383	29.884
	Payables to group enterprises	28.239	24.865
	Deposits received	266	263
	Other payables	9.923	2.047
	<b>Short-term liabilities other than provisions</b>	<b>61.811</b>	<b>57.059</b>
	<b>Total liabilities</b>	<b>82.604</b>	<b>75.905</b>
	<b>Equity and liabilities</b>	<b>110.928</b>	<b>102.436</b>
1	Accounting policies		
2	Going concern		
3	Events after the balance sheet events		
10	Proposed distribution of profit/loss		
17	Provision for liabilities		
18	Operating lease commitments		
19	Parent undertaking		
20	Related parties		
21	Contingent liabilities		
22	Consolidation		

Annual Report 1<sup>st</sup> January to 31<sup>st</sup> December

Statement for changes in equity

Note	DKK'000	Share capital	Share premium	Retained earnings	Total
	Brought forward	3.003	194.042	(181.436)	15.609
	Correction of error in previous year			12.691	12.691
	Equity at January 1st 2023	3.003	194.042	(168.745)	28.300
	Share issue	1	19.999	-	20.000
	Net profit / (loss) for the year	-	-	(21.769)	(21.769)
	<b>Equity at January 1st 2024</b>	<b>3.004</b>	<b>214.041</b>	<b>(190.514)</b>	<b>26.531</b>
	Share issue	1	44.999	-	45.000
	Net profit / (loss) for the year	-	-	(43.207)	(43.207)
	<b>Equity at December 31st 2024</b>	<b>3.005</b>	<b>259.040</b>	<b>(233.721)</b>	<b>28.324</b>

Changes in share capital in the past 5 financial years:

Note	DKK'000	2024	2023	2022	2021	2020
	Share capital at January 1st	3.004	3.003	3.002	3.002	3.001
	Increase in capital	1	1	1	-	1
		<b>3.005</b>	<b>3.004</b>	<b>3.003</b>	<b>3.002</b>	<b>3.002</b>

The share capital consists of 3,005 shares of DKK 1,000.

The shares have not been divided into classes.

Annual Report 1<sup>st</sup> January to 31<sup>st</sup> December

Cash-flow statement

Note	DKK '000	2024	2023
	Operating profit/(loss)	-53.977	-30.491
11	Depreciation, amortisation and impairment losses	2.951	2.080
15	Provisions for liabilities	1.033	0
16	Working capital changes	-351	-2.005
	Cash flow from operating activities before financial activities	-50.344	-30.416
7	Financial income received	697	987
8	Financial expense paid	-2.954	-3.023
	Income from capital shares	0	0
	Corporate tax	13.027	10.758
	Cash flow from operating activities	-39.574	-21.694
11	Acquisition etc. of property, plant and equipment	-1.084	-2.629
11	Sale of property, plant and equipment	0	0
12	Investment in subsidiary	0	0
	Cash flow from investing activities	-1.084	-2.629
	Share issue	45.000	20.000
	Change in outstandings, group enterprises	-3.134	-10.932
	Cash flow from financing activities	41.866	9.068
	Increase/(decrease) in cash and cash equivalents	1.208	-15.255
	Cash and cash equivalents at January 1st	6.445	21.700
	Cash and cash equivalents at December 31st	7.653	6.445

## Annual Report 1<sup>st</sup> January to 31<sup>st</sup> December

### Notes

#### 1 Accounting policies

The annual report for Avis Budget Denmark A/S for 2024 has been prepared in accordance with the provisions in the Danish Financial Statement Act applying to medium reporting class C entities.

The accounting policies applied to these financial statements are consistent with those applied last year.

Reclassification of individual items in the income statement and balance sheet has been made with no effect on the income statement and equity.

#### **Correction to previous year**

In the years 2021 – 2023 total cost was not correct, it was overstated with total DKK 12.7 m, and the 2021 – 2023 Net Profit was therefore understated with DKK 12.7 m. The following 2023 accounting items have been corrected as a consequence of this: Payables to Group Enterprises: DKK 12.7 m, Retained earnings: DKK 12.7 m. The correction is made in the opening Equity and the comparable numbers have been adjusted.

#### **Recognition and measurement**

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Company, and the value of the assets can be measured reliably.

Liabilities are recognised in the balance sheet when the Company has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Company, and the value of the liabilities can be measured reliably.

On initial recognition, assets and liability are measured at cost. Measurement subsequent to initial recognition is affected and described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

#### **Foreign currency translation**

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

## Annual Report 1<sup>st</sup> January to 31<sup>st</sup> December

### Notes

#### 1 Accounting policies

##### Income statement

##### Revenue

Rental income from rental of cars and vans and sale of insurances and related services are periodised and are recognised on a linear basis over the rental period following the rental contract. When entering into a rental agreement revenue is recognised corresponding to fair value of the entered contract when transition of the essential benefits and risks with the customer has taken place, the revenue can be worked out in a reliable way and payments is expected to take place. Revenue is recognised net of VAT, duties and sales discounts.

##### Cost of sales

Cost of sales comprise costs incurred directly in connection with performing the primary activities of the Company, especially costs related to acquisition and running the rental fleet of the Company, acquisition and running rental stations and costs for the employees of the Company directly engaged in rental and maintenance of rental cars as well as depreciation. Lease payments on operating leases are recognised on a straight-line basis over the term of the lease.

##### Distribution costs

Distribution costs comprise costs incurred for distribution of goods sold and for sales campaigns, including costs for sales and distribution staff, advertising costs as well as depreciation and amortisation.

##### Administrative expenses

Administrative expenses comprise expenses incurred for management and administration of the Company, including expenses for the administrative staff and management, stationery and office supplies as well as depreciation and amortization.

##### Other operating income

Other operating income and operating expenses comprise items of secondary nature relative to the entity's core activities, including gains or losses on the sale of fixed assets.

##### Financial income and expenses

These items comprise interest income and expenses, realised and unrealised capital gains and losses on securities, payables and transactions in foreign currencies, etc. as well as tax surcharge and repayment under the Danish Tax Prepayment Scheme.

**Annual Report 1<sup>st</sup> January to 31<sup>st</sup> December**

**Notes**

**1 Accounting policies**

**Income taxes**

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly on equity by the portion attributable to entries directly on equity. The portion of the tax taken to the income statement, which relates to extraordinary profit/loss for the year, is allocated to this entry whereas the remaining portion is taken to the year's profit/loss from ordinary activities.

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carry forwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

**Balance sheet**

**Assets**

**Property, plant and equipment**

Land and buildings, rental cars as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition, and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on basis of the following estimated useful lives and residual value of the assets:

	Useful life (years)	Residual value
Buildings	5-50 years	Nil
Leasehold improvements	3-5 years	Nil
Other fixtures and fittings, tools and eq.	3-5 years	Nil

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

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

The basis of depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

## Annual Report 1<sup>st</sup> January to 31<sup>st</sup> December

### Notes

#### 1 Accounting policies

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

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

#### Investment in subsidiary

Investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

#### Inventories

Inventories are measured at the lower of cost, measured by reference to the average method, and net realizable value. Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other costs directly attributable to the acquisition.

#### Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value. Provisions are made for bad debts on the basis of objective evidence that a receivable or group of receivables is impaired. Provisions are made to the lower of the net realisable value and the carrying amount.

#### Prepayments

Prepayments comprise incurred costs relating to subsequent financial periods. Prepayments are measured at cost.

#### Liabilities

#### Equity

Dividends proposed for the financial year are presented as a separate item under Equity.

#### Other payables

Other payables are measured at net realisable value.

#### Deposits received

Deposits received are measured at net realisable value.

#### Other financial liabilities

Other financial liabilities are recognised at amortised cost, which usually corresponds to nominal value.

#### Lease commitments

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

## Annual Report 1<sup>st</sup> January to 31<sup>st</sup> December

### Notes

#### 1 Accounting policies

##### Cash flow statement

The cash flow statement shows the Company's cash flow from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the year.

##### Cash flows from operating activities

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non-cash operating items, changes in working capital and income taxes paid.

##### Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisition and disposals of entities, activities and intangible assets, property, plant and equipment and financial assets.

##### Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related costs as well as the raising of loans, repayment of interest bearing debt, and payment of dividends to shareholders.

##### Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities with a term to maturity of three months or less, which are subject to only minor risks of changes in value.

##### Financial highlights

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines on the calculation of financial ratios, "Recommendations and Financial Ratios 2015". For terms and definitions, please see the accounting policies.

Profit ratio	$\frac{\text{Operating profit} \times 100}{\text{Revenue}}$
Gross margin	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$
Equity ratio	$\frac{\text{Equity (ultimo)} \times 100}{\text{Balance sheet total (ultimo)}}$
Return on equity	$\frac{\text{Operating profit} \times 100}{\text{Average equity}}$

Invested capital is defined as net working capital plus property, plant and equipment and intangible assets minus other long-term operating liabilities.

Net working capital is defined as inventories, receivables and other operating current assets net of trade payables and other short-term operating liabilities. Cash and income tax receivable and payable are not included in net working capital.

## Annual Report 1<sup>st</sup> January to 31<sup>st</sup> December

### Notes

#### **2 Going concern**

During the year ended 31 December 2024 the Company generated a loss of DKK 43.2m (2023: loss of DKK 21.8m).

At the year end the Company had net current assets of DKK 43.1m (2023: DKK 37.5m). Included within net current assets as of 31<sup>st</sup> December 2024 are net receivables on demand from fellow group undertakings of DKK 30.2m (2023: DKK 27.1m).

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. After making enquiries, the Directors have received a letter of support from a parent company, Avis Budget EMEA Limited, confirming that they are willing to provide the necessary financial support and that they have the necessary funds available to pay the Company's debts as they fall due. Thus, the Directors have adopted the going concern basis in preparing the Financial Statements.

The Company received a capital injection of DKK 45m in 2024 to strengthen its solidity.

#### **3 Events after the balance sheet date**

No events of significant importance to the company's financial position have occurred after the end of the financial year.

Annual Report 1<sup>st</sup> January to 31<sup>st</sup> December

Notes

4 Revenue

Revenue comprises rental operations of vehicles in the Danish market.

5 Staff costs

Salaries and wages	55.687	59.753
Pension costs	5.450	4.847
Other social security costs	483	638
	<u>61.620</u>	<u>65.238</u>

Staff costs are incorporated in the income statement as follows:

Cost of sales	35.154	35.689
Distribution costs	5.343	5.386
Administrative expenses	21.123	24.163
	<u>61.620</u>	<u>65.238</u>

Remuneration for the Executive and Supervisory boards:

Referring to section 98 B, subsection 3 of the Danish Financial Statements Act, the remuneration to the executive board is not disclosed.

Average number of employees	<u>121</u>	<u>124</u>
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Annual Report 1<sup>st</sup> January to 31<sup>st</sup> December

Notes

Note	DKK '000	2024	2023
6	Depreciation and amortisation charges		
	Land and buildings	36	35
	Leasehold improvements	2.071	995
	Other fixtures and fittings, tools and equipment	844	1.051
		<u>2.951</u>	<u>2.081</u>
	Depreciation and amortisation charges are recognised in the income statement as follows:		
	Cost of sales	2.474	1.635
	Administrative expenses	477	446
		<u>2.951</u>	<u>2.081</u>
7	Other operating income		
	Income received from the group related to recharged costs	-8.066	-6.332
	Public Grants, Fixed Costs	-7.528	0
		<u>-15.594</u>	<u>-6.332</u>
8	Financial income		
	Interest income	321	616
	Other financial income	375	371
		<u>697</u>	<u>987</u>
9	Financial expenses		
	Interest expense	-106	-119
	Interest expense group enterprises	-2.843	-2.812
	Other financial expense	-4	-92
		<u>-2.954</u>	<u>-3.023</u>
10	Tax on profit/loss for the year		
	Corporate tax for the year	0	0
	Corporate tax previous year	0	2.077
	Joint taxation contribution	13.027	8.681
		<u>13.027</u>	<u>10.758</u>
11	Proposed distribution of profit /loss		
	Retained earnings	<u>-43.207</u>	<u>-21.769</u>

Annual Report 1<sup>st</sup> January to 31<sup>st</sup> December

Notes

12 Property, plant and equipment	Land and buildings	Leasehold improvements	Other fixtures etc	Total
Cost at January 1st 2024	3.019	12.754	10.901	26.674
Additions	0	573	511	1.084
Reclassifications	0	0	0	0
Disposals	0	-1.224	-213	-1.437
Cost at December 31st 2024	<u>3.019</u>	<u>12.103</u>	<u>11.199</u>	<u>26.320</u>
Depreciation and amortisation charges at January 1st 2024	672	9.416	9.183	19.271
Depreciation and amortisation charges for	36	2.071	844	2.951
Reclassifications	0	0	0	0
Reversals related to disposals	0	-1.224	-210	-1.435
Depreciation and amortisation charges	<u>708</u>	<u>10.263</u>	<u>9.817</u>	<u>20.787</u>
Carrying amount at December 31st 2024	<u>2.311</u>	<u>1.840</u>	<u>1.382</u>	<u>5.533</u>

13 Investment in subsidiary	Stake (%)	No. of shares	Nominal value	Investment value
			(DKK)	(DKK)
Avis Budget Leasing Denmark A/S	100	500	1.000	500.000
(14, Roskildevej, DK-2620 Albertslund)				
Company name			2024 result	Equity
Avis Budget Leasing Denmark A/S			2.580	5.686
				0

On 10 April 2018, the Company purchased the entire share capital of Avis Budget Leasing Denmark A/S,

**14 Prepayments**

Costs relating to subsequent financial periods, including prepaid vehicle registration fees, prepaid office and station rent, deposits and other prepayments.

Annual Report 1<sup>st</sup> January to 31<sup>st</sup> December

Notes

Note	DKK '000	2024	2023
15	Other payables		
	Holiday pay obligations	5.521	4.607
	Long-term liabilities	5.521	4.607
	<p>Holiday pay obligations have been recognised as long-term liabilities in line with the provisions of a new Holiday Act affecting the accrual of holiday obligations from 1st January 2019. DKK 1.8m is due for payment within 1 year (2023: DKK 1.8m). The remaining amount is not expected to be due for payment within the coming 5 years.</p>		
16	Cash flow - changes in working capital		
	Change in inventories	889	551
	Change in receivables	-3.529	-1.405
	Change in trade payables	2.289	-1.151
		-351	-2.005
17	Provisions for liabilities		
	Dilapidation provisions	4.302	4.437
	Damage provisions	10.970	9.802
		15.272	14.239

Dilapidation provisions are in relation to the estimated cost of dilapidation works and wants of repair found to have accrued at various rented sites, estimate is based on the report provided by a specialist third party. It is not expected that this will be due for payment within the coming 5 years. Damage provisions are in relation of estimated cost of damages of rental vehicles, estimate is based on historical damage cost.

Annual Report 1<sup>st</sup> January to 31<sup>st</sup> December

Notes

Note	DKK '000	2024	2023
18	Operating lease commitments		
	The total future minimum lease payments under non-cancellable operating leases are as follows:		
	No later than 1 year	7.456	7.824
	Later than 1 year and not later than 5 years	8.985	13.983
	Later than 5 years	0	0
		<u>16.441</u>	<u>21.807</u>
19	Parent undertaking		
	The following related parties have a controlling interest in Avis Budget Denmark A/S:		
	Name: ABG Scandinavia Holdings AS		
	Registered office: Norway		
	Basis of influence: 100% Owned		
20	Transactions with related parties		
	Management fee from group enterprises	4.954	6.332
	Purchase of services from group enterprises	28.228	32.708
	Rental and leasing expenses with group enterprises	62.159	67.563
	Sale of services to group enterprises	2.986	704
	Purchase of goods from group enterprises	134	102
	Interest income from group enterprises	0	4
	Interest expense to group enterprises	2.843	2.816
	Intercompany loan	0	0
	Receivables from group enterprises	64.713	51.921
	Payables to group enterprises	-44.766	-37.560
21	Contingent liabilities		
	The Company serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company 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 these entities. The company has a contingent liability to the company's bank connection for guarantees of DKK 1,0m		
22	Consolidation		
	Avis Budget Denmark A/S is included in the consolidated financial statements of: Avis Budget Group, Inc. 6, Sylvan Way Parsippany, NJ. 07054 USA Irs.no. 06-0918165 The financial statements for this company can be obtained at the company's address.		