

Mercedes-Benz Finans Danmark A/S

**Digevej 114, 4.
2300 Copenhagen S**

CVR no. 16 04 76 86

Annual report for 2024

The annual report was presented and
adopted at the annual general meeting of
the Company on 26 May 2025

Michael Hugo Rosenberg

Contents

	Page
Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
Management's review	
Company details	5
Key figures	6
Management's review	7
Financial Statements	
Income statement	10
Balance Sheet	11
Statement of changes in equity	13
Notes	14

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Mercedes-Benz Finans Danmark A/S for the financial year 1 January - 31 December 2024.

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

It is our opinion that the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2024 and of the result of the Company's operations for the year 1 January - 31 December 2024.

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

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

Copenhagen, 26 May 2025

Executive Board

Michael Hugo Rosenberg
Director

Board of Directors

Tove Sofia Lestrup
Chairman

Alexander Schubert

João Miguel Macedo Serafim



Independent Auditor's Report

To the Shareholders of Mercedes-Benz Finans 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 2024, and of the results of the Company's operations for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Mercedes-Benz Finans Danmark A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the 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. 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 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 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, 26 May 2025
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Benny Voss
State Authorised Public Accountant
mne15009

Management's review

Company details

The Company

Mercedes-Benz Finans Danmark A/S
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Postboks 132
2300 Copenhagen S

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Fax: 33 78 89 01
E-mail: kundeservice@mercedes-benz.com
Website: www.mercedes-benz.dk

CVR no.: 16 04 76 86
Financial Period: 1 January - 31 December
Incorporated: 25 March 1992
Municipality of reg. office: Copenhagen

Board of directors

Tove Sofia Lestrup, Chairman
Alexander Schubert
João Miguel Macedo Serafim

Executive Board

Michael Hugo Rosenberg, Director

Auditors

PwC Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

General meeting

The annual general meeting is held on 26 May 2025

Management's review

	2024	2023	2022	2021	2020
	DKKm	DKKm	DKKm	DKKm	DKKm
Key figures					
Profit/loss					
Revenue	840	726	594	538	507
Operating profit	123	117	114	109	103
Net profit for the year	98	55	96	85	80
Net financials	189	148	28	9	8
Balance sheet					
Investment in property, plant and equipment	1,723	964	1,069	957	633
Total assets	6,463	5,411	4,834	4,915	5,395
Equity	367	323	322	351	266
Ratios					
Net profit ratio before tax	14.6%	16,1%	19.1%	20.3%	20.4%
Return on assets	2.1%	2.3%	2.3%	2.1%	1.9%
Solvency ratio	5.7%	6.0%	6.7%	7.1%	4.9%
Return on equity	28.4%	16.9%	28.6%	27.6%	31.2%
Average number of employees	22	22	22	23	24

Reference for calculation of Ratios is made to definitions and terms under accounting policies in note 1.

Management's review

Operating review

Principal activities

The Company's principal activities comprise credit granting in the form of financing and leasing of new and used Mercedes-Benz cars and vans as well as other makes of vehicles marketed by Mercedes-Benz authorised dealers.

Development in activities and financial position

Operating profit amounted to DKK 122.8 million (2023: DKK 117.2 million), which is an increase in comparison to last year's result. In last year's outlook the company expected the profit to be lower than in 2023. Mainly the higher leasing portfolio contributed to the increased profit.

The credit reserves for bad and doubtful debts are on a lower level in 2024 compared to 2023 due to low cost of risk and write offs in 2024. The portfolio quality is sound, which is a result of a tight debt recovery process, and a consistent underwriting policy during the last years. Refinancing costs has increased due to growing a portfolio throughout the year.

New business increased in 2024. The main reason for the business growth was the successful Private Lease campaign, which was focused on battery electric vehicles. The Company's total assets increased to DKK 6.5 billion (2023: DKK 5.4 billion).

Capital resources

At 31 December 2024, the Company's equity amounted to DKK 366.6 million (31 December 2023: DKK 322.8 million) corresponding to a solvency ratio of 5.7% (31 December 2023: 6.0%). Management considers the Company's capital resources to be satisfactory.

Outlook

The Company has made investments to further improve processes and systems. This will further enhance the Company's value propositions towards costumers and dealers.

The Company's assets are planned to be on a slightly higher level in 2025. The management expects accordingly a higher interest result. However, the credit risk costs are, after the low level in 2024, expected to be on a long-term average which is higher than the 2024 credit cost. The operating profit is expected below the 2024 level.

Management's review

Special risks

The Company's risks primarily include credit risks, market risks and liquidity risks.

Credit risks

The decisive basis for decision for the Company's credit granting is the borrower's repayment ability. In order to further minimise the risk, the majority of the Company's credits are also hedged through underlying assets subject to restrictions on title. Significant fluctuations in the market prices of the underlying assets will therefore affect the Company's credit risk.

The Company's risk diversification is sound. This is a result of the fact that the Company has relatively few large-scale borrowers and the majority of customers have commitments including only one or a few cars.

Market risks

The Company's most significant market risks are interest rate and liquidity risk. For both risk areas, the Company is following the matched funded principle to minimise the exposure. The existing portfolio is analysed and the expected new volume is simulated on a monthly basis to determine the funding requirements.

The majority of the Company's loans and leases consist of lease agreements where the interest rate and lease payment, respectively, are adjusted in relation to the development of the short-term market rate. Similarly, the Company's refinancing consists of loan arrangements adjusted in relation to the development in the short-term market rate.

The Company is continuously matching the Company's loans and depreciation of leases to refinancing with similar terms. Funding is raised primarily through Mercedes-Benz AG Group. Alternatively and when terms and conditions are favourable, funding through external banks is sought.

Liquidity risks

Mercedes-Benz Finans Danmark A/S funds itself with Mercedes-Benz group internal financing and external bank loans. The structure of the funding is done in a way to eliminate any liquidity risk. Mercedes-Benz Finans Danmark A/S runs a monthly Asset Liability Management analysis takes into account the run-off of the portfolio and the financial liabilities as well as non-interest bearing assets and liabilities. Based on those results as well as the new acquisitions in the Company's portfolios the funding is determined and executed.

Social responsibility

The Mercedes-Benz Group continuously invest in the training of its employees, is constantly expanding its range of further qualification programmes and at the same time recruits new talent with the appropriate skill profiles. In order to attract them and retain them in the long term, the Mercedes-Benz Group seeks to create and further expand an attractive and sustainable working environment for its workforce, including flexible

Management's review

forms of work. Especially in challenging times, employees and managers need to work together in a spirit of respect and trust. This is why the Mercedes-Benz Group promotes a diverse and inclusive corporate, management and collaboration culture.

The goal of the Mercedes-Benz Group is to combine commercial success with responsible action towards the environment, people and society – and to do so along the entire value chain. Respect for human rights is therefore a fundamental component of responsible corporate governance for the Group and a key area of action for sustainability. The goal is to manufacture products without any human rights violations.

Safety is a fundamental brand value of Mercedes-Benz. Accident-free driving – this vision drives the Mercedes-Benz Group and is a fixed element of its sustainable business strategy. The Group's driving assistance systems are already designed to offer drivers and other vehicle occupants a high level of safety. They can help to avoid and safely manage critical driving situations in order to protect the occupants as well as other road users.

The aim of the Mercedes-Benz Group is to improve the quality of life with more sustainable electrified vehicles, mobility and transport solutions. Electric mobility is a key lever here – but not the only one. A comprehensive electric mobility ecosystem of products, services, technologies and innovations is needed. The Mercedes-Benz Group is facing up to these challenges and shaping the transport revolution of tomorrow with intelligent mobility solutions.

As a wholly-owned subsidiary of Mercedes-Benz Group AG, the Company is included in Group's Sustainability Report for 2024, which covers areas such as climate and environment, social and employee conditions, human rights and business ethics. The consolidated group statement on the policy, cf. Article 99a of the Danish Financial Statements Act, can be found in Mercedes-Benz's sustainability report 2024 (link: <https://group.mercedes-benz.com/sustainability/sustainability-report.html>).

Data ethics

As a wholly-owned subsidiary of Mercedes-Benz Group AG, the Company is included in Group's Sustainability Report for 2024. To ensure compliance with Section 99d of the Financial Statements Act, the document are available here:

<https://group.mercedes-benz.com/sustainability/sustainability-report.html>

Financial statements 1 January - 31 December

Income statement

	<u>Note</u>	<u>2024</u> DKK'000	<u>2023</u> DKK'000
Revenue	2	840,396	726,146
Cost relating to leases and purchase contracts, etc.	3	-323,342	-220,671
Other operating income		6,097	7,685
Other external costs		<u>-34,860</u>	<u>-28,052</u>
Gross profit		488,291	485,108
Staff expenses	4	-40,893	-43,528
Depreciation on property, plant and equipment		<u>-324,590</u>	<u>-324,406</u>
Operating profit		122,808	117,174
Tax on profit for the year	5	<u>-25,062</u>	<u>-62,535</u>
Profit for the year	6	<u>97,746</u>	<u>54,639</u>

Financial statements 1 January - 31 December

Balance Sheet

	<u>Note</u>	<u>2024</u> DKK'000	<u>2023</u> DKK'000
Assets			
Lease automobiles		2,399,095	1,617,270
Property, plant and equipment	7	2,399,095	1,617,270
Finance leases		2,192,954	2,208,206
Purchase contracts		165,972	211,212
Financials assets	8	2,358,926	2,419,418
Total non-current assets		4,758,021	4,036,688
Financing of inventories, distributors	9	1,243,012	1,162,478
Trade receivables		165,013	86,080
Receivables from group entities		130,021	24,017
Other receivables		50,216	28,199
Prepayments	10	92,398	73,254
Tax receivable from joint taxation		24,524	0
Receivables		1,705,184	1,374,028
Total current assets		1,705,184	1,374,028
Total assets		6,463,205	5,410,716

Financial statements 1 January - 31 December

Balance sheet

	<u>Note</u>	<u>2024</u> DKK'000	<u>2023</u> DKK'000
Equity and liabilities			
Equity	11	57,500	57,500
Retained earnings		284,082	211,336
Proposed dividend for the year		<u>25,000</u>	<u>54,000</u>
Total equity		<u>366,582</u>	<u>322,836</u>
Deferred tax	12	<u>357,794</u>	<u>307,330</u>
Total provisions		<u>357,794</u>	<u>307,330</u>
Bank loans and overdrafts	13	780,000	0
Loans from group enterprises	13	<u>116,039</u>	<u>1,434,967</u>
Non-current liabilities other than provisions		<u>896,039</u>	<u>1,434,967</u>
Bank loans and overdrafts	13	255,239	0
Trade payables		41,865	109,256
Amounts owed to group entities		19	38,107
Loans from group entities	13	4,309,950	3,054,171
Other payables		47,938	36,805
Deferred income	14	187,779	106,367
Tax payable		<u>0</u>	<u>877</u>
Current liabilities other than provisions		<u>4,842,790</u>	<u>3,345,583</u>
Total liabilities other than provisions		<u>5,738,829</u>	<u>4,780,550</u>
Total equity and liabilities		<u>6,463,205</u>	<u>5,410,716</u>
Contingent liabilities and securities	15		
Related parties	16		
Subsequent events	17		

Financial statements 1 January - 31 December

Statement of changes in equity

	<u>Share Capital</u>	<u>Retained earnings</u>	<u>Proposed dividend for the year</u>	<u>Total</u>
Equity at 1 January 2024	57,500	211,336	54,000	322,836
Dividend paid	0	0	-54,000	-54,000
Transferred; see the profit appropriation	<u>0</u>	<u>72,746</u>	<u>25,000</u>	<u>97,746</u>
Equity at 31 December 2024	<u>57,500</u>	<u>284,082</u>	<u>25,000</u>	<u>366,582</u>

Financial statements 1 January - 31 December

Notes

1 Accounting policies

The annual report of Mercedes-Benz Finans Danmark A/S for 2024 has been prepared in accordance with the provisions applying to reporting class C enterprises (large) under the Danish Financial Statements Act.

Presentation of the Income statement has been adjusted to include the sale of operating leases in the revenue.

Apart from the above, the accounting policies used in the preparation of the financial statements are consistent with those of last year.

The presentation of the Income statement and balance sheet has been adjusted in order to reflect the nature of the business as being a financing and leasing company. Amongst others, financing costs are presented as costs relating to leases and purchase contracts, etc.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognized in the income statement as interest income or expense and similar items.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or was recognized in the latest financial statements is recognized in the income statement as interest income or expense and similar items.

Principles for transactions between group companies

The Company is part of the Mercedes-Benz Group, which consists of a number of independent legal entities.

Transactions between Group companies are settled at market prices. Costs paid centrally are invoiced to the companies in the form of calculated unit prices based on consumption and activity in accordance with the rules on Transfer Pricing or at market prices if such exist.

Income Statement

Revenue

Income for the year from leases and purchase contracts, etc., comprises interest income, fees, and service income, etc., from finance leases, purchase contracts, financing of inventories for distributors and lease payments from operating leases.

The revenue from the rental and leasing business results from operating leases and is recognized on a straight line basis over the periods of the contracts. In addition, sales revenue is generated at the end of lease contracts from the subsequent sale of the vehicles.

Financial statements 1 January - 31 December

Notes

Sale of operating leases are recognized in the revenue.

Revenue from receivables from financial services is recognized using the effective interest method. When loans are issued below market rates, related receivables are recognized at present value and revenue is reduced for the interest incentive granted. If subsidized leasing fees are agreed upon in connection with finance leases, revenue from the sale of a vehicle is reduced by the amount of the interest incentive granted.

Revenues are valued according to fair value of what has been received or will be received, with deductions for rebates.

Costs relating to leases and purchase contracts etc.

Costs relating to leases and purchase contracts etc. comprise interest expense concerning financing of the portfolio, service costs as well as losses on contracts, etc.

Loan receivables are initially recorded in the balance sheet at acquisition value, i.e. the amount lent to the borrower including direct transaction costs. In subsequent periods, loan receivables are recorded at acquisition value less write-offs and provisions for credit losses. The amount recorded as credit losses consists of both stated credit losses during the year as well as provision for expected losses.

Other operating income

Gains and losses on the disposal of finance lease and loans are determined as the difference between the sales price less disposal costs and the carrying amount at the date of disposal.

Other external costs

Other external costs comprise costs for distribution and sales costs, costs for advertising, administrative expenses, costs of premises etc.

Staff expenses

Staff costs comprise wages and salaries including holiday allowance, pension and other social security costs.

Tax on profit for the year

The Company is covered by the Danish rules on compulsory joint taxation of the Mercedes-Benz Group's Danish subsidiaries.

The sister company Mercedes-Benz Danmark A/S is the administrative company for the joint taxation and consequently settles all corporation tax payments with the tax authorities.

The current Danish corporation tax is allocated by settlement of joint taxation contribution between the jointly taxed companies in proportion to their taxable income. In this relation, companies with tax loss carry forwards receive joint taxation contribution from companies that have used these losses to reduce their own taxable profits.

Tax for the year comprises current tax, joint taxation contributions for the year and changes in deferred tax for the year - due to changes in the tax rate. The tax expense relating to the profit/loss for the year is recognized in the income statement, and the tax expense relating to amounts directly recognized in equity is recognized directly in equity.

Financial statements 1 January - 31 December

Notes

Balance Sheet

Property, plant and equipment

Lease automobiles

Lease automobiles, which comprise operating lease contracts are measured at cost less accumulated depreciation.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Depreciation is provided on a straight-line basis to the anticipated scrap value over the term of the lease agreement.

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognized prospectively.

Depreciation is recognized in the income statement as cost relating to leases and purchase contracts, etc.

Lease automobiles are written down to the recoverable amount if this is lower than the carrying amount.

Gains and losses on the disposal of leasing automobiles are determined as the difference between the sales price less disposal costs and the carrying amount at the date of disposal. The gains and losses are recognized in the income statement as other operating income/other operation expenses.

Financial assets

Finance leases

Finance leases are recognized as a financial receivable from the lessee. At the conclusion of the contract, the receivable is measured at the cost of the underlying asset.

Lease payments are divided into interest and instalments according to the principle of annuities. Interest is recognized in the income statement whereas instalments reduce the amount owed by the lessee.

Leases are measured at the balance due from the lessee. Provisions are made for losses according to an individual assessment.

Gains and losses from the disposal of the underlying assets are calculated as the difference between the selling price less distribution costs and the carrying amount at the date of disposal. Gains and losses are recognized in the income statement as revenue.

Financial statements 1 January - 31 December

Notes

Purchase contracts

Purchase contracts are measured at the nominal value at the balance sheet date less write-down for future expected losses.

Write-down is made where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Receivables including financing of inventories

Receivables including financing of inventories tracts are measured at the nominal value at the balance sheet date less write-down for future expected losses.

Write-down is made where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments comprise costs incurred in connection with the conclusion of leases and purchase contracts as well as bonus to distributors. The costs are recognized in the income statement as interest is added to the contracts.

The item also comprises costs incurred concerning subsequent financial years.

Capital and reserves – dividends

Proposed dividends are recognized as a liability at the date when they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

Financial statements 1 January - 31 December

Notes

Corporation tax and deferred tax

According to the joint taxation rules, the Company's liability towards the tax authorities is settled in line with payment of joint taxation contribution to the administrative company.

Joint taxation contribution payable and receivable is recognized separately in the balance sheet.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Liabilities other than provisions

Financial liabilities are recognized at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognized in the income statement over the term of the loan.

Other liabilities are measured at net realizable value.

Deferred income

Deferred income comprises payments received concerning the establishment of purchase contracts. The income is recognized in the income statement as interest payments are added to the contracts.

The item also comprises payments received concerning income in subsequent years.

Omission to disclose fees for auditor elected

Pursuant to section 96(3) of the Danish Financial Statements Act, fees for auditor elected by the general assembly are not published as these are included in the consolidated financial statements of Mercedes-Benz Group AG, Stuttgart, Germany.

Financial statements 1 January - 31 December

Notes

	<u>2024</u> DKK'000	<u>2023</u> DKK'000
2 Revenue		
Operational leasing	498,957	452,021
Financial leasing and loans	196,869	188,597
Other income	<u>144,570</u>	<u>85,528</u>
	<u>840,396</u>	<u>726,146</u>

All revenue is generated in Denmark and revenue solely consist of income generated from financing and leasing of new and used Mercedes-Benz cars, vans and trucks.

	<u>2024</u> DKK'000	<u>2023</u> DKK'000
3 Cost relating to leases and purchase contracts, etc.		
Operational leasing	66,888	29,560
Financial leasing and loans expenses	79,052	43,032
Financial expenses to group entities	<u>177,402</u>	<u>148,079</u>
	<u>323,342</u>	<u>220,671</u>

	<u>2024</u> DKK'000	<u>2023</u> DKK'000
4 Staff expenses		
Wages and salaries	12,948	15,957
Pensions	1,123	1,161
Other social security costs	71	35
Other staff costs	<u>26,751</u>	<u>26,375</u>
	<u>40,893</u>	<u>43,528</u>
Average number of employees	<u>22</u>	<u>22</u>

Other staff costs include DKK 25,344 thousand (2023 DKK 24,844 thousand) in relation to salary recharges from Mercedes-Benz Finans Sverige AB.

Wages to the Executive Board is included in the recharges and amounts to DKK 2,004 thousand (2023 DKK 1,440 thousand). There has been no remuneration to the Company's board of directors.

Financial statements 1 January - 31 December

Notes

	<u>2024</u> DKK'000	<u>2023</u> DKK'000
5 Tax on profit for the year		
Change in deferred tax	50,905	71,937
Current tax for the year	-18,699	925
Current tax relating to prior year	-7,144	-10,327
	<u>25,062</u>	<u>62,535</u>
	<u>2024</u> DKK'000	<u>2023</u> DKK'000
6 Profit appropriation		
Proposed dividend for the year	25,000	54,000
Retained earnings	72,746	639
	<u>97,746</u>	<u>54,639</u>
7 Property, plant and equipment		
	<u>Lease</u> <u>automobiles</u>	<u>Total</u>
DKK'000		
Cost at 1 January 2024	2,110,160	2,110,160
Additions during the year	1,722,903	1,722,903
Disposals during the year	-934,000	-934,000
Cost at 31 December 2024	<u>2,899,063</u>	<u>2,899,063</u>
Depreciation at 1 January 2024	492,890	492,890
Depreciation for the year	324,590	324,590
Depreciation of disposed assets	-317,512	-317,512
Depreciation at 31 December 2024	<u>499,968</u>	<u>499,968</u>
Carrying amount at 31 December 2024	<u>2,399,095</u>	<u>2,399,095</u>
Depreciated over	<u>3-5 years</u>	

Financial statements 1 January - 31 December

Notes

8 Financial assets

	<u>Finance leases</u>	<u>Purchase contracts</u>	<u>Total</u>
DKK'000			
Residual value at 1 January 2024	2,229,050	212,069	2,441,119
Additions for the year	2,054,195	12,454	2,066,649
Instalments and repayments	<u>-2,079,081</u>	<u>-57,950</u>	<u>-2,137,031</u>
Residual value at 31 December 2024	<u>2,204,164</u>	<u>166,573</u>	<u>2,370,737</u>
Impairment and write downs at 1 January 2024	20,844	857	21,701
Adjustments for the year	<u>-9,634</u>	<u>-256</u>	<u>-9,890</u>
Impairment and write downs at 31 December 2024	<u>11,210</u>	<u>601</u>	<u>11,811</u>
Carrying amount at 31 December 2024	<u>2,192,954</u>	<u>165,972</u>	<u>2,358,926</u>

Outstanding finance leases that fall due for payment within one year after the end of the financial year amounts to DKK 1,110,106 thousand. Outstanding purchase contracts that fall due for payment within one year after the end of the financial year amounts to DKK 85,533 thousand.

	<u>2024</u>	<u>2023</u>
	DKK'000	DKK'000
9 Financing of inventories, distributors		
External distributors	<u>1,243,012</u>	<u>1,162,478</u>
	<u>1,243,012</u>	<u>1,162,478</u>

Financing of inventories, distributors, comprises financing of distributors' purchase of Mercedes-Benz automobiles. Financing is granted against security provided in automobiles.

	<u>2024</u>	<u>2023</u>
	DKK'000	DKK'000
10 Prepayments		
Accrual of dealer bonus	<u>92,398</u>	<u>73,254</u>
	<u>92,398</u>	<u>73,254</u>

11 Equity

The equity consists of 57,500 shares of DKK 1,000 each. All shares carry equal voting rights. There have been no changes in the share capital within the last five years.

Financial statements 1 January - 31 December

Notes

	<u>2024</u> DKK'000	<u>2023</u> DKK'000
12 Deferred tax		
Deferred tax at 1 January	307,330	236,301
Adjustment in respect of prior year	-441	-908
Adjustment for the year of deferred tax	<u>50,905</u>	<u>71,937</u>
	<u>357,794</u>	<u>307,330</u>
	<u>2024</u> DKK'000	<u>2023</u> DKK'000
13 Loans		
Loans raised to finance leases and purchase contracts, etc., fall due as follows:		
Bank loans and overdrafts:		
Within 1 year	255,239	0
Between 1 and 5 years	780,000	0
After 5 years	<u>0</u>	<u>0</u>
	<u>1,035,239</u>	<u>0</u>
Loans from group enterprises:		
Within 1 year	4,309,950	3,054,171
Between 1 and 5 years	116,039	1,434,967
After 5 years	<u>0</u>	<u>0</u>
	<u>4,425,989</u>	<u>4,489,138</u>
	<u>2024</u> DKK'000	<u>2023</u> DKK'000
14 Deferred income		
Accrual of establishment income etc.	25,155	19,678
Accrual of subsidies	38,823	803
Deferred income from operating leases	123,209	84,341
Accrual of vehicle tax and vehicle insurance	<u>592</u>	<u>1,545</u>
	<u>187,779</u>	<u>106,367</u>

Financial statements 1 January - 31 December

Notes

15 Contingent liabilities and security

Contingent liabilities

The Company is jointly taxed with the Danish group companies in Mercedes-Benz group. As Group Company, the Company has joint and several unlimited liability for Danish corporation taxes within the joint taxation.

Security

The Company's assets are not provided as security.

	<u>2024</u>	<u>2023</u>
	DKK'000	DKK'000
16 Related parties		
Sale of goods to group companies	960,485	591,977
Purchase of goods from group companies	-7,820,300	-6,109,822
Purchase of support services from group companies	-46,593	-48,028
Interests to group companies	-177,402	-148,079
Receivables from group entities	130,021	24,017
Payables to group entities	19	38,107
Loans from group entities	4,425,989	4,489,138

Controlling interest

Mercedes-Benz Mobility AG
Siemensstrasse 7, 70469 Stuttgart, Germany

Related parties

Mercedes-Benz Danmark A/S
Mercedes-Benz CPH A/S
Mercedes-Benz Group AG
Mercedes-Benz Mobility AG
Mercedes-Benz Finans Sverige AB

The Annual Report for Mercedes-Benz Group AG is available here:

<https://group.mercedes-benz.com/investors/reports-news/annual-reports/2024/>

17 Subsequent events

No significant subsequent events have occurred during 2025, that can affect the financial statements for 2024.