Brønnøysundregistrene

# ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

**Enheten**

| | |
|---|---|
| Organisasjonsnummer: | 886 486 812 |
| Organisasjonsform: | Aksjeselskap |
| Foretaksnavn: | CHG-MERIDIAN NORWAY AS |
| Forretningsadresse: | Prinsens gate 22<br>0157 OSLO |

**Regnskapsår**

| | |
|---|---|
| Årsregnskapets periode: | 01.01.2021 - 31.12.2021 |

**Konsern**

| | |
|---|---|
| Morselskap i konsern: | Ja |
| Konsernregnskap lagt ved: | Ja |

**Regnskapsregler**

| | |
|---|---|
| Regler for små foretak benyttet: | Nei |
| Benyttet ved utarbeidelsen av årsregnskapet til selskapet: | Regnskapslovens alminnelige regler |
| Benyttet ved utarbeidelsen av årsregnskapet til konsernet: | - |

**Årsregnskapet fastsatt av kompetent organ**

| | |
|---|---|
| Bekreftet av representant for selskapet: | Lena Gausen |
| Dato for fastsettelse av årsregnskapet: | 03.06.2022 |

**Grunnlag for avgivelse**

År 2021: Årsregnskapet er elektronisk innlevert

År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

*Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.*

Brønnøysundregistrene, 30.07.2023

# Resultatregnskap

| Beløp i: NOK | Note | 2021 | 2020 |
|---|---|---|---|
| **RESULTATREGNSKAP** | | | |
| **Inntekter** | | | |
| Salgsinntekt | 3 | 24 144 831 | 35 425 248 |
| **Sum inntekter** | | **24 144 831** | **35 425 248** |
| **Kostnader** | | | |
| Lønnskostnad | 4 | 14 962 196 | 14 562 695 |
| Avskrivning på varige driftsmidler og immaterielle eiendeler | 5 | 229 318 | 319 769 |
| Annen driftskostnad | 4 | 4 057 783 | 7 630 765 |
| **Sum kostnader** | | **19 249 297** | **22 513 229** |
| **Driftsresultat** | | **4 895 534** | **12 912 019** |
| **Finansinntekter og finanskostnader** | | | |
| Annen renteinntekt | | -1 975 | 139 575 |
| Annen finansinntekt | | 385 | 1 190 |
| **Sum finansinntekter** | | **-1 590** | **140 765** |
| Annen rentekostnad | | 170 962 | 7 488 |
| Annen finanskostnad | | 32 076 | 127 701 |
| **Sum finanskostnader** | | **203 038** | **135 189** |
| **Netto finans** | | **-204 628** | **5 576** |
| **Ordinært resultat før skattekostnad** | | **4 690 906** | **12 917 595** |
| Skattekostnad på ordinært resultat | 14 | 1 047 849 | 2 849 657 |
| **Ordinært resultat etter skattekostnad** | | **3 643 057** | **10 067 938** |
| **Årsresultat** | | **3 643 057** | **10 067 938** |
| **Overføringer og disponeringer** | | | |
| Overføringer til/fra annen egenkapital | | 3 643 056 | 10 067 938 |
| **Sum overføringer og disponeringer** | | **3 643 056** | **10 067 938** |

# Balanse

| Beløp i: NOK | Note | 2021 | 2020 |
|---|---|---|---|
| **BALANSE - EIENDELER** | | | |
| **Anleggsmidler** | | | |
| **Immaterielle eiendeler** | | | |
| Utsatt skattefordel | 14 | 71 038 | 61 112 |
| **Sum immaterielle eiendeler** | | **71 038** | **61 112** |
| **Varige driftsmidler** | | | |
| Driftsløsøre, inventar, verktøy, kontormaskiner og lignende | 5 | 106 901 | 163 030 |
| **Sum varige driftsmidler** | | **106 901** | **163 030** |
| **Finansielle anleggsmidler** | | | |
| Investering i datterselskap | 10 | 12 785 896 | 12 785 896 |
| Andre fordringer | 11 | 294 542 342 | 151 188 938 |
| **Sum finansielle anleggsmidler** | | **307 328 238** | **163 974 834** |
| **Sum anleggsmidler** | | **307 506 177** | **164 198 976** |
| **Omløpsmidler** | | | |
| **Varer** | | | |
| **Fordringer** | | | |
| Kundefordringer | 7 | 15 983 004 | 54 656 590 |
| Andre fordringer | 13 | 84 587 062 | 118 070 581 |
| Konsernfordringer | 7 | 15 849 286 | 10 655 110 |
| **Sum fordringer** | | **116 419 352** | **183 382 281** |
| **Bankinnskudd, kontanter og lignende** | | | |
| Bankinnskudd, kontanter og lignende | 2 | 16 008 815 | 36 992 627 |
| **Sum bankinnskudd, kontanter og lignende** | | **16 008 815** | **36 992 627** |
| **Sum omløpsmidler** | | **132 428 167** | **220 374 908** |
| **SUM EIENDELER** | | **439 934 344** | **384 573 884** |

**BALANSE - EGENKAPITAL OG GJELD**

# Balanse

| Beløp i: NOK | Note | 2021 | 2020 |
|---|---|---|---|
| **Egenkapital** | | | |
| **Innskutt egenkapital** | | | |
| Selskapskapital | 8,9 | 499 500 | 499 500 |
| Overkurs | 84 110 100 | 24 665 188 | 24 665 188 |
| Annen innskutt egenkapital | 8 | 2 298 953 | 2 298 953 |
| **Sum innskutt egenkapital** | | **27 463 641** | **27 463 641** |
| | | | |
| **Opptjent egenkapital** | | | |
| Annen egenkapital | 8 | 31 411 103 | 27 768 047 |
| **Sum opptjent egenkapital** | | **31 411 103** | **27 768 047** |
| | | | |
| **Sum egenkapital** | | **58 874 744** | **55 231 688** |
| | | | |
| **Sum langsiktig gjeld** | | **0** | **0** |
| | | | |
| **Kortsiktig gjeld** | | | |
| Leverandørgjeld | 7 | 61 329 134 | 59 670 712 |
| Betalbar skatt | 14 | 1 057 775 | 2 878 444 |
| Skyldige offentlige avgifter | | 730 475 | 22 894 743 |
| Kortsiktig konserngjeld | 7 | 30 239 204 | 38 112 093 |
| Annen kortsiktig gjeld | 13 | 287 703 012 | 205 786 204 |
| **Sum kortsiktig gjeld** | | **381 059 600** | **329 342 196** |
| | | | |
| **Sum gjeld** | | **381 059 600** | **329 342 196** |
| | | | |
| **SUM EGENKAPITAL OG GJELD** | | **439 934 344** | **384 573 884** |
| | | | |
| **POSTER UTENOM BALANSEN** | | | |
| Garantistillelser | 6 | 34 271 747 | 23 302 810 |

KPMG

# Consolidated financial statements as at 31 December 2021 and Group management report

**TRANSLATION – AUDIT REPORT**

CHG-MERIDIAN AG
Weingarten, Germany

KPMG AG Wirtschaftsprüfungsgesellschaft

The English language text below is a translation provided for information purposes only. The original German text shall prevail in the event of any discrepancies between the English translation and the German original. We do not accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may arise from the translation.

# Table of contents



Please note that for computational reasons, rounding differences to the exact mathematical figures (monetary units, percentages, etc.) may occur.



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# Appendices

# List of abbreviations

| | |
|---|---|
| **AG** | German corporation limited by shares [Aktiengesellschaft] |
| **CHG AG** | CHG-MERIDIAN AG, Weingarten (parent company) |
| **EU** | European Union |
| **EUR** | Euro |
| **HGB** | German Commercial Code [Handelsgesetzbuch] |
| **IAS** | International Accounting Standards |
| **IDW** | German Institute of Public Auditors [Institut der Wirtschaftsprüfer in Deutschland e.V.], Düsseldorf |
| **IFRS** | International Financial Reporting Standards |
| **IT** | Information technology |
| **KWG** | German Banking Act [Kreditwesengesetz] |
| **PY** | Prior year |

To CHG-MERIDIAN AG, Weingarten, Germany

# 1 Audit engagement

At the annual general meeting held on 18 June 2021, of

**CHG-MERIDIAN AG, Weingarten,**
– hereinafter also referred to as 'CHG AG' or the 'Parent Company' –

we were elected as group auditor for financial year 2021. Accordingly, the Supervisory Board has engaged us to audit the consolidated financial statements as at 31 December 2021, and the Group management report for financial year 2021.

The terms governing this engagement are set out in the General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms] as amended on 1 January 2017, which are attached to this report as Appendix 4. Our liability is governed by Clause 9 of the General Engagement Terms. Our liability towards third parties is defined under Clauses 1 (2) and 9 of the General Engagement Terms.

# 2 Reproduction of the independent auditor's report

Based on the results of our audit, we have issued the following unqualified auditor's report:

## Independent Auditor's Report

To CHG-MERIDIAN AG, Weingarten

**Opinions**

We have audited the consolidated financial statements of CHG-MERIDIAN AG, Weingarten, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2021, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from 1 January to 31 December 2021, and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the Group management report of CHG-MERIDIAN AG for the financial year from 1 January to 31 December 2021.

In accordance with German legal requirements, we have not audited the content of those components of the Group management report specified in the „Other Information" section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

– the accompanying consolidated financial statements comply, in all material respects, with the IFRSs as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315e (1) HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2021, and of its financial performance for the financial year from 1 January to 31 December 2021, and

- the accompanying Group management report as a whole provides an appropriate view of the Group's position. In all material respects, this Group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the Group management report does not cover the content of those components of the Group management report specified in the „Other Information" section of the auditor's report.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the Group management report.

**Basis for the Opinions**

We conducted our audit of the consolidated financial statements and of the Group management report in accordance with Section 317 HGB and the German Generally Accepted Standards of Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the „Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the Group management report.

**Other Information**

The Board of Management is responsible for the other information. The other information comprises the corporate governance statement pursuant to Section 315d in conjunction with Section 289f (4) HGB (disclosures on the quota for women on executive boards), which is included in Section 2.6.2 of the Group management report.

Our opinions on the consolidated financial statements and on the Group management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the Group management report information audited for content or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

**Responsibilities of the Board of Management and the Supervisory Board for the Consolidated Financial Statements and the Group Management Report**

The Board of Management is responsible for the preparation of consolidated financial statements that comply, in all material respects, with IFRSs as adopted by the EU and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the Board of Management is responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Management is responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, it is responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the Board of Management is responsible for the preparation of a Group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the Board of Management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a Group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the Group management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the Group management report.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the Group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the Group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. 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 consolidated financial statements and this Group management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

– Identify and assess the risks of material misstatement of the consolidated financial statements and of the Group management report, 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 opinions. 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 controls.

– Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the Group management report 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 these systems.

– Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.

– Conclude on the appropriateness of the Board of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the Group management report or, if such disclosures are inadequate, to modify our respective opinions. 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 Group to cease to be able to continue as a going concern.

– Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU.

– Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express opinions on the consolidated financial statements and on the Group management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

- Evaluate the consistency of the Group management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the Board of Management in the Group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the Board of Management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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.

Munich, 26 April 2022

KPMG AG
Wirtschaftsprüfungsgesellschaft

| | |
|---|---|
| [*signature*] Peter<br>Wirtschaftsprüfer<br>[German Public Auditor] | [*signature*] Niedermayer<br>Wirtschaftsprüfer<br>[German Public Auditor] |

# 3 Evaluation of management's assessment of the Group's position

In our opinion, the following key statements in the Group management report are noteworthy:

- "The lease origination volume – which is the sum of purchase invoices received for equipment leased or sold to refinancing partners – amounted to EUR 1,726.8 million in the reporting year, representing a year-on-year decrease of 1.8 % (2020: EUR 1,757.7 million). With due regard to the coronavirus situation, the target set in March 2021 for the lease origination volume in 2021 in the range of EUR 1.8 billion to EUR 2.0 billion was thus just barely missed."
- "The CHG-MERIDIAN Group generated a profit from ordinary activities of EUR 151.5 million in 2021 (PY: EUR 122.7 million), significantly outperforming the prior-year figure. The continued very positive trend in profitability in the case of operating leases and the significant increase in income from remarketing are offset by a slight decline in net interest income."
- "The write-downs and value adjustments on lease receivables and leased assets decreased by EUR 3.9 million to EUR 21.0 million during the reporting year. This was mainly the result of the impairment loss on capitalised hidden reserves in conjunction with the acquisition of equigroup Holdings in 2018 (effect in 2021: EUR 22.0 million; effect in 2020: EUR 19.2 million), which were recognised for the last time in 2021."
- "The CHG-MERIDIAN Group was able to mobilise a sufficient financing volume of EUR 1,678.9 million in 2021 (PY: EUR 1,612.2 million). As in the previous year, the CHG-MERIDIAN Group thus funded the majority of its lease origination through external funding partners. The funding volume of EUR 1,678.9 million represents 97.2 % of the lease origination volume in the reporting year."
- "The CHG-MERIDIAN Group also always maintained a very good, robust level of financial resources in 2021. In addition to very strong free cash flow of EUR 419.6 million as at 31 December 2021 (PY: EUR 296.4 million), the CHG-MERIDIAN Group also has substantial undrawn short-term credit lines of EUR 243.4 million available (PY: EUR 177.2 million)."
- "The profile of future opportunities for the CHG-MERIDIAN Group stems from a growing international demand for complexity reduction as well as the trends that are projected to result through digitalisation of the economy. In this regard, significant potential is identified due to the impact of the coronavirus pandemic, particularly in the workforce and in the education system. At the same time, there is growing interest in carbon-neutral procurement methods and the re-use of used equipment, with both components being addressed through the design of service concepts and the remarketing of equipment in CHG-MERIDIAN's technology centre."

- "Due to continuing restrictions on overall economic activity as a result of the coronavirus pandemic in the course of 2021, high economic uncertainties persist, which especially affect counterparty risks."
- "Taking into account the current coronavirus situation and the conflict in Ukraine, we expect the economic environment to recover only slightly during the course of the 2022 reporting year, but are nevertheless confident of generating growth in lease origination volume. We therefore expect the CHG-MERIDIAN Group to achieve a lease origination volume ranging between EUR 1.8 billion and EUR 2.0 billion."
- "We are optimistic about the gross margin as well and once again anticipate solid results in a range of EUR 325.0 million to EUR 335.0 million. Furthermore, we expect consolidated net income to remain unchanged, with staffing levels increasing slightly."

As a result of our audit, we found that the Group management report, as a whole, provides an appropriate view of the Group's position. In all material respects, this Group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

# 4 Performance of the audit

## 4.1 Scope of the audit

We have audited the consolidated financial statements of CHG-MERIDIAN AG, which comprise the consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and notes to the consolidated financial statements, including the Group management report, for the year ended 31 December 2021.

Our responsibility is to express an opinion on these consolidated financial statements and the Group management report based on our audit.

The contents of the corporate governance statement pursuant to Section 315d in conjunction with Section 289f (4) HGB (disclosures on the quota for women on executive boards), included in the Group management report, are not within the scope of our audit in accordance with Section 317 (2) sentence 6 HGB. In the course of our audit it is only necessary to determine whether the disclosures pursuant to Section 289f (2) no. 4 HGB have been made.

The Board of Management is responsible for the other information. The other information comprises the corporate governance statement pursuant to Section 315d in conjunction with Section 289f (4) HGB (disclosures on the quota for women on executive boards), which is included in Section 2.6.2 of the Group management report.

As presented in the independent auditor's report, our opinions on the consolidated financial statements and the Group management report do not cover the other information and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information identified above and, in so doing, to consider whether the other information is materially inconsistent with the consolidated financial statements, with the information in the Group management report audited for content or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

An audit of the consolidated financial statements only covers compliance with other legal regulations to the extent that these other regulations can be expected to have an impact on the consolidated financial statements or the Group management report.

Pursuant to Section 317 (4a) HGB, an audit is not intended to extend to whether the Group's ability to continue as a going concern or the effectiveness and efficiency of management can be ensured.

## 4.2 Nature and scope of audit procedures

The general principles of our audit approach are already presented in the „Reproduction of the independent auditor's report" (see Section 2 of this report). In addition, we provide the following information on our audit approach and audit performance:

| **Phase I: Development of an audit strategy focused on business risks** |
|---|
| Obtaining an understanding of the Group and its consolidated entities as well as knowledge of the accounting systems and the internal control system |
| Assessing risks and establishing audit focus areas:<br>– Process of preparing consolidated financial statements<br>– Scope of consolidation<br>– Compliance of the separate financial statements included in the consolidated financial statements<br>– Currency translation<br>– Appropriate classification of leases<br>– Identification of deferred tax assets and liabilities in the consolidated financial statements<br>– Compliance of the consolidated statement of cash flows, consolidated statement of changes in equity and consolidated statement of comprehensive income |
| Identifying significant group entities |
| Establishing the audit scope, audit strategy and timeline for the audit |
| Selecting the group engagement team and planning the deployment of specialists |
| Coordination with local auditors |

| **Phase II: Selection and implementation of control-based audit procedures** |
|---|
| Selection of control-based audit procedures based on risk assessments and knowledge of business processes and systems |
| Assessment of the design and effectiveness of selected accounting-related controls |
| Assessment of the consolidation process and group-wide controls |

| Phase III: Tests of details and analytical review of items in the consolidated financial statements |
|---|
| Performance of analytical reviews of items in the consolidated financial statements |
| Tests of details on a sample basis and assessment of individual items with a view to the accounting options and judgements exercised, including, among other things, use of the activities and audit findings of local auditors |
| Review of disclosures in the notes and assessment of the Group management report |

| Phase IV: Overall assessment of audit results and reporting |
|---|
| Formation of opinions on the basis of the overall assessment of audit results |
| Reporting in the audit report and the independent auditor's report |
| Detailed oral presentation of audit results to management and the Supervisory Board |

We performed our audit (with interruptions) in the months of March and April 2022, until 26 April 2022.

All explanations and evidence requested by us were provided. The management of the Parent Company and its subsidiaries as well as the auditors of these companies complied with their obligation to provide information and to permit examination pursuant to Section 320 (3) HGB. The Parent Company's management confirmed in writing that the consolidated financial statements and the Group management report are complete.

# 5 Findings on consolidated financial reporting

## 5.1 Scope of consolidation and group reporting date

The group of consolidated entities has been determined in accordance with IFRS 10 and is presented in the notes to the consolidated financial statements. The regulations on classification of joint arrangements (IFRS 11) and equity accounting (IAS 28) have been observed. The materiality principles for the consolidation of entities have remained unchanged from the prior year.

The reporting dates for the annual financial statements of all consolidated subsidiaries correspond to the group reporting date.

## 5.2 Consolidated financial statements

The consolidated financial statements as at 31 December 2021, presented to us for audit were properly derived from the annual financial statements and subgroup financial statements or reporting packages of the consolidated entities. The Group's entire consolidation records (group accounting records) have been properly kept and maintained and all consolidation entries were properly carried forward.

Based on our audit, we found that the organisational and technical measures taken by the Parent Company are appropriate to ensure the security of IT systems and accounting-related data processed.

The consolidation methods applied are consistent, in all material respects, with the IFRS accounting principles as adopted by the EU. These are presented completely and accurately in the notes to the consolidated financial statements.

The consolidated statement of financial position and consolidated income statement and consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity have been prepared, in all material respects, in accordance with IFRSs, as adopted by the EU.

In all material respects, the disclosures in the notes to the consolidated financial statements are complete and accurate in accordance with the IFRSs, as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315e HGB.

## 5.3 Group management report

The Group management report prepared by management, in all material respects, complies with German legal requirements.

In accordance with German legal requirements, we have not audited the content of the corporate governance statement (disclosures on the quota for women on executive boards), which is included in the Group management report.

# 6 Opinion on the overall presentation of the consolidated financial statements

## 6.1 Comments on overall presentation

The accounting policies applied to the items of the consolidated financial statements, in all material respects, comply with the IFRSs as adopted by the EU. These are described in the notes to the consolidated financial statements (see Appendix 1.6 Section 3).

The exercise of accounting and valuation options as well as accounting judgements with regard to the following consolidated financial statement items has a material effect on the Group's assets, liabilities, financial position and financial performance:

**Receivables from finance leases and leased assets from operating leases**

Various criteria are defined in IFRS 16.63 et seqq. for categorising leases as finance leases or operating leases. For the classification of leases in accordance with IFRS, CHG AG primarily uses the present value criterion under IFRS 16.63 (d), as the other examples and indicators under IFRS 16.63 and IFRS 16.64 have almost no relevance in the contractual arrangements of CHG AG or would not lead to any changes in classification. According to this criterion, finance leases are to be assumed if the present value of the minimum lease payments amounts to at least substantially all of fair value of the leased asset. In all other cases, an operating lease is assumed. In cases in which CHG AG is the lessee, the right-of-use asset and a corresponding lease liability for the assumed payment obligations are recognised for all leases.

**Derecognition of finance lease receivables**

The lease payments financed without recourse, in which the financing party acquires the receivables rights and assumes full risk of default, comply with the derecognition requirements of IFRS 9 and have been derecognised accordingly. The profit from non-recourse funding (difference between the present value of the lease payments sold at the internal interest rate and the disbursement amount of the financing party as well as the liability to be taken into account from the administrative and settlement obligation) amounts to KEUR 25,458 (PY: KEUR 23,168) and was immediately recognised through profit or loss in interest income from finance leases.

CHG AG applies the simplified approach for trade receivables, contract assets and lease receivables in accordance with IFRS 9.5.5.15. The income from amortisation using the effective interest method is recognised in the income statement under 'Other interest income'. Impairment losses are largely allocated to leasing business and are therefore shown by CHG AG under 'write-downs and value adjustments on lease receivables and leased assets' in the income statement.

**Amortisation, depreciation and impairment losses on leased assets under operating leases**

Judgement is applied with regard to the calculation of the useful life and thus the **depreciation of leased assets**. Leased assets are written down to their notional residual value on a straight-line basis over the term of the lease. This synchronises the course of income and expenses from rental income and write-downs.

Impairment losses pursuant to IAS 36 are taken into account using write-downs. If the recoverable amount is less than the carrying amount, the difference is recognised as an impairment loss. The recoverable amount corresponds to the net proceeds from immediate sale (fair value less costs to sell). The fair value corresponds to the market prices of the assets or the prices derived from market transactions. Impairment losses are reversed if the reasons for recognising them in previous years no longer apply.

Impairment losses and reversals of impairment losses are recognised in profit or loss under 'write-downs and value adjustments on lease receivables and leased assets'.

**Consideration of unguaranteed residual values**

Judgement is exercised with regard to the recognition and subsequent measurement of the unguaranteed residual values from finance leases. The unguaranteed residual values comprise estimated present value proceeds from lease extensions and remarketing. All proceeds from leases are included in the calculation of the present value. Outstanding proceeds from amortisation arise if the present value of the lessee's lease payments does not cover the cost of the leased asset. In the case of operating leases as well, the residual carrying amount of the leased assets after the end of the lease must be covered by further proceeds. Based on historical experience, CHG AG assumes that the outstanding amortisation proceeds will be realised through lease extensions and remarketing at the end of the lease term. Remarketing proceeds are recognised based on the best possible estimate using a portfolio analysis. The estimated average remarketing results for finance leases amount to 5.0 % to 7.5 % until 30 June 2015, 5.0 % to 10.0 % from 1 July 2015 to 30 June 2020 and 5.0 % to 15.0 % of the original cost since 1 July 2020. The recognition of unguaranteed residual values has a direct impact on revenue recognition in the Group.

**Deferred tax assets and liabilities**

**Deferred tax assets and liabilities** are determined using the balance sheet based method. Deferred tax assets and liabilities were mainly measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets amounted to KEUR 16,795 (PY: KEUR 13,913) as at 31 December 2021 and deferred tax liabilities totalled KEUR 212,891 (PY: KEUR 206,910). Offsetting pursuant to IAS 12.71-76 is not carried out.

**Impairment of receivables**

Judgement is exercised in determining the allowance for expected credit losses using the expected credit loss method, as certain estimates and assessments are made with regard to customers' credit standing, the type of financing involved and experience with historical default rates. Given the favourable creditworthiness of customers, as well as the high rate of forfaiting, receivables are not written off completely until the customer defaults, in the form of a direct write-down.

**Foreign currency translation differences (other comprehensive income)**

Assets, equity and liabilities as well as contingent liabilities and other financial obligations **denominated in foreign currency are translated** using the modified closing rate method. Income statement items are translated using the annual average exchange rate. The difference arising from the translation of equity in a balance sheet denominated in foreign currency is shown in the 'Other reserves' item under consolidated equity.

**Intangible assets**

Intangible assets with indefinite useful lives are not amortised. These assets are tested for impairment annually, and also if there are indications of impairment. As at 31 December 2021, intangible assets with an indefinite useful life amounting to the capitalised goodwill of equigroup Holdings Pty Limited, Sydney, Australia, totalled KEUR 18,903 (PY: KEUR 18,903).

## 6.2 Conclusion on the overall presentation of the consolidated financial statements

Based on an overall consideration of the accounting policies described above, we are of the opinion that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with the IFRSs as adopted by the EU.

# 7 Concluding remarks

This audit report has been prepared in accordance with the principles of Auditing Standard 450 (as amended), promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW).

We hereby confirm pursuant to Section 321 (4a) HGB that we have conducted our audit in accordance with the applicable independence regulations.

The independent auditor's report is presented in Section 2.

Munich, 26 April 2022

KPMG AG
Wirtschaftsprüfungsgesellschaft
[Original German version signed by:]

| | |
|---|---|
| Peter | Niedermayer |
| Wirtschaftsprüfer | Wirtschaftsprüfer |
| [German Public Auditor] | [German Public Auditor] |

# Appendices

# Appendix 1
# Consolidated financial statements as at 31 December 2021 and Group management report

## Consolidated statement of financial position as at 31 December 2021 of CHG-MERIDIAN AG, Weingarten

### Assets

| | [redacted] | [redacted] | [redacted] |
|---|---|---|---|
| 1. Cash reserve | 7.1 | 22 | 51 |
| 2. Receivables from banks | 7.2 | 419,579 | 296,321 |
| 3. Receivables from finance leases | 7.3 | 704,573 | 771,903 |
| 4. Other receivables from customers | 7.4 | 179,099 | 177,760 |
| 5. Derivative financial instruments | 7.14 | 760 | 2,227 |
| 6. Investments | | 1 | 1 |
| 7. Leased assets under operating leases | 7.5 | 2,292,648 | 1,917,003 |
| 8. Intangible assets | 7.6 | 24,110 | 24,342 |
| 9. Property, plant and equipment | 7.7 | 45,900 | 44,373 |
| 10. Right-of-use assets | 7.8 | 15,868 | 14,615 |
| 11. Income tax assets | 7.17 | 7,971 | 7,381 |
| 12. Deferred tax assets | 5.15 | 16,795 | 13,913 |
| 13. Other assets | 7.9 | 359,080 | 349,058 |
| Total assets | | 4,066,406 | 3,618,948 |

# Consolidated statement of financial position as at 31 December 2021 of CHG-MERIDIAN AG, Weingarten

## Equity and liabilities

| | [redacted] | [redacted] | [redacted] | [redacted] |
|---|---|---|---|---|
| 1. Liabilities to banks | 7.10 | | 1,149,731 | 1,112,592 |
| 2. Deferred income from forfaiting transactions | 7.11 | | 1,444,073 | 1,221,849 |
| 3. Liabilities to customers | 7.12 | | 399,815 | 338,629 |
| 4. Lease liabilities | 7.13 | | 16,322 | 15,000 |
| 5. Derivative financial instruments | 7.14 | | 4,552 | 552 |
| 6. Other provisions | 7.15 | | 2,029 | 2,524 |
| 7. Income tax liabilities | 7.17 | | 30,462 | 16,762 |
| 8. Deferred tax liabilities | 5.15 | | 212,891 | 206,910 |
| 9. Other liabilities | 7.16 | | 122,259 | 119,574 |
| 10. Equity | 7.18 | | 684,272 | 584,556 |
| a. Subscribed capital | | 100,000 | | |
| less notional value of treasury shares | | -1,021 | | |
| issued capital | | | 98,979 | 98,672 |
| b. Capital reserve | | | 18,210 | 18,100 |
| c. Retained earnings | | | 456,297 | 396,703 |
| d. Other reserves | | | -2,727 | -16,241 |
| e. Profit for the period attributable to the group | | | 112,852 | 86,942 |
| f. Non-controlling interests | | | 661 | 380 |
| Total equity and liabilities | | | 4,066,406 | 3,618,948 |

# Consolidated income statement for financial year 2021 of CHG-MERIDIAN AG, Weingarten

| | | [redacted] | [redacted] |
|---|---|---|---|
| 1. | Interest income from finance leases | 94,626 | 104,531 |
| 2. | Other interest income | 1,207 | 426 |
| 3. | Interest expenses | -30,173 | -26,269 |
| 4. | Income from operating leases | 999,472 | 839,448 |
| 5. | Expenses from operating leases | -799,646 | -673,750 |
| 6. | Income from remarketing | 272,604 | 181,360 |
| 7. | Expenses from remarketing | -197,895 | -133,987 |
| 8. | Write-downs and value adjustments on lease receivables and leaed assets | -21,008 | -24,900 |
| 9. | Income from services rendered | 68,503 | 61,203 |
| 10. | Expenses for services rendered | -45,768 | -40,948 |
| 11. | Gains and losses on the measurement of derivative financial instruments | -5,468 | 3,976 |
| 12. | Staff expenses | -131,671 | -128,228 |
| 13. | Other administrative expenses | -34,806 | -30,269 |
| 14. | Amortisation, depreciation and impairment losses on intangible assets, property, plant and equipment and right-of-use assets | -14,367 | -13,142 |
| 15. | Other operating income | 18,151 | 22,452 |
| 16. | Other operating expenses | -22,282 | -19,159 |
| **17.** | **Profit from ordinary activities** | **151,479** | **122,744** |
| 18. | Income taxes | -38,346 | -35,727 |
| **19.** | **Consolidated net income** | **113,133** | **87,017** |
| 20. | Profit attributable to non-controlling interests | -281 | -75 |
| **21.** | **Profit for the period attributable to the group** | **112,852** | **86,942** |

## Consolidated statement of comprehensive income
## for financial year 2021
## of CHG-MERIDIAN AG, Weingarten

| | [redacted] | [redacted] | [redacted] | [redacted] |
|---|---|---|---|---|
| **Consolidated net income** | | | **113,133** | **87,017** |
| **Items that are or may be reclassified subsequently to profit or loss** | | | | |
| Foreign currency translation differences | **6.** | | 13,514 | -12,243 |
| **Other comprehensive income** | | | **13,514** | **-12,243** |
| **Total comprehensive income for the period** | | | **126,647** | **74,774** |
| thereof attributable to | | | | |
| Non-controlling interests | | | 281 | 75 |
| Shareholders of CHG-MERIDIAN AG | | | 126,366 | 74,699 |

## Consolidated statement of cash flows for financial year 2021 of CHG-MERIDIAN AG, Weingarten

| | [redacted] | [redacted] |
|---|---|---|
| Profit from ordinary activities* | 151,479 | 122,744 |
| Increase in deferred income from forfaiting transactions | -734,769 | -577,321 |
| Amortisation/depreciation and impairment losses on leased assets under operating leases | 778,738 | 663,106 |
| Amortisation/depreciation of intangible assets, property, plant and equipment and right-of-use assets | 14,367 | 13,142 |
| Increase in provisions and change in deferred tax assets and liabilities and income tax liabilities | 16,303 | 18,045 |
| Net increase in other receivables from customers, other assets and other assets not attributable to investing or financing activities | -25,034 | -103,824 |
| Net increase in liabilities to customers, other liabilities and other liabilities not attributable to investing or financing activities | 69,193 | 24,761 |
| **Cash generated from operating activities** | **270,277** | **160,653** |
| Income taxes paid/received | -23,795 | -16,182 |
| **Net cash from operating activities** | **246,482** | **144,471** |
| | | |
| Proceeds from sale of investments | 0 | 5,075 |
| Acquisition of intangible assets, property, plant and equipment and right-of-use assets | -17,422 | -10,287 |
| Acquisition of leased assets under operating leases | -1,406,399 | -1,156,677 |
| Decrease in receivables from finance leases | 67,330 | 72,565 |
| Sale of intangible assets and property, plant and equipment | 507 | 541 |
| Sale of leased assets under operating leases | 252,016 | 222,388 |
| **Net cash used in investing activities** | **-1,103,968** | **-866,395** |
| | | |
| Dividends paid | -28,766 | -28,764 |
| Purchase/sale of treasury shares | 1,835 | -9,066 |
| Net cash from forfaiting proceeds | 956,992 | 703,906 |
| Net increase in liabilities to banks | 37,140 | 95,082 |
| **Net cash from financing activities** | **967,201** | **761,158** |
| | | |
| Net increase/decrease in cash and cash equivalents | 109,715 | 39,234 |
| Changes due to currency translation | 13,514 | -12,243 |
| Cash and cash equivalents** at the beginning of the period | 296,372 | 269,381 |
| | | |
| **Cash and cash equivalents* at the end of the period** | **419,601** | **296,372** |

* including interest paid in the amount of KEUR 2,665 and interest received in the amount of KEUR 879 in 2021.
** defined as the sum of the "cash reserve" and "receivables from banks (due at short notice)"

# Consolidated statement of changes in equity of CHG-MERIDIAN AG, Weingarten

**Consolidated statement of changes in equity as at 31 December 2021**

| | [redacted] | | | | [redacted] | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] |
| **Equity as at 1 January 2020** | **100,000** | **-333** | **17,612** | **369,346** | **-3,998** | **64,757** | **547,384** | **227** | **547,611** |
| Net income for the year | - | - | - | - | - | 86,942 | 86,942 | 75 | 87,017 |
| Other comprehensive income/loss | - | - | - | - | -12,243 | - | -12,243 | - | -12,243 |
| **Total comprehensice income/loss** | - | - | - | - | **-12,243** | **86,942** | **74,699** | **75** | **74,774** |
| Changes in treasury shares held | - | -995 | 488 | - | - | - | -507 | - | -507 |
| Dividend Distribution | - | - | - | -28,764 | - | - | -28,764 | - | -28,764 |
| Other changes | - | - | - | 56,121 | - | -64,757 | -8,636 | 78 | -8,558 |
| **Equity as at 31 December 2020** | **100,000** | **-1,328** | **18,100** | **396,703** | **-16,241** | **86,942** | **584,176** | **380** | **584,556** |
| **Equity as at 1 January 2021** | **100,000** | **-1,328** | **18,100** | **396,703** | **-16,241** | **86,942** | **584,176** | **380** | **584,556** |
| Net income for the year | - | - | - | - | - | 112,852 | 112,852 | 281 | 113,133 |
| Other comprehensive income/loss | - | - | - | - | 13,514 | - | 13,514 | - | 13,514 |
| **Total comprehensice income/loss** | - | - | - | - | **13,514** | **112,852** | **126,366** | **281** | **126,647** |
| Changes in treasury shares held | - | 307 | 110 | - | - | - | 417 | - | 417 |
| Dividend Distribution | - | - | - | -28,765 | - | - | -28,765 | - | -28,765 |
| Other changes | - | - | - | 88,360 | - | -86,942 | 1,418 | - | 1,418 |
| **Equity as at 31 December 2021** | **100,000** | **-1,021** | **18,210** | **456,298** | **-2,727** | **112,852** | **683,612** | **661** | **684,273** |

# Notes to the consolidated financial statements for the fiscal year 2021 of CHG-MERIDIAN AG, Weingarten

## 1. General information

CHG-MERIDIAN AG takes the form of a German corporation [Aktiengesellschaft] and has its registered office at Franz-Beer-Strasse 111, 88250 Weingarten, Germany. The Company is entered in the commercial register of the Ulm District Court, department B (file no HRB 551857), and is the parent company of the CHG-MERIDIAN Group (hereinafter referred to as 'CHG-MERIDIAN').

As the parent company, CHG-MERIDIAN AG prepares the consolidated financial statements at the end of each financial year, taking account of all the separate financial statements of the Group's subsidiaries.

## 2. Basis of preparation

Pursuant to Section 315e (3) of the German Commercial Code [HGB], CHG-MERIDIAN AG prepared its consolidated financial statements for the year ended 31 December 2021, according to the International Financial Reporting Standards (IFRS). The consolidated financial statements of CHG-MERIDIAN AG comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and adopted by the European Union (EU) as at 31 December 2021, and the supplementary provisions of German commercial law pursuant to Section 315e HGB.

All IFRSs and International Accounting Standards (IAS) effective for financial year 2021 and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and Standing Interpretations Committee (SIC) were taken into account in these financial statements.

These consolidated financial statements are presented in euros (EUR). All amounts have been rounded to the nearest thousand euros (KEUR).

### a) Changes in accounting policies and disclosures

#### New financial reporting standards and amendments applicable in 2021

The following amendments to standards that must be applied in the EU starting in the reporting year had no or only an immaterial impact on the consolidated financial statements of CHG-MERIDIAN AG:

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – Interest Rate Benchmark Reform (effective from 1 January 2021)
- Amendments to IFRS 16 – Covid-19-Related Rent Concessions (effective from 1 January 2021)
- Amendments to IFRS 4 – Extension of the Temporary Exemption from Applying IFRS 9 *Financial Instruments* (effective from 1 January 2021)

**Issued financial reporting standards that have not yet been applied**

In preparing the 2021 consolidated financial statements, CHG-MERIDIAN AG did not early adopt the following financial reporting standards, interpretations and amendments issued by the IASB but not yet effective. The Company does not plan to implement individual standards before their initial application becomes mandatory:

- Amendments to IAS 37 Onerous Contracts – Cost of Fulfilling a Contract (effective from 1 January 2022)
- Amendments to IFRS 3 – Reference to the Conceptual Framework (Reference to the Conceptual Framework 2018 for Business Combinations) (effective from 1 January 2022)
- Annual Improvements to IFRS Standards 2018-2020 Cycle (effective from 1 January 2022):
    - IFRS 1 Subsidiary as a first-time adopter
    - IAS 41 Taxation in fair value measurements
    - IFRS 9 Fees included in the '10 per cent' test for derecognition of financial liabilities
    - IFRS 16 Lease incentives
- Amendments to IAS 1 *Presentation of Financial Statements* (Disclosure of Accounting Policies) and amendments to the related Practice Statement 2 – Making Materiality Judgements (effective from 1 January 2023)
- Amendments to IAS 8 – Definition of Accounting Estimates (effective from 1 January 2023)
- Amendments to IAS 16 *Property, Plant and Equipment* (Proceeds Before Intended Use) (effective from 1 January 2022)
- Amendments to IFRS 17 *Insurance Contracts* (effective from 1 January 2023)
- Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective from 1 January 2023)

## b) Consolidation

**Basis of preparation of consolidated financial statements**

The consolidated financial statements of CHG-MERIDIAN AG cover the parent company, plus all subsidiaries over which CHG-MERIDIAN AG can exercise control. An investor (the parent company CHG-MERIDIAN AG) controls an investee (subsidiary) when CHG-MERIDIAN AG is exposed, or has rights (including on the basis of voting rights), to positive or negative variable returns from its involvement with the potential subsidiary and has the ability to affect those returns through its power over the potential subsidiary.

Group entities are consolidated from the day on which control passes to the parent company. They are deconsolidated on the date the parent company ceases to have control.

The separate financial statements of the consolidated entities are generally prepared on the basis of the same accounting policies as at the reporting date of the consolidated financial statements. Income and expenses as well as receivables and liabilities between the consolidated entities are eliminated as part of the consolidation of income and expenses and consolidation of liabilities. Capital is consolidated by offsetting the carrying amounts of the investments in subsidiaries against the Group's share of their equity.

Changes in investments in subsidiaries that cause the Group's shareholding to increase or decrease without loss of control are recognised directly in equity as an equity transaction.

**Consolidated group**

The following table shows the changes in the consolidated entities of the CHG-MERIDIAN Group:

| [redacted] | [redacted] | [redacted] |
|---|---:|---:|
| **Consolidated entities** | **50** | **53** |
| thereof in Germany | 5 | 4 |
| thereof outside Germany | 45 | 49 |

In addition to CHG-MERIDIAN AG (the parent company), the following subsidiaries were consolidated as at 31 December 2021:

| [redacted] | [redacted] | [redacted] | [redacted] |
|---|---|---|---|
| **German subsidiaries** | | | |
| CHG-MERIDIAN Leasing-Beteiligungs-Holding GmbH | Weingarten, Germany | 100 | A |
| CHG-MERIDIAN Industrial Solutions GmbH | Weingarten, Germany | 95 | A |
| abakus Consulting GmbH | Ravensburg, Germany | 100 | A |
| circulee GmbH | Berlin, Germany | 100 | A |
| **Foreign subsidiaries** | | | |
| CHG-MERIDIAN Austria GmbH | Vienna, Austria | 100 | A |
| CHG-MERIDIAN Belgium NV | Grimbergen, Belgium | 100 | A |
| CHG-MERIDIAN Czech Republic s.r.o. | Prague, Czech Republic | 100 | A |
| CHG-MERIDIAN France SAS | Paris, France | 100 | A |
| CHG-MERIDIAN Ireland Limited | Dublin, Republic of Ireland | 100 | A |
| CHG-MERIDIAN Italia S.p.A. | Vimercate, Italy | 100 | A |
| CHG-MERIDIAN Nederland BV | Rotterdam, Netherlands | 100 | A |
| CHG-MERIDIAN Polska sp. z o.o. | Warsaw, Poland | 100 | A |
| CHG-MERIDIAN Schweiz AG | Baden, Switzerland | 100 | A |
| CHG-MERIDIAN Slovakia s.r.o. | Bratislava, Slovakia | 100 | A |
| CHG-MERIDIAN Spain S.L. | Barcelona, Spain | 100 | A |
| CHG-MERIDIAN (Holdings) UK Limited | Egham, Surrey, United Kingdom | 100 | A |
| CHG-MERIDIAN Limited | Egham, Surrey, United Kingdom | 100 | A |
| CHG-MERIDIAN UK Limited | Egham, Surrey, United Kingdom | 100 | A |
| CHG-MERIDIAN Capital Limited | Egham, Surrey, United Kingdom | 100 | A |

| [redacted] | [redacted] | [redacted] | [redacted] |
|---|---|---|---|
| Lease Support Desk Limited | Egham, Surrey,<br>United Kingdom | 100 | I |
| Wyse Finance Limited | Egham, Surrey,<br>United Kingdom | 100 | I |
| Flameace Limited | Egham, Surrey,<br>United Kingdom | 100 | I |
| Wyse Leasing Limited | Egham, Surrey,<br>United Kingdom | 100 | I |
| CSL Finance NV | Grimbergen,<br>Belgium | 100 | A |
| CHG-MERIDIAN Belux NV | Grimbergen,<br>Belgium | 100 | A |
| LLC "CHG-MERIDIAN" | Moscow,<br>Russia | 100 | I |
| CHG-MERIDIAN tehnološki menedžment d.o.o. | Ljubljana,<br>Slovenia | 100 | A |
| CHG-MERIDIAN Canada Limited | Windsor,<br>Canada | 100 | A |
| CHG-MERIDIAN U.S. Holding Inc. | Los Angeles,<br>USA | 100 | A |
| CHG-MERIDIAN USA Corp. | Los Angeles,<br>USA | 100 | A |
| CHG-MERIDIAN México S.A.P.I. de C.V. | Mexico City,<br>Mexico | 100 | A |
| CHG Locare S.A. de C.V. | Mexico City,<br>Mexico | 100 | A |
| Leasing Consulting S.A. de C.V. | Mexico City,<br>Mexico | 100 | I |
| ECR Leasing Services S.A. de C.V. | Mexico City,<br>Mexico | 49 | A |
| CHG-MERIDIAN do Brasil<br>Locação de Equipamentos Ltda. | São Paulo,<br>Brazil | 100 | A |
| CHG-MERIDIAN do Brasil<br>Arrendamento Mercantil S.A. | São Paulo,<br>Brazil | 100 | A |

| [redacted] | [redacted] | [redacted] | [redacted] |
|---|---|---|---|
| CHG-MERIDIAN Norway AS | Oslo, Norway | 100 | A |
| CHG-MERIDIAN Sweden AB | Stockholm, Sweden | 100 | A |
| CHG-MERIDIAN Denmark A/S | Copenhagen, Denmark | 100 | A |
| CHG-MERIDIAN Finland Oy | Helsinki, Finland | 100 | A |
| CHG-MERIDIAN Skien AS | Skien, Norway | 100 | A |
| equigroup Holdings Pty Limited | Sydney, Australia | 100 | A |
| equigroup Pty Limited | Sydney, Australia | 100 | A |
| equigroup Limited | Auckland, New Zealand | 100 | A |
| equigroup Limited | London, United Kingdom | 100 | A |
| NF Techfleet AB | Stockholm, Sweden | 100 | A |
| NF Techfleet (Denmark) ApS | Vanløse, Denmark | 100 | A |
| CHG-MERIDIAN Australia Pty Limited | Sydney, Australia | 100 | A |
| CHG-MERIDIAN New Zealand Limited | Auckland, New Zealand | 100 | A |

### Changes in consolidated entities

| [redacted] | [redacted] | [redacted] | [redacted] |
|---|---|---|---|
| CHG-MERIDIAN New Zealand Limited | Auckland, New Zealand | 100 | A |
| circulee GmbH | Berlin, Germany | 100 | A |

CHG-MERIDIAN New Zealand Limited, Auckland, New Zealand was newly established in August 2021 as a wholly owned subsidiary of CHG-MERIDIAN AG. The purpose of this subsidiary's establishment is to further push international projects as well as the implementation of CHG-MERIDIAN AG's solution strategy in New Zealand.

In November 2021, circulee GmbH, Berlin, Germany, was newly established as a wholly owned subsidiary of CHG-MERIDIAN AG. This company's purpose is to sell and purchase industrial goods, especially IT equipment, as well as lease these goods and provide related services.

Furthermore, the following entities were deconsolidated in financial year 2021 through liquidation:

| [redacted] | [redacted] | [redacted] | [redacted] |
|---|---|---|---|
| Wyse Leasing (Midlands) Limited | Egham, Surrey, United Kingdom | 100 | I |
| Wyse Capital Limited | Egham, Surrey, United Kingdom | 100 | I |
| UK Lease IT Limited | Egham, Surrey, United Kingdom | 100 | I |
| Wyse Leasing (South East) Limited | Egham, Surrey, United Kingdom | 100 | I |
| NF Techfleet (UK) Limited | London, United Kingdom | 100 | I |

## c) Foreign currency translation

### Functional and presentation currency

The consolidated financial statements of CHG-MERIDIAN AG are presented in euros, the parent company's functional currency. The functional currency of the CHG-MERIDIAN Group entities is the currency of the primary economic environment in which they operate. Items included in the financial statements of group entities are measured using the respective entity's defined functional currency.

**Transactions in foreign currency**

The group entities translate foreign currency transactions into their functional currency at the spot exchange rate prevailing on the date of initial recognition of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the closing rate on the reporting date. Non-monetary items measured at historical cost are translated using the historical exchange rate. Non-monetary items measured at fair value are translated using the exchange rates at the date when the fair value was measured. Foreign currency translation differences resulting from the translation of monetary items are recognised in profit or loss. If gains or losses from the remeasurement of non-monetary items are recognised in other comprehensive income, the foreign currency translation differences are also recognised in other comprehensive income.

**Group entities**

On consolidation, the assets and liabilities of the foreign CHG-MERIDIAN Group entities are translated into euros using the average spot exchange rate as at the reporting date. With the exception of net income, equity is reported at historical exchange rates. Income and expenses are translated at the average exchange rate for the financial year. The foreign currency translation differences are recognised within equity under 'Other reserves'. In the event of a foreign operation's disposal, the pro-rata cumulative exchange differences contained in equity are recognised in profit or loss.

The changes in the main euro exchange rates used in the consolidated financial statements were as follows:

| [redacted] | [redacted] | | [redacted] | |
|---|---|---|---|---|
| USD | 0.88292 | 0.84538 | 0.81493 | 0.87215 |
| CHF | 0.96796 | 0.92500 | 0.92575 | 0.93437 |
| MXN | 0.04321 | 0.04169 | 0.04096 | 0.04105 |
| RUB | 0.01172 | 0.01148 | 0.01093 | 0.01220 |
| GBP | 1.19008 | 1.16302 | 1.11231 | 1.12528 |
| CAD | 0.69478 | 0.67442 | 0.63967 | 0.65425 |
| CZK | 0.04023 | 0.03900 | 0.03811 | 0.03783 |
| PLN | 0.21754 | 0.21912 | 0.21931 | 0.22516 |
| BRL | 0.15848 | 0.15687 | 0.15690 | 0.17203 |
| NOK | 0.10011 | 0.09842 | 0.09551 | 0.09337 |
| SEK | 0.09756 | 0.09858 | 0.09966 | 0.09539 |
| DKK | 0.13447 | 0.13446 | 0.13439 | 0.13415 |
| AUD | 0.64041 | 0.63513 | 0.62909 | 0.60593 |
| NZD | 0.60317 | 0.59798 | 0.58879 | 0.56967 |

## 3. Significant accounting policies

**Receivables from banks**

Receivables from banks are recognised at nominal value.

**Receivables from finance leases**

The CHG-MERIDIAN Group's finance lease business predominantly relates to IT equipment, industrial equipment, and healthcare equipment.

The CHG-MERIDIAN Group also enters into sale-and-leaseback transactions in which the leased equipment is acquired from the lessee and then leased back to the lessee. Depending on the contractual leaseback arrangements, these contracts are classified and presented as either finance leases or operating leases.

In the case of finance leases, beneficial ownership passes to the lessee. Receivables from finance leases are therefore recognised in the consolidated statement of financial position.

The CHG-MERIDIAN Group mainly classifies leases using the present value criterion. According to this criterion, a leasing arrangement qualifies as a finance lease if, at the inception of the lease, the present value of the guaranteed minimum lease payments amounts to at least substantially all of the fair value of the leased asset.

Receivables from finance leases are initially recognised at the net investment value. The net investment value corresponds to the acquisition cost of the leased asset plus initial direct costs. Initial recognition occurs when the lessee confirms that the leased asset is installed and ready for use.

The interest income from these transactions is shown under interest income from finance leases in the income statement. In accordance with IFRS 16, the interest on receivables is determined using the interest rate implicit in the lease. This produces a constant periodic rate of return on the outstanding receivable.

**Derecognition of finance lease receivables**

At CHG-MERIDIAN, leases are also refinanced through non-recourse funding. CHG-MERIDIAN sells future cash flows from the lease to the funding provider. For non-recourse funding of lease payments, the counterparty risk (in particular) is assumed by the funding provider.

Receivables from finance leases are subject to the derecognition requirements for financial instruments. CHG-MERIDIAN's non-recourse funding contracts comply with the derecognition requirements in IFRS 9:

- transfer of the contractual rights to cash flows from the financial asset and
- transfer of essentially all risks and rewards incidental to ownership.

Accordingly, the (partial) receivables are derecognised upon sale and the profit from non-recourse funding (difference between the present value of the lease payments sold at the internal interest rate and the disbursement amount of the financing party as well as the liability to be taken into account from the administrative and settlement obligation) is recognised immediately in profit or loss. Profit is recognised under interest income from finance leases.

**Impairment of lease receivables**

The risk of default on lease receivables is accounted for by recognising an allowance for expected credit losses.

A simplified approach to the expected credit loss method is applied for existing credit risks. For this purpose, a three-year average based on information about payment defaults on self-financed or credit-financed leases in the event of insolvency is used, which forms the basis for the expected credit loss allowance. Income actually received in past cases of insolvency is also factored into the consideration. Based on the percentage distribution of the risk-exposed lease payments into finance leases and operating leases, the determined risk allowance is broken down into finance leases and operating leases as at the reporting date.

**Financial instruments**

Financial assets

Financial assets within the meaning of IFRS 9 are classified into the following categories (IFRS 9.4.1):

- at amortised cost (AC)
- at fair value through other comprehensive income (FVOCI with or without recycling)
- at fair value through profit or loss (FVTPL)

Financial assets are initially recognised at fair value. The transaction costs are also added, except in the case of assets designated 'as at fair value through profit or loss'. Spot transactions are recognised on the settlement date.

After initial recognition, financial assets are measured depending on their classification:

***At amortised cost (AC)***

In the CHG-MERIDIAN Group, financial instruments measured at amortised cost take the form of loans and receivables, the payment characteristics of which consist solely of payments of principal and interest on the principal amount outstanding and which are held within a business model to collect contractual cash flows. After initial recognition, such financial assets are subsequently measured at amortised cost using the effective interest method, less any impairment losses. The income from amortisation using the effective interest method is recognised in the income statement under 'Other interest income'. Impairment losses are largely allocated to leasing business and are therefore shown under write-downs and value adjustments on lease receivables and leased assets' in the income statement.

***At fair value through other comprehensive income (FVOCI)***

Financial instruments classified as at fair value through other comprehensive income (FVOCI) with recycling also have the payment characteristic that consists solely of payments of principal and interest on the principal amount outstanding, but whose business model is to 'hold to collect and for sale'. As at the reporting date, CHG-MERIDIAN does not have any financial instruments categorised as FVOCI with recycling.

For equity instruments within the meaning of IAS 32 which, due to their lack of payment characteristics, would have to be allocated to payments of principal and interest on the principal amount outstanding in the FVTPL category, there is an option (OCI option) of classifying them into the 'FVOCI' category without recycling if there is no intention to trade these instruments. As at 31 December 2021, the Group did not recognise any FVOCI financial instruments without recycling.

***At fair value through profit or loss (FVTPL)***

In principle, all financial instruments are to be classified into the FVTPL category unless they fall under the above AC or FVOCI categories (with or without recycling) due to their business model, or their contractual cash flow characteristics do not consist solely of payments of principal and interest on the principal amount outstanding. At CHG-MERIDIAN, only derivatives are included in the group of financial assets measured at fair value through profit or loss.

Financial assets (derivatives) designated as at fair value through profit or loss are recognised at fair value under 'Derivative financial instruments ' in the statement of financial position, with changes in fair value shown under 'Gains and losses on the measurement of derivative financial instruments' in the income statement.

Financial assets are designated as at fair value through profit or loss upon initial recognition.

Financial liabilities

According to IFRS 9, financial liabilities are classified either as financial liabilities at fair value through profit or loss or as liabilities measured at amortised cost. The Group determines the classification (measurement category) of its financial liabilities at initial recognition.

All financial liabilities are initially recognised at fair value including directly attributable transaction costs.

The Group’s financial liabilities consist of liabilities to banks, liabilities to customers, and derivative financial instruments.

After initial recognition, financial liabilities are measured depending on their classification:

***At fair value through profit or loss (FVTPL)***
Financial liabilities designated as 'at fair value through profit or loss' comprise derivatives with a negative market value that were classified as 'at fair value through profit or loss' at initial recognition. Gains and losses on derivatives are subsequently recognised in profit or loss.

Financial liabilities are designated as 'at fair value through profit or loss' at initial recognition, provided the criteria of IFRS 9 are met.

In the consolidated financial statements of CHG-MERIDIAN AG, derivatives are classified only as FVTPL.

***At amortised cost (AC)***
After initial recognition, interest-bearing loans are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised or amortised using the effective interest method. Amortisation using the effective interest method is included in the income statement under 'interest expenses'.

**Impairment of financial assets**

Default risk arising on financial assets is accounted for by recognising impairment loss allowances.

For credit risks arising from 'Other receivables from customers', an allowance for expected credit losses is created according to the expected credit loss method. This is based on a maturity analysis of the receivables portfolio in the 'not past due', 'more than 30 days past due', 'between 30 and 90 days past due' and 'more than 90 days past due' categories. In addition, the expected loss over a 12-month period based on the respective credit risk of the individual customer is used to provide a weighted average of the default risk. For receivables 'more than 90 days past due', a higher loss allowance is recognised based on past experience with insolvencies and default.

Receivables are shown in the statement of financial position at their net carrying amount. The carrying amount of the financial asset is reduced using an allowance account. Explanatory notes on loss allowances are provided in Section 5, 'Notes to the income statement – write-downs and value adjustments on lease receivables and leased assets'.

Uncollectible receivables that are in the process of being settled and for which all security furnished has been realised and all other options of recovery have been exhausted are written off in full. Previously recognised specific impairment loss allowances are utilised. Any subsequent receipts for receivables that have been written off are recognised in profit or loss.

**Hedge accounting**

The CHG-MERIDIAN Group uses derivatives as hedging instruments to a small extent at the level of CHG-MERIDIAN AG in order to manage interest rate and currency risks and also to reduce earnings volatility. These derivatives are instruments that are traded directly between market participants rather than being traded on an exchange.

If the derivatives satisfy the recognition criteria in IFRS 9, they are recognised at their fair value, both on the acquisition date and subsequently, in accordance with the requirements of IFRS 13 Fair Value Measurement. In this case, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between independent market participants at the measurement date. Measurement of individual assets, liabilities and equity instruments is based on observable and unobservable parameters. These are assigned to one of the three levels of the fair value hierarchy:

- quoted prices in active markets
- quoted market prices that are observable either directly or indirectly
- unobservable inputs

The derivatives used in the CHG-MERIDIAN Group are recognised in accordance with the requirements of IFRS 13 using Level 2 inputs corresponding to quoted market prices for identical assets that are directly observable.

CHG-MERIDIAN generally assigns hedging derivatives to the FVTPL category. Hedge accounting pursuant to IFRS 9.4.3 et seqq. is not applied in the consolidated financial statements.

**Leased assets under operating leases**

The CHG-MERIDIAN Group's operating lease business predominantly relates to IT equipment, industrial equipment, and healthcare equipment.

In the case of operating leases, beneficial ownership of the assets remains with CHG-MERIDIAN. They are therefore recognised under 'Leased assets under operating leases' in the consolidated statement of financial position.

The assets are measured at cost less straight-line depreciation over the term of the lease to their notional residual value. The leasing income is recognised over the term of the lease using the straight-line method.

Leased assets are initially recognised on the date when the lessee confirms that the leased equipment is installed and in a state of operational readiness.

Impairment losses on leased assets under operating leases are recognised pursuant to the option provided under IFRS 9.5.5.15 (b) which provides for measuring a loss allowance for all lease receivables. The simplified approach of the expected credit loss method is thus applied analogously to loss allowances for finance leases.

Impairment losses are reversed if the reasons for recognising them in previous years no longer apply.

The impairment losses and their reversal are recognised in profit or loss under ‘write-downs and value adjustments on lease receivables and leased assets'.

**Intangible assets**

Purchased intangible assets with a finite useful life, which mainly include software and licences, are recognised at cost plus incidental acquisition costs in accordance with the requirements of IAS 38 and amortised on a straight-line basis assuming a useful life of between one and ten years.

Intangible assets with indefinite useful lives are not amortised. These assets are tested for impairment annually, and also if there are indications of impairment. The CHG-MERIDIAN Group reported intangible assets with an indefinite useful life in the amount of KEUR 18,903 as at 31 December 2021 (PY: KEUR 18,903).

Impairment losses pursuant to IAS 36 are taken into account using write-downs. If the recoverable amount is less than the carrying amount, the difference is recognised as an impairment loss. The recoverable amount corresponds to the net proceeds from immediate sale (fair value less costs to sell). The fair value corresponds to the market prices of the assets or the prices derived from market transactions.

Impairment losses are reversed if the reasons for recognising them in previous years no longer apply.

Impairment losses and reversals of impairment losses are recognised under 'Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment'.

**Property, plant and equipment**

Property, plant and equipment is measured at cost plus directly attributable costs less straight-line depreciation and, if applicable, impairment losses. The depreciation period is based on the expected useful life. Residual values, useful lives, and the method of depreciation are reviewed periodically. If there are deviations from previous estimates, the changes are recognised in accordance with the requirements of IAS 8. Maintenance and minor repairs are recognised immediately in profit or loss.

In the event of disposal of items of property, plant or equipment, the asset's cost and the cumulative depreciation are derecognised. The gain or loss on disposal of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount and recognised on the date of derecognition under 'Other operating income' or 'Other operating expenses' in the income statement.

The leased component of administration buildings is recognised together with the owner-occupied property under 'Property, plant and equipment'.

Impairment losses pursuant to IAS 36 are taken into account using write-downs. If the recoverable amount is less than the carrying amount, the difference is recognised as an impairment loss. The recoverable amount corresponds to the net proceeds from immediate sale (fair value less costs to sell). The fair value corresponds to the market prices of the assets or the prices derived from market transactions.

Impairment losses are reversed if the reasons for recognising them in previous years no longer apply.

Impairment losses and reversals of impairment losses are recognised under 'Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment'.

**Right-of-use assets and lease liabilities**

With the beginning of use, a right-of-use asset and a lease liability are recognised in the statement of financial position for all leases in which the CHG-MERIDIAN Group is the lessee at the present value of future lease payments. This does not apply to leases for which the underlying asset is of low value or the term is twelve months or less.

The lease liability is recognised in the amount of the present value of future lease payments over its reasonably certain useful life. Lease payments are discounted using the incremental borrowing rate to be determined.

The cost of the right-of-use asset is generally determined by the amount of the lease liability at inception of the lease, adjusted for lease prepayments received or lease incentives offered. For subsequent measurement, right-of-use assets are amortised on a straight-line basis over the lease term.

The lease term is the non-cancellable period of a lease together with periods covered by an option to extend the lease if it is reasonably certain at the time of assessment that the option will be exercised.

**Other assets**

'Other assets' mainly comprise inventories. At the CHG-MERIDIAN Group, inventories consist of:

- assets intended for lease

- assets that are returned to CHG-MERIDIAN after the end of the lease term

- brokerage.

Assets intended for lease are items of leased equipment, the installation and operational readiness of which have not yet been confirmed by the customer as at the reporting date. These assets are recognised at cost.

Assets that have been returned to CHG-MERIDIAN after the end of the lease term are shown under 'Inventories' at their residual values, which correspond to their amortised cost at the end of the lease.

Brokerage is recognised at cost.

After initial recognition, inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Write-downs of inventories, and their reversal, are recognised in profit or loss under 'Income from remarketing' and 'Expenses from remarketing'. On average, inventories remain in the CHG-MERIDIAN Group for significantly less than one year. Net realisable values are reviewed on an ad-hoc basis.

Revenue recognition in connection with inventories complies with the requirements of IFRS 15. Accordingly, revenue is recognised when the transfer of the good sold to the customer fulfils a performance obligation. An asset is considered transferred at the time when the customer obtains control of that asset.

**Provisions**

According to IAS 37, provisions are recognised when an entity has a present legal or constructive obligation to a third party as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions with terms of more than one year are discounted to the reporting date at a maturity and risk-appropriate rate and recognised at their settlement amount.

**Tax**

The tax expense for the period comprises current and deferred tax expenses. Tax is recognised in the income statement unless it relates to items recognised directly in equity.

Current income taxes

The current tax expense is calculated based on the tax laws of the countries in which the entities of the CHG-MERIDIAN Group operate and generate taxable income. It is measured as the amount expected to be reimbursed by, or paid to, the tax authorities. Management periodically evaluates tax returns, especially with respect to matters in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities

Deferred tax assets and liabilities are recognised for all temporary differences between the tax bases of assets/liabilities and their carrying amounts in the IFRS financial statements (so-called liability method). However, if deferred tax arises from the initial recognition of an asset or liability within the scope of a transaction that is not a business combination and that, at the time of the transaction, affects neither accounting profit nor taxable profit, the deferred tax asset or liability is not recognised at the time of initial recognition nor later. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the tax receivable can be utilised.

Deferred tax liabilities arising from temporary differences associated with investments are recognised, unless the Group can control the timing of the reversal of the temporary difference and it is probable that, due to this control, the reversal will not occur in the foreseeable future. No deferred tax assets and liabilities were recognised for 'outside basis differences' in the reporting year.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority and where there is the intention to settle the balances on a net basis.

**Other liabilities**

Share-based payment

Share-based payments comprise share option programmes that are settled in cash in accordance with operational practice.

In accordance with IFRS 2, the issued share options are measured at the fair value of the liability taking account of the contractual terms. The fair value is determined using a binomial model. The liabilities arising from share-based payment are reported under 'Other liabilities' in the statement of financial position.

The fair value is remeasured at each reporting date and on the payout date, with any resulting change recognised in profit or loss. Expenses resulting from an increase in the liability from share-based payment are recognised under 'Staff expenses'.

Liabilities arising from the servicing obligation

Liabilities to banks from the servicing obligation for lease receivables funded on a non-recourse basis and derecognised pursuant to IFRS 9.3.2.10 are shown under 'Other liabilities'.

Upon derecognition of finance lease receivables due to non-recourse funding, the gain on sale of the receivables is recognised on disposal. CHG-MERIDIAN continues to provide services in connection with the lease sold after the receivables have been derecognised. These services are settled by the gain realised from the sale. Upon disposal of the receivable, a liability is recognised that is released to profit or loss over the basic term of the lease using the straight-line method to ensure that the income and expenses from the lease are apportioned to the relevant periods.

The liability is recognised for each lease using a defined flat-rate amount for each remaining month of the basic term. The liability is recognised in profit or loss.

The income and expenses arising in connection with the liability from the servicing obligation are shown under 'Interest income from finance leases'.

## 4. Material judgements, estimates and assumptions

In preparing these consolidated financial statements, the parent company's management makes judgements, estimates and assumptions that affect the reported amounts of income, expenses, assets, liabilities and related disclosures and on the disclosures of contingent liabilities.

The uncertainty associated with these assumptions and estimates could produce results that lead to significant adjustments to the carrying amounts of the affected assets or liabilities in future periods.

The assumptions and estimates used by the Company in the financial year mainly relate to the following matters:

- assessment of the impairment of goodwill,

- assessment of the impairment of receivables,

- assessment of the useful life/depreciation period of leased assets,

- consideration of unguaranteed residual values in the measurement of receivables from finance leases and operating leases,

- recognition and measurement of deferred tax assets and liabilities.

Goodwill is not amortised and is tested for impairment at least annually after initial recognition.

The impairment losses on receivables are based, to a certain extent, on estimates and judgements of individual receivables with regard to customers' credit standing, the type of financing and experience of historical default rates.

Leased assets are written down to their notional residual value on a straight-line basis over the term of the lease. This synchronises the course of income and expenses from rental income and write-downs.

The unguaranteed residual values consist of outstanding proceeds from amortisation and remarketing proceeds. Outstanding proceeds from amortisation arise if the present value of the lessee’s minimum lease payments does not cover the acquisition cost of the leased asset. The calculation of the lease takes into account the fact that the outstanding proceeds from amortisation will be realised at the end of the basic term. Remarketing proceeds are recognised on the basis of portfolio analysis with estimated average net remarketing proceeds of 5.0 to 15.0 percent of the original acquisition cost. This percentage is a best estimate based on historical experience. The calculation of the lease takes account of the remarketing proceeds that will be recognised at the end of the minimum term of the lease. The recognition of unguaranteed residual values has a direct impact on revenue recognition in the CHG-MERIDIAN Group. If it emerges that the average remarketing proceeds or the outstanding proceeds from amortisation can no longer be realised, the assets are written down accordingly.

The estimated, unguaranteed residual values were reviewed as at 31 December 2021 in accordance with IFRS 16.77. This review (back testing) is conducted at group entity level on a portfolio basis. At CHG-MERIDIAN, back testing is based on an analysis of the net remarketing proceeds in the financial year, which were as follows on a consolidated basis as at 31 December 2021:

| [redacted] | [redacted] | [redacted] |
|---|---|---|
| Income from lease payments during extensions | 192,851 | 165,066 |
| Depreciation and write-downs of leased assets during extensions | -84,765 | -74,922 |
| Income from the sale of leased assets | 240,875 | 161,181 |
| Expenses from the sale of leased assets | -184,906 | -122,070 |
| **Net remarketing proceeds** | **164,055** | **129,255** |

The positive level of net remarketing proceeds in 2020 and 2021 confirms that the estimates of remarketing potential applied at the inception of a lease were appropriate/conservative.

The measurement of deferred tax assets and liabilities requires material judgements. In the case of deferred tax assets for tax loss carryforwards, this involves estimating the amount and timing of future taxable income. There is also uncertainty with regard to potential changes to tax law in the future.

# 5. Notes to the income statement

### 5.1 Interest income from finance leases

Interest income from finance leases consists of:

- Interest income during the basic term;

  An underlying interest rate is determined for each lease on the basis of the agreed lease payments and the expected additional payments and is used to calculate the interest on the finance lease receivables.

- Interest income from unwinding the discount on unguaranteed residual values;

  The residual values expected at the end of the basic term accrue interest at the underlying interest rate during the basic term.

- Proceeds in connection with the derecognition of finance lease receivables;

  In the case of the non-recourse sale of receivables to a funding partner, the difference between the present value of the sold lease payments and the amount paid by the funding partner is recognised in profit or loss in accordance with the requirements of IFRS 9.

Interest income from finance leases declined over the prior year by KEUR 9,905 to KEUR 94,626 (PY: KEUR 104,531).

The decrease is attributable to the decline in interest income from novated lease financing (KEUR -6,867) and lower interest income during the basic lease term (KEUR -4,991).

### 5.2 Other interest income

Other interest income increased from KEUR 426 in 2020 to KEUR 1,207 in the current financial year. This item contains all interest income that cannot be allocated to finance leases.

Interest income from unwinding the discount on impaired receivables is only recognised if the financial asset was discounted for recognition of the impairment. Based on the assumption that most remarketing proceeds will be realised within one year, discounting is not carried out when the impairment loss is measured for reasons of materiality.

Total interest income for financial assets which are not measured as FVTPL amounted to KEUR 95,505 in the financial year (PY: KEUR 104,889).

### 5.3 Interest expenses

Interest expenses mainly consist of the interest expense on loans for the refinancing of leases. Interest expenses increased from KEUR 26,269 in 2020 to KEUR 30,173 in 2021.

Interest expenses for financial liabilities not measured at fair value through profit or loss totalled KEUR 27,781 in 2021 (PY: KEUR 25,031).

Interest expenses for the recognised lease liabilities for the Group as lessee amounted to KEUR 111 (PY: KEUR 113).

### 5.4 Income from operating leases

The following table shows the breakdown of income from operating leases in the reporting period:

| [redacted] | [redacted] | [redacted] |
|---|---|---|
| Income from lease payments during the minimum lease term | 806,621 | 674,382 |
| Income from lease payments during extensions | 192,851 | 165,066 |
| **Income from operating leases** | **999,472** | **839,448** |

During the minimum term of the lease, lease payments are recognised on an accrual basis using the straight-line method.

### 5.5 Expenses from operating leases

The following table shows the breakdown of expenses from operating leases:

| [redacted] | [redacted] | [redacted] |
|---|---|---|
| Depreciation and write-downs of leased assets during the minimum lease term | 698,988 | 583,736 |
| Depreciation and write-downs of leased assets during extensions | 84,765 | 74,922 |
| Interest expense on deferred income from forfaiting transactions | 15,893 | 15,092 |
| **Expenses from operating leases** | **799,646** | **673,750** |

The leased assets are depreciated or amortised to their unguaranteed residual value using the straight-line method over the minimum term of the lease. In the case of an extension, the residual value is generally depreciated or amortised using the straight-line method over one year.

Interest expense on deferred income from forfaiting transactions is allocated to expenses from operating leases because the finance leases funded on a non-recourse basis, and the associated deferred forfaiting income, are normally derecognised, which means only the interest expense that can be allocated to operating leases remains.

### 5.6 Income and expenses from remarketing

The following table shows the breakdown of income and expenses from remarketing:

| [redacted] | [redacted] | [redacted] |
|---|---|---|
| Income from the sale of leased assets | 240,875 | 161,181 |
| Expenses from the sale of leased assets | -184,906 | -122,070 |
| Income from brokerage activities | 31,729 | 20,179 |
| Expenses from brokerage activities | -12,989 | -11,917 |
| **Net income from remarketing** | **74,709** | **47,373** |

Leased assets are remarketed directly either by the respective foreign subsidiary or via the Technology and Service Centres located near to Frankfurt am Main, Germany, and in Skien, Norway.

In addition to the remarketing of leased assets, the Technology and Service Centres are responsible for the worldwide purchasing and remarketing of IT equipment (brokerage).

### 5.7 Write-downs and value adjustments on lease receivables and leased assets

The write-downs and value adjustments on lease receivables and leased assets include impairment losses, reversals of impairment losses and direct write-downs on finance lease receivables and other receivables from customers. Impairment losses and reversals of impairment losses on leased assets pursuant to IAS 36 are also subsumed under this item:

| [redacted] | [redacted] | [redacted] |
|---|---|---|
| Impairment losses on and write-downs on other receivables from customers | 24,178 | 21,755 |
| (Reversals of) impairment losses on finance lease receivables | -2,463 | 3,266 |
| Impairment losses/reversals of impairment losses – leased assets | -5,015 | 4,449 |
| Income/expenses from the recognition/derecognition of deferred income from forfaiting transactions under operating leases | 4,308 | -4,570 |
| **Write-downs and value adjustments on lease receivables and leased assets** | **21,008** | **24,900** |

The increase in impairment losses on other receivables from customers was mainly the result of the impairment loss on capitalised hidden reserves in conjunction with the acquisition of equigroup Holdings Pty Limited, Sydney, Australia, in financial year 2018 (EUR 22.0 million; PY: EUR 19.2 million).

Movements in impairment accounts for finance lease receivables and other receivables from customers were as follows:

| [redacted] | [redacted] | [redacted] | [redacted] |
|---|---|---|---|
| **As at 1 Jan. 2020** | **2,608** | **8,335** | **10,943** |
| Allocated through profit or loss | 3,266 | 5,222 | 8,488 |
| Used | 0 | -3,144 | -3,144 |
| Reversed/effect of movements in exchange rates | -46 | -2,702 | -2,748 |
| **Balance at 31 Dec. 2020** | **5,828** | **7,711** | **13,539** |
| **Balance at 1 Jan. 2021** | **5,828** | **7,711** | **13,539** |
| Allocated through profit or loss | 1,292 | 2,998 | 4,290 |
| Used | -639 | -701 | -1,340 |
| Reversed/effect of movements in exchange rates | -3,755 | 200 | -3,555 |
| **Balance at 31 Dec. 2021** | **2,726** | **10,208** | **12,934** |

The differences between the movements in the allowance accounts in profit or loss and the income statement items are attributable to direct write-downs and income from receivables written off.

The impairment loss on 'Other receivables from customers' amounted to KEUR 2,998 in 2021 (PY: KEUR 5,222). The impairment loss on finance lease receivables amounted to KEUR 1,292 (PY: KEUR 3,266).

In respect of the notes on write-downs and value adjustments on lease receivables and leased assets, please refer to the presentation on movements in leased assets under Section 7. Notes to the statement of financial position.

If an impaired receivable or impaired leased asset under an operating lease was funded without recourse, derecognition of the deferred income from the forfaiting transaction results in a reduction in the impairment losses recognised.

### 5.8 Income from services rendered

The following table shows the breakdown of income from services rendered:

| [redacted] | [redacted] | [redacted] |
|---|---|---|
| Income from the recharging of consumables and brokerage | 22,553 | 23,155 |
| Income from TESMA® | 16,502 | 16,256 |
| Income from data erasure | 3,694 | 3,856 |
| Insurance income | 7,297 | 5,806 |
| Other service income | 18,457 | 12,130 |
| **TOTAL** | **68,503** | **61,203** |

Income from services rendered increased in total by KEUR 7,300, or 11.9% year on year. This development is mainly attributable to higher income from insurance services and a rise in income from the recharging of other external services (for example maintenance and repair services).

### 5.9 Expenses for services rendered

Expenses for services rendered increased from KEUR 40,948 in 2020 to KEUR 45,768 in 2021. Expenses primarily relate to the invoicing of external services (such as maintenance and repair services) and the purchase of consumables (printer paper, toner, etc.) and brokerage.

### 5.10 Gains and losses on the measurement of derivative financial instruments

The gains and losses on the measurement of derivative financial instruments in the reporting period break down as follows:

| [redacted] | [redacted] | [redacted] |
|---|---|---|
| Income from derivative financial instruments | 363 | 4,087 |
| Expenses from derivative financial instruments | -5,831 | -111 |
| **Gains and losses on the measurement of derivative financial instruments** | **-5,468** | **3,976** |

All derivative financial instruments are recognised at fair value in the statement of financial position. Changes in fair value are recognised in profit or loss. As hedge accounting is not applied, all derivatives are categorised as 'at fair value through profit or loss' in accordance with IFRS 9.

### 5.11 Staff expenses

Staff expenses break down as follows:

| [redacted] | [redacted] | [redacted] |
|---|---|---|
| Wages and salaries | 113,956 | 111,629 |
| Social security, pension and other benefits | 17,715 | 16,599 |
| **TOTAL** | **131,671** | **128,228** |

The addition to liabilities arising from share-based payment in the amount of KEUR 2,480 (PY: KEUR 6,533) was recognised under 'Staff expenses' in the reporting period.

### 5.12 Other administrative expenses

The following table shows the breakdown of other administrative expenses:

| [redacted] | [redacted] | [redacted] |
|---|---|---|
| Audit and advisory fees | 7,561 | 5,332 |
| Licence fees, repair and maintenance costs | 5,208 | 3,316 |
| Other staff expenses | 4,787 | 4,952 |
| Customer-related events and entertainment expenses | 2,850 | 2,688 |
| Incidental rental costs | 2,248 | 1,945 |
| Vehicle costs | 2,115 | 1,993 |
| Telecommunications costs and postage | 1,651 | 1,411 |
| Travel expenses | 1,176 | 1,515 |
| Bank charges | 897 | 839 |
| Contributions and fees | 761 | 760 |
| Business insurance | 537 | 511 |
| Information costs | 399 | 351 |
| Costs for office supplies | 302 | 453 |
| Other expenses | 4,314 | 4,203 |
| **TOTAL** | **34,806** | **30,269** |

Auditing and advisory fees include the following services rendered by the auditors KPMG AG Wirtschaftsprüfungsgesellschaft, which were used by CHG-MERIDIAN companies:

| [redacted] | [redacted] | [redacted] |
|---|---:|---:|
| Expenses for audit services | 291 | 320 |
| Expenses for other assurance services | 17 | 13 |
| Expenses for other services | 96 | 53 |
| **TOTAL** | **404** | **386** |

The expenses for audit services relate to the expenses for the audit of the consolidated financial statements of CHG-MERIDIAN AG as well as the statutory audits of CHG-MERIDIAN AG and CHG-MERIDIAN Industrial Solutions GmbH.

### 5.13 Amortisation, depreciation and impairment losses on intangible assets, property, plant and equipment and right-of-use assets

| [redacted] | [redacted] | [redacted] |
|---|---:|---:|
| Land and buildings | 2,242 | 2,143 |
| Furniture and fixtures, office equipment | 4,101 | 3,798 |
| Intangible assets | 2,186 | 1,682 |
| Right-of-use assets | 5,838 | 5,519 |
| **TOTAL** | **14,367** | **13,142** |

Please also refer to the table on the movements in intangible assets, property, plant and equipment and right-of-use assets under Section 7. Notes to the statement of financial position – intangible assets, property, plant and equipment and right-of-use assets.

### 5.14 Other operating income/expenses

Other operating income and other operating expenses predominantly contain gains and losses on foreign currency translation. Gains on foreign currency translation amounted to KEUR 11,582 in the financial year (PY: KEUR 12,510). Losses on foreign currency translation recognised in profit or loss amounted to KEUR 16,221 in the financial year (PY: KEUR 11,900).

### 5.15 Tax

The following table shows the breakdown of the main components of the income tax expense:

| [redacted] | [redacted] | [redacted] |
|---|---|---|
| *Current income taxes* | | |
| Current tax expense | 36,547 | 24,592 |
| Current income taxes from other accounting periods | -1,372 | -429 |
| *Deferred income taxes* | | |
| Deferred tax expense | 3,171 | 11,564 |
| **Tax expense shown in the consolidated income statement** | **38,346** | **35,727** |

The tax on profit from ordinary activities deviates from the expected tax expense as follows:

| [redacted] | [redacted] | [redacted] |
|---|---|---|
| **Average expected tax rate** | **30.20 %** | **30.24%** |
| Permanent differences | 0.15 % | 0.03 % |
| Use of unrecognised loss carryforwards | -0.42 % | -0.34 % |
| Taxes relating to prior periods | 0.15 % | 0.28 % |
| Changes due to foreign tax | -3.77 % | -0.69 % |
| Effects of changes in tax rates | -0.19 % | 0.27 % |
| Recognition of deferred taxes on losses | 0.00 % | -0.10 % |
| Other effects | -0.81 % | -0.58 % |
| **Average effective tax rate** | **25.31%** | **29.11%** |

The weighted average tax rate amounted to 25.31% in the financial year (PY: 29.11%). The difference to the expected tax rate in the financial year was -4.89% (PY: -1.13%). The expected tax rate corresponds to the average income tax rate of CHG-MERIDIAN AG in Germany in the respective financial year.

The deferred tax liabilities mainly result from the different measurement of receivables from finance leases and leased assets under operating leases. For tax purposes, leased assets are generally depreciated in accordance with tax principles; depreciation thus often does not correspond with the income development from lease income.

The following table shows the allocation of existing deferred tax assets on tax loss carryforwards to the group entities and country groups:

| [redacted] | [redacted] | [redacted] |
|---|---|---|
| CHG-MERIDIAN (Holdings) UK Limited | 942 | 881 |
| CHG-MERIDIAN Industrial Solutions GmbH | 340 | 728 |
| CHG-MERIDIAN Norway AS | 482 | 11 |
| **Deferred tax assets on tax loss carryforwards** | **1,330** | **1,620** |

No deferred tax assets were recognised for loss carryforwards of KEUR 18,606 (PY: KEUR 42,263).

## 6. Notes to the consolidated statement of comprehensive income

The cumulative translation differences recognised directly in equity increased by KEUR 13,514 in the reporting year from KEUR -16,241 (as at 31 Dec. 2020) to KEUR -2,727 as at 31 December 2021. This change primarily concerns the translation of CHG-MERIDIAN's Mexican, American and British financial statements.

# 7. Notes to the statement of financial position

## 7.1 Cash reserve

The cash reserve consists entirely of cash in the form of cash on hand.

## 7.2 Receivables from banks

Receivables from banks grew by KEUR 123,258 year on year and stood at KEUR 419,579 as at the reporting date.

Receivables from banks consist mainly of credit balances in current accounts.

No receivables from banks were past due or impaired as at the reporting date. There are no indications of default in connection with receivables from banks that are neither impaired nor past due.

Of the receivables from banks, KEUR 0 were classified as non-current (PY: KEUR 0).

## 7.3 Receivables from finance leases

The following table of receivables from finance leases does not take account of impairment losses.

| [redacted] | [redacted] | [redacted] |
|---|---:|---:|
| Outstanding minimum lease payments | 538,402 | 618,651 |
| + unguaranteed residual values | 255,328 | 256,891 |
| **Gross investment** | **793,730** | **875,542** |
| - unrealised (outstanding) finance income | -86,431 | -97,811 |
| **Net investment** | **707,299** | **777,731** |
| - present value of unguaranteed residual values | -224,325 | -226,602 |
| **Present value of outstanding minimum lease payments** | **482,974** | **551,129** |

For the reconciliation of the net investment amount to the amount presented in the statement of financial position, the loss allowances for outstanding minimum lease payments need to be taken into account.

Breakdown of the total amount of receivables from finance leases (before loss allowances) by maturity:

| [redacted] | [redacted] | [redacted] |
|---|---|---|
| Up to one year | 302,576 | 351,339 |
| One to two years | 185,907 | 213,113 |
| Two to three years | 142,707 | 144,110 |
| Three to four years | 96,897 | 101,967 |
| Four to five years | 59,856 | 50,424 |
| More than five years | 5,787 | 14,589 |
| **Gross investment** | **793,730** | **875,542** |
| Unrealised (outstanding) finance income | -86,431 | -97,811 |
| **Net investment** | **707,299** | **777,731** |

Of the receivables from finance leases, KEUR 507,474 were classified as non-current (PY: KEUR 546,559).

Loss allowances for outstanding minimum lease payments amounted to KEUR 2,726 (PY: KEUR 5,828).

There are no indications of default in connection with receivables from finance leases that are neither impaired nor past due.

### 7.4 Other receivables from customers

Other receivables from customers include mainly receivables from lease instalments, services and sales of leased assets of KEUR 159,302 (PY: KEUR 164,253). This line item also includes deferred lease income of KEUR 19,797 (PY: KEUR 13,507). As at the reporting date, this item contains contract assets from services totalling KEUR 8,677 (PY: KEUR 9,755) and contract assets from sales of leased assets totalling KEUR 38,239 (PY: KEUR 26,380).

Other receivables from customers were impaired by a total of KEUR 10,208 (PY: KEUR 7,711). Please also refer to the information provided in Section 5 'Notes to the income statement – write-downs and value adjustments on lease receivables and leased assets'.

There are no indications of default in connection with other receivables from customers that are neither impaired nor past due.

Of the other receivables from customers, KEUR 643 were classified as non-current (PY: KEUR 334).

### 7.5 Leased assets under operating leases

The following table shows the changes in leased assets under operating leases:

| [redacted] | [redacted] |
|---|---:|
| **Cost as at 1 Jan. 2021** | **3,066,540** |
| Foreign currency translation differences | 46,665 |
| Additions | 1,406,399 |
| Reclassification | -3,897 |
| Disposals | -849,613 |
| **Cost as at 31 Dec. 2021** | **3,666,094** |
| **Accumulated depreciation and amortisation as at 1 Jan. 2021** | **1,143,143** |
| Foreign currency translation differences | 22,696 |
| Additions to depreciation and amortisation | 783,753 |
| Reclassification | -63 |
| Depreciation and amortisation relating to disposals | -577,463 |
| **Accumulated depreciation and amortisation as at 31 Dec. 2021** | **1,372,066** |
| **Accumulated impairment losses as at 1 Jan. 2021** | **6,394** |
| Foreign currency translation differences | 0 |
| Additions to impairment losses | 0 |
| Reclassification | 0 |
| Use of impairment losses | -5,014 |
| Disposals of impairment losses | 0 |
| **Accumulated impairment losses as at 31 Dec. 2021** | **1,380** |
| **Net carrying amounts as at 31 Dec. 2021** | **2,292,648** |

| [redacted] | [redacted] |
|---|---|
| **Cost as at 1 Jan. 2020** | **2,587,711** |
| Foreign currency translation differences | -63,661 |
| Additions | 1,206,371 |
| Reclassification | 316 |
| Disposals | -664,197 |
| **Cost as at 31 Dec. 2020** | **3,066,540** |
| **Accumulated depreciation and amortisation as at 1 Jan. 2020** | **940,822** |
| Foreign currency translation differences | -30,721 |
| Additions to depreciation and amortisation | 658,658 |
| Reclassification | 143 |
| Depreciation and amortisation relating to disposals | -425,759 |
| **Accumulated depreciation and amortisation as at 31 Dec. 2020** | **1,143,143** |
| **Accumulated impairment losses as at 1 Jan. 2020** | **1,067** |
| Foreign currency translation differences | -84 |
| Additions to impairment losses | 4,449 |
| Reclassification | 962 |
| Use of impairment losses | 0 |
| Disposals of impairment losses | 0 |
| **Accumulated impairment losses as at 31 Dec. 2020** | **6,394** |
| **Net carrying amounts as at 31 Dec. 2020** | **1,917,003** |

As at 31 December 2021, leased assets at a carrying amount of KEUR 1,251,790 (PY: KEUR 1,036,949) were pledged as security for the refinancing of leases.

We anticipate total payments of KEUR 2,006,922 from operating leases (PY: KEUR 1,740,449). The following table shows the breakdown of the total amount by maturity:

| [redacted] | [redacted] | [redacted] |
|---|---|---|
| Up to one year | 870,676 | 747,911 |
| One to two years | 582,528 | 501,967 |
| Two to three years | 331,093 | 300,740 |
| Three to four years | 155,054 | 134,979 |
| Four to five years | 49,211 | 45,963 |
| More than five years | 18,360 | 8,889 |
| **Total** | **2,006,922** | **1,740,449** |

Of the total leased assets under operating leases, an amount of KEUR 1,702,029 (PY: KEUR 1,376,661) was classified as non-current.

### 7.6 Intangible assets

Intangible assets consist of goodwill in the amount of KEUR 18,903 (PY: KEUR 18,903) as well as software and licences in the amount of KEUR 5,207 (PY: KEUR 5,439) and amounted to KEUR 24,110 as at the reporting date of 31 December 2021 (PY: KEUR 24,342).

There were no changes to goodwill in the reporting year (as at 31 Dec. 2021: KEUR 18,903).

Movements in software and licences were as follows in the reporting year:

| [redacted] | [redacted] |
|---|---:|
| **Cost as at 1 Jan. 2021** | **13,405** |
| Foreign currency translation differences | 3 |
| Additions | 1,531 |
| Disposals | -11 |
| Reclassifications | 432 |
| **Cost as at 31 Dec. 2021** | **15,360** |
| **Accumulated amortisation as at 1 Jan. 2021** | **7,966** |
| Foreign currency translation differences | 3 |
| Additions to amortisation | 2,186 |
| Amortisation relating to disposals | -2 |
| Reclassifications | 0 |
| **Accumulated amortisation as at 31 Dec. 2021** | **10,153** |
| Impairment losses pursuant to IAS 36 | 0 |
| **Net carrying amounts as at 31 Dec. 2021** | **5,207** |
| **Net carrying amounts as at 1 Jan. 2021** | **5,439** |

| [redacted] | [redacted] |
|---|---|
| **Cost as at 1 Jan. 2020** | **11,051** |
| Foreign currency translation differences | -10 |
| Additions | 2,364 |
| Disposals | 0 |
| Reclassifications | 0 |
| **Cost as at 31 Dec. 2020** | **13,405** |
| **Accumulated amortisation as at 1 Jan. 2020** | **6,291** |
| Foreign currency translation differences | -7 |
| Additions to amortisation | 1,682 |
| Amortisation relating to disposals | 0 |
| Reclassifications | 0 |
| **Accumulated amortisation as at 31 Dec. 2020** | **7,966** |
| Impairment losses pursuant to IAS 36 | 0 |
| **Net carrying amounts as at 31 Dec. 2020** | **5,439** |
| **Net carrying amounts as at 1 Jan. 2020** | **4,760** |

Additions during financial year 2021 in the 'Intangible assets with limited useful lives' category are attributable to the acquisition of software and licences.

Of the Intangible assets, KEUR 21,843 (PY: KEUR 22,318) is classified as non-current.

### 7.7 Property, plant and equipment

The following table shows the changes in property, plant and equipment in the Group:

| [redacted] | [redacted] | [redacted] | [redacted] | [redacted] |
|---|---|---|---|---|
| **Cost as at 1 Jan. 2021** | **59,164** | **482** | **26,489** | **86,135** |
| Foreign currency translation differences | 47 | 0 | 264 | 311 |
| Additions | 1,474 | 872 | 6,441 | 8,787 |
| Disposals | -522 | -44 | -1,962 | -2,528 |
| Reclassifications | 0 | -436 | 6 | -430 |
| **Cost as at 31 Dec. 2021** | **60,163** | **874** | **31,238** | **92,275** |
| **Accumulated depreciation as at 1 Jan. 2021** | **26,167** | **0** | **15,596** | **41,763** |
| Foreign currency translation differences | 34 | 0 | 214 | 248 |
| Additions to depreciation | 2,242 | 0 | 4,027 | 6,269 |
| Depreciation relating to disposals | -540 | 0 | -1,367 | -1,907 |
| Reclassifications | 0 | 0 | 2 | 2 |
| **Accumulated depreciation as at 31 Dec. 2021** | **27,903** | **0** | **18,472** | **46,375** |
| Impairment losses pursuant to IAS 36 | 0 | 0 | 0 | 0 |
| **Net carrying amounts as at 31 Dec. 2021** | **32,260** | **874** | **12,766** | **45,900** |
| **Net carrying amounts as at 1 Jan. 2021** | **32,997** | **482** | **10,893** | **44,372** |

| [redacted] | [redacted] | [redacted] | [redacted] | [redacted] |
|---|---|---|---|---|
| **Cost as at 1 Jan. 2020** | **58,874** | **187** | **24,656** | **83,717** |
| Foreign currency translation differences | -147 | 0 | -354 | -501 |
| Additions | 373 | 442 | 4,216 | 5,031 |
| Disposals | -3 | -93 | -2,415 | -2,511 |
| Reclassifications | 67 | -54 | 386 | 399 |
| **Cost as at 31 Dec. 2020** | **59,164** | **482** | **26,489** | **86,135** |
| **Accumulated depreciation as at 1 Jan. 2020** | **24,078** | **0** | **13,817** | **37,895** |
| Foreign currency translation differences | -54 | 0 | -238 | -292 |
| Additions to depreciation | 2,143 | 0 | 3,798 | 5,941 |
| Depreciation relating to disposals | -2 | 0 | -1,781 | -1,783 |
| Reclassifications | 2 | 0 | 0 | 2 |
| **Accumulated depreciation as at 31 Dec. 2020** | **26,167** | **0** | **15,596** | **41,763** |
| Impairment losses pursuant to IAS 36 | 0 | 0 | 0 | 0 |
| **Net carrying amounts as at 31 Dec. 2020** | **32,997** | **482** | **10,893** | **44,372** |
| **Net carrying amounts as at 1 Jan. 2020** | **34,796** | **187** | **10,839** | **45,822** |

Of the total property, plant and equipment, an amount of KEUR 40,309 (PY: KEUR 39,617) was classified as non-current.

### 7.8 Right-of-use assets

The following table provides an overview of the development of right-of-use assets:

| [redacted] | [redacted] | [redacted] | [redacted] | [redacted] |
|---|---|---|---|---|
| **Net carrying amounts as at 1 Jan. 2020** | **15,993** | **1,079** | **169** | **17,241** |
| Additions | 1,936 | 957 | 0 | 2,893 |
| Depreciation charge for the year | -4,728 | -672 | -119 | -5,519 |
| Impairment losses pursuant to IAS 36 | 0 | 0 | 0 | 0 |
| **Net carrying amounts as at 31 Dec. 2020** | **13,201** | **1,364** | **50** | **14,615** |
| Additions | 5,856 | 879 | 356 | 7,091 |
| Depreciation charge for the year | -4,911 | -808 | -119 | -5,838 |
| Impairment losses pursuant to IAS 36 | 0 | 0 | 0 | 0 |
| **Net carrying amounts as at 31 Dec. 2021** | **14,146** | **1,435** | **287** | **15,868** |

KEUR 10,543 of the right-of-use assets item is classified as non-current (PY: KEUR 10,139).

<u>Additional disclosures and effects</u>

Other effects of IFRS 16 for the Company as lessee are summarised in the following table:

| [redacted] | [redacted] | [redacted] |
|---|---|---|
| Short-term lease expenses | 28 | 20 |
| Expenses for leases of low-value assets | 11 | 19 |

In 2021, there were no material expenses relating to variable lease payments not included in the measurement of lease liabilities. Total cash flows from leases amounted to KEUR 5,880 in 2021 (PY: KEUR 5,688).

### 7.9 Other assets

Other assets increased by KEUR 10,022 as at 31 Dec. 2021 to KEUR 359,080. The development of other assets results mainly from the change in inventory items. Inventories are broken down as follows:

| [redacted] | [redacted] | [redacted] |
|---|---|---|
| Assets intended for lease | 278,329 | 269,991 |
| Assets returned to CHG-MERIDIAN after the end of the lease term | 29,038 | 39,551 |
| Brokerage | 386 | 1,099 |
| **TOTAL** | **307,753** | **310,641** |

Assets intended for lease are – depending on their classification pursuant to IFRS 16 – reclassified to 'Receivables from finance leases' or 'Leased assets under operating leases' when the lessee confirms that the leased equipment is installed and in a state of operational readiness.

Assets returned to CHG-MERIDIAN after the end of the lease term are lease returns that are then remarketed by either the foreign subsidiary concerned or our Technology and Service Centres. Ordinarily, these assets only remain part of CHG-MERIDIAN's inventories for a short period.

Other key items in 'Other assets' include VAT receivables of KEUR 36,323 (PY: KEUR 23,134) and prepaid expenses of KEUR 10,261 (PY: KEUR 7,174).

Of Other assets, KEUR 1,741 (PY: KEUR 1,389) is classified as non-current.

### 7.10 Liabilities to banks

The item liabilities to banks of KEUR 1,149,731 (PY: KEUR 1,112,592) mainly consist of loans to finance leases.

In addition, the item liabilities to banks also include the loans for the Company's premises in Weingarten in the amount of KEUR 5,625 (PY: KEUR 8,125). The Company's business premises in Weingarten and the buildings located thereon serve as collateral, specifically in respect of its liabilities to banks. Of these liabilities, KEUR 5,625 (PY: KEUR 8,125) are secured through mortgages.

To collateralise the liabilities to banks, lease receivables of CHG-MERIDIAN México S.A.P.I. de C.V amounting to KEUR 34,250 (PY: KEUR 34,769) were assigned to the banks providing the refinancing. Each individual item of collateral is assigned until the outstanding receivable under the lease has been settled.

Of the total liabilities to banks, KEUR 745,898 (PY: KEUR 708,309) is classified as non-current.

### 7.11 Deferred income from forfaiting transactions

The item deferred income from forfaiting transactions increased in the 2021 financial year from KEUR 1,221,849 to KEUR 1,444,073.

Under deferred income from forfaiting transactions, CHG-MERIDIAN recognises the purchase consideration (present value of the lease instalments) from the non-recourse sale of lease receivables that are not subject to the derecognition requirements of IFRS 9.

The deferred income from forfaiting transactions is released over the term of the sold lease payments using the effective interest method.

Of the total deferred income from forfaiting transactions, an amount of KEUR 838,027 was classified as non-current (PY: KEUR 693,661).

### 7.12 Liabilities to customers

Alongside trade payables of KEUR 282,889 (PY: KEUR 247,115), liabilities to customers also include advance payments from customers and deferred lease income of KEUR 116,926 (PY: KEUR 91,514). As at the reporting date, this item contains contract liabilities from services of KEUR 5,019 (PY: KEUR 4,672).

Trade payables predominantly consist of liabilities to suppliers of leased assets.

Of the liabilities to customers, KEUR 1,464 (PY: KEUR 3,598) is classified as non-current.

### 7.13 Lease liabilities

The carrying amount of short and medium-term lease liabilities increased by KEUR 1,322 year on year to KEUR 16,322 (PY: KEUR 15,000). KEUR 10,977 of the lease liabilities is classified as non-current (PY: KEUR 10,025).

As at 31 December 2021, there are no future payment obligations for leases that have not yet begun and that have not been taken into account in the measurement of lease liabilities.

### 7.14 Derivative financial instruments

Derivative financial instruments are used exclusively to hedge currency and interest rate risks. The derivatives are allocated to the IFRS 9 category 'at fair value through profit or loss'. Hedge accounting pursuant to IFRS 9.4.3 et seqq. is not applied in the CHG-MERIDIAN Group.

Depending on whether their fair value is positive or negative, derivatives are presented either under assets or liabilities under 'derivative financial instruments' in the statement of financial position.

They are measured at fair value. Changes in fair value are recognised in profit or loss under 'Gains and losses on the measurement of derivative financial instruments'.

Of the derivative financial instruments, KEUR 0 (PY: KEUR 368) is classified as non-current.

### 7.15 Other provisions

Other provisions mainly comprise provisions for risks arising from leases of KEUR 883 (PY: KEUR 1,922) as well as provisions for litigation risks of KEUR 925 (PY: KEUR 384).

Of the other provisions, KEUR 1,104 (PY: KEUR 1,033) is classified as non-current.

During the year under review a total of KEUR 704 (PY: KEUR 295) was added. The addition is offset by provisions used in the amount of KEUR 1,248 (PY: KEUR 403) and reversed in the amount of KEUR 0 (PY: KEUR 0). The unwinding of discounts and foreign exchange effects resulted in an increase in other provisions of KEUR 49 (PY: KEUR -63).

There is uncertainty as to the amount and due date of the expected outflows, which is why they were recognised under other provisions.

### 7.16 Other liabilities

Other liabilities increased by KEUR 2,685 as at 31 December 2021 to KEUR 122,259.

The following table shows the breakdown of other liabilities:

| [redacted] | | |
|---|---|---|
| Liabilities to employees arising from sales commissions, bonus payments and unused annual leave | 35,513 | 33,142 |
| Accruals for outstanding invoices | 27,917 | 29,751 |
| Share-based payment liability | 18,814 | 16,334 |
| VAT liabilities | 13,699 | 15,171 |
| Servicing obligations | 10,587 | 12,575 |
| Accruals for year-end costs | 524 | 538 |
| Miscellaneous | 15,205 | 12,063 |
| **TOTAL** | **122,259** | **119,574** |

<u>Share-based payment liability</u>

The Company grants share options to selected employees of the CHG-MERIDIAN Group as part of share option programmes. Share options were granted for the first time following a resolution adopted by the Annual General Meeting that came into effect on 1 January 2010.

On the basis of a resolution of the Annual General Meeting dated 17 July 2015, the Board of Management is authorised, subject to the consent of the Supervisory Board, to grant up to 10% of the no-par-value shares until 31 December 2021.

The share options cannot be exercised until at least 24 months have passed since they were granted ('lock-up period'). If beneficiaries leave the Company, their options expire. The options have a term of 72 months, although once the lock-up period has ended, there is an opportunity to exercise them once a year in the month following the Annual General Meeting.

When beneficiaries exercise the share options, they must pay the subscription price defined at the time of granting for each share that they acquire.

As at 31 December 2021, a total of 3,936,000 share options had been granted. No share options were exercised in the reporting period.

The following table shows the changes in the share options:

| [redacted] | [redacted] | [redacted] | [redacted] | [redacted] |
|---|---|---|---|---|
| Number at start of reporting period | 3,936,000 | 6.51 | 3,936,000 | 6.51 |
| Granted during reporting period | | 0 | 0 | 0 |
| Exercised during reporting period | | 0 | 0 | 0 |
| Number at end of reporting period | 3,936,000 | 6.51 | 3,936,000 | 6.51 |

The range of exercise prices for the options outstanding at the end of the reporting period is EUR 6.51 (PY: EUR 6.51). The weighted average remaining term of the options as at 31 December 2021 was two years (PY: 3 years).

The fair value of the share options was determined using a binomial model with the following parameters:

| [redacted] | [redacted] | [redacted] |
|---|---|---|
| Risk-free interest rate | 0.00 % | 0.00 % |
| Expected volatility | 5.17 % | 5.33 % |
| Expected term of the options (in years) | 2.0 | 3.0 |
| Weighted average exercise price per share (in EUR) | 6.51 | 6.51 |
| Notional value per share (in EUR) | 11.29 | 10.66 |

Volatility was determined on the basis of the performance of the CHG-MERIDIAN AG share price over the past ten years. It was decided not to use the volatility of comparable listed companies as a basis because their volatility does not reflect CHG-MERIDIAN AG's actual circumstances.

The weighted average of the fair values of the options stood at EUR 4.78 as at 31 December 2021 (PY: EUR 4.15) per option.

The liabilities arising from share-based payment as at 31 December 2021 amounted to KEUR 18,814 (PY: KEUR 16,334).

Servicing obligations

Liabilities from the servicing obligation to banks for non-recourse funded and derecognised lease receivables are recognised under other liabilities.

Of the Other liabilities, KEUR 10,585 (PY: KEUR 10,183) is classified as non-current.

**7.17 Taxes**

Tax assets and liabilities are all classified as current.

**7.18 Equity**

Details of the changes in the Group's equity can be found in the consolidated statement of changes in equity, which is in a separate section preceding the notes to the consolidated financial statements.

Subscribed capital

The Company's subscribed capital is divided into 96,000,000 (PY: 96,000,000) fully paid-up, no-par-value bearer shares at a notional value of EUR 100,000,000.

The following table shows the changes in the number of shares outstanding:

| [redacted] | [redacted] | [redacted] |
|---|---|---|
| Number of shares outstanding as at 1 Jan. | 94,725,403 | 95,680,469 |
| Acquisition of treasury shares | -873,579 | -2,037,602 |
| Sales of treasury shares | 1,168,000 | 1,082,536 |
| Capital increase | 0 | 0 |
| **Number of shares outstanding as at 31 Dec.** | **95,019,824** | **94,725,403** |

The Company acquired 873,579 treasury shares in the financial year. On 31 December 2021, the Company held 980,176 treasury shares at a notional value of EUR 1,021,017 (PY: EUR 1,327,705) which are shown separately in equity as deductions. They represent 1.0% of the Company's share capital. In addition, the Company sold 1,168,000 treasury shares. They represent 1.2% of the Company's share capital.

Capital Reserve

Capital reserves comprise the share premium from the issue of shares and the difference resulting from the purchase and sale of treasury shares. The sale of treasury shares to old and new shareholders added KEUR 110 to the capital reserves, which therefore stood at KEUR 18,210 as at 31 December 2021 (PY: KEUR 18,100).

Retained earnings

Retained earnings comprise undistributed profits of previous financial years as well as the effect from initial application of IFRS as at 1 January 2013 and amounted to KEUR 396,703 as at 31 December 2021 (PY: KEUR 396,703).

In financial year 2021, a dividend of EUR 0.30 per no-par-value share was paid in respect of a total of 95,884,923 dividend-bearing shares. The dividend distribution thus amounted to KEUR 28,766 (PY: KEUR 28,764).

Other reserves

Other reserves include items that, under the rules of IFRS, must be recognised directly in equity. In the reporting year, these items related to differences arising from currency translation in connection with consolidated subsidiaries:

| [redacted] | [redacted] | [redacted] |
|---|---|---|
| Accumulated foreign currency translation losses | -2,727 | -16,241 |

Capital risk management

The Company's priority in its management of capital risk is to ensure a strong and healthy funding structure that provides a basis for financial flexibility and enables the Company to remain largely independent of banks and other lenders. The Company aims to enhance and deepen its stable and long-standing business relationships with its funding partners in order to retain the confidence of investors, lenders, and the market and to pave the way for future organic growth and growth by acquisition.

The group treasury department manages and monitors the liquidity situation at group level as an integral part of the risk management process.

## 8. Disclosures on financial instruments

### a) Categories of financial instruments

Carrying amounts of financial instruments by IFRS 9 measurement category

| [redacted] | [redacted] | | [redacted] | | [redacted] | | [redacted] | |
|---|---|---|---|---|---|---|---|---|
| ***Assets*** | | | | | | | | |
| Receivables from banks | 419,579 | 296,321 | | | | | | |
| Other receivables from customers | 179,099 | 177,760 | | | | | | |
| Derivative financial instruments | | | | | 760 | 2,227 | | |
| Investments | | | | | | | 0 | 0 |
| Other assets | 2,656 | 6,868 | | | | | | |
| ***Equity and liabilities*** | | | | | | | | |
| Liabilities to banks | | | 1,149,731 | 1,112,592 | | | | |
| Liabilities to customers | | | 399,815 | 338,629 | | | | |
| Derivative financial instruments | | | | | 4,552 | 552 | | |
| Other liabilities | | | 12,257 | 10,960 | | | | |

As at the reporting dates of 31 December 2020/2021, no financial instruments were assigned to the measurement category 'at fair value through other comprehensive income (FVOCI) with or without recycling'.

Only derivatives pursuant to IFRS 9.6.1 et seqq. are assigned to the FVTPL category.

Net gains (+) and losses (-) on financial instruments

| [redacted] | [redacted] | [redacted] |
|---|---|---|
| Measured at amortised cost (AC) | -24,178 | -21,755 |
| Fair value through profit and loss (FVTPL) | 5,467 | 3,976 |

Net gains and losses in the 'at cost' category include impairment losses, reversals of impairment losses and subsequent receipts for financial instruments written off. They do not include current interest income and expense.

Net gains and losses in the FVTPL category include changes in fair value.

### b) Transfer of financial assets

CHG-MERIDIAN transfers the contractual right to cash flows from finance lease receivables in the context of non-recourse funding agreements.

The non-recourse funded and transferred cash flows represent only part of the total cash flows from the lease and only part of the finance lease receivables. In non-recourse funding arrangements, the material opportunities and risks are transferred to the funding partner. CHG-MERIDIAN only has a small volume of transferred lease receivables that have not been derecognised. Corresponding liability items have been recognised for these transferred lease receivables.

The requirements for partial derecognition of the finance lease receivables have been satisfied. Residual value claims under the finance lease that have not been funded on a non-recourse basis are not derecognised and are therefore shown under 'Receivables from finance leases'.

Most of the (residual) receivables shown are unguaranteed residual values. CHG-MERIDIAN does not have any continuing involvement in connection with lease payments that have been funded on a non-recourse basis.

### c) Levels of the fair value hierarchy for financial instruments measured at fair value

Financial and non-financial assets and liabilities as well as equity instruments are measured at fair value in accordance with the requirements of IFRS 13 Fair Value Measurement. In this case, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability between independent market participants under normal market conditions at the measurement date. Measurement of the individual assets, liabilities, and equity instruments must be based on observable or unobservable parameters.

These are assigned to one of the three levels of the fair value hierarchy:

***Level 1 – Active market – quoted price***
Measurement according to Level 1 is based on quoted prices in active markets (stock exchanges and dealer markets) to which the Company has access as at the measurement date for identical assets or liabilities. The transaction costs are not eliminated from the price that has been determined.

***Level 2 – Directly or indirectly observable market price***
If a quoted price cannot be determined in accordance with the Level 1 criteria, it must be determined using Level 2 inputs where available. These inputs include:

- quoted prices for similar assets or liabilities in active markets,
- quoted prices for identical assets or liabilities in markets that are not active,
- interest rates and yield curves observable at commonly quoted intervals,
- implied volatilities, or
- other market-corroborated inputs.

A price determined in this way is corrected only on the basis of the condition/location of the asset or the volume/level of activity in the observable markets.

***Level 3 – Unobservable inputs***
If there is little or no market activity for the asset or liability at the measurement date, the Company uses unobservable inputs that can be determined for the affected asset or liability. The unobservable inputs reflect the best information available about market participants' assumptions regarding price formation for the asset or liability, including assumptions about risks.

The derivatives used in the CHG-MERIDIAN Group are measured in accordance with the requirements of IFRS 13 using Level 2 inputs corresponding to quoted prices for identical assets that can be observed directly.

## d) Fair value of financial instruments

**Fair value of categories of financial instruments pursuant to IFRS 9**

The fair values of financial instruments are shown in the following table. The fair value is the price at which the financial instrument can be sold or purchased in an orderly transaction at the reporting date.

If no market prices were available, the fair values were determined by discounting the financial instruments to present value using a market interest rate with matching maturities. The fair value of finance lease receivables was determined by discounting them to present value using a notional interest rate. The notional interest rate represents an average refinancing rate for lease receivables that would be payable for a term equivalent to the end date of the respective lease.

| [redacted] | [redacted] | | [redacted] | |
|---|---|---|---|---|
| **Assets** | | | | |
| Receivables from banks | 419,579 | 296,321 | 419,579 | 296,321 |
| Receivables from finance leases | 704,573 | 771,903 | 704,573 | 771,903 |
| Other receivables from customers | 179,099 | 177,760 | 179,099 | 177,760 |
| Derivative financial instruments | 760 | 2,227 | 760 | 2,227 |
| Investments | 0 | 0 | 0 | 0 |
| Other assets | 2,656 | 6,868 | 2,656 | 6,868 |
| **Equity and liabilities** | | | | |
| Liabilities to banks | 1,149,731 | 1,112,592 | 1,149,731 | 1,112,592 |
| Liabilities to customers | 399,815 | 338,629 | 399,815 | 338,629 |
| Derivative financial instruments | 4,552 | 552 | 4,552 | 552 |
| Other liabilities | 12,257 | 10,960 | 12,257 | 10,960 |

### e) Risks arising from financial instruments

Credit risk

For qualitative information on the management of credit risk, please refer to the risk report within the group management report.

Credit and default risk arising from financial assets is the risk that a counterparty will default and is therefore limited to the amount of the claims in respect of the recognised carrying amounts.

At CHG-MERIDIAN, the maximum exposure to credit risk is primarily mitigated by the underlying leased equipment. In addition, the maximum exposure to credit risk is mitigated by additional collateral held in the amount of KEUR 37,767 (PY: KEUR 65,156).

The additional collateral comprises, among other things, co-obligations, guarantees and sureties, pledges of bank balances and mortgages.

Due to the structure of its customer base and its business, the CHG-MERIDIAN Group has only insignificant concentrations of risk.

Liquidity risk

The following table contains an analysis of the maturities of the earliest possible, undiscounted contractual cash flows of financial obligations as at the reporting date and as at the reporting date of the prior year.

Some amounts differ from the amounts reported in the statement of financial position because these are undiscounted cash flows:

| [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] |
|---|---|---|---|---|---|
| Liabilities to banks | 26,425 | 82,519 | 296,589 | 748,641 | 2,533 |
| Liabilities to customers | 186,253 | 182,570 | 29,692 | 1,371 | 0 |
| Lease liabilities | 0 | 1,376 | 4,073 | 9,774 | 2,670 |
| Derivative financial instruments | 0 | 1,253 | 258 | 2,554 | 487 |
| Other liabilities | 0 | 187 | 10,340 | 492 | 1,238 |

| [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] |
|---|---|---|---|---|---|
| Liabilities to banks | 84,424 | 94,541 | 225,319 | 715,287 | 0 |
| Liabilities to customers | 192,095 | 115,316 | 27,684 | 3,598 | 0 |
| Lease liabilities | 0 | 1,685 | 3,371 | 9,199 | 939 |
| Derivative financial instruments | 0 | 26 | 4 | 390 | 132 |
| Other liabilities | 0 | 984 | 8,572 | 394 | 1,011 |

The group treasury department uses liquidity forecasts to manage liquidity risk. CHG-MERIDIAN was able to meet its payment obligations at all times in the financial year.

Market risk

For qualitative information on the management of market risk, please refer to the risk report within the group management report.

Market risk primarily results from interest rate risk, currency risk and residual value risk. In the vast majority of cases, the CHG-MERIDIAN Group mitigates interest rate risk during the term of a lease by funding a very high proportion of its leases on a fixed-rate basis for their entire term.

Currency risk is the risk of receivables and liabilities resulting in losses due to sharp fluctuations in exchange rates. As an international company, CHG-MERIDIAN is exposed to a level of currency risk that is not insignificant. CHG-MERIDIAN aims to ensure that refinancing by the foreign subsidiaries is generally provided in their local currency or in the currency of the underlying lease with their own refinancing partners. This approach ensures that currency risk is minimised.

Residual value risk arises when the forecast market value of a leased asset that is remarketed at the scheduled end of the lease is lower than the residual value calculated at the inception of the lease.

The residual value calculated at the inception of the lease consists of the shortfall and the remarketing opportunities. The shortfall is the deficit that arises if the present value of the lease payments made over the basic term of a lease does not fully cover the investment in the leased equipment and the calculated cost of refinancing. Remarketing opportunities are estimated on a portfolio basis using historical values.

Based on sensitivity analysis, a reduction in residual values by 1% of the original investment in the leased asset would make it necessary to recognise an impairment loss of KEUR 23,473 in the financial year (PY: KEUR 22,673). An increase in the remarketing opportunities by 1% of the original investment in the leased asset would result in a gain of KEUR 23,473 in the reporting year (PY: KEUR 22,673).

Because of CHG-MERIDIAN’s cautious assumptions about remarketing opportunities, the probability of having to recognise impairment losses as a result of residual value risk is considered to be low. Due to the structure of the customer base and business, there are no significant concentrations of risk.

## 9. Other disclosures

### a) Statement of cash flows

CHG-MERIDIAN's consolidated statement of cash flows documents the changes in cash and cash equivalents as a result of cash flows from operating activities, investing activities and financing activities. The cash flows from operating activities reflect all inflows and outflows in connection with day-to-day business. Cash flows from investing activities consist of payments for the acquisition of and proceeds from the sale of subsidiaries of CHG-MERIDIAN AG, leased assets and other assets. Cash flows from financing activities comprise all cash flows in connection with equity transactions and other financing activities.

Cash and cash equivalents consist entirely of the cash reserve plus receivables from banks that are available on demand.

The principles underlying the presentation format and structure of the statement of cash flows are derived from IAS 7.

### b) Contingent liabilities and other financial commitments

The pledging of leased assets to banks providing loans or non-recourse funding resulted in contingent liabilities of KEUR 782,975 (net) (PY: KEUR 774,378) for the legal existence of the receivables sold as well their not being subject to any condition (validity).

As at the reporting date, there are also repurchase obligations under leases amounting to KEUR 8,422 (PY: KEUR 36,973).

### c) Related party transactions

A third party (an entity or individual) is deemed to be a related party if one of the parties has direct or indirect control or significant influence over the financial and operating policies of the other party. CHG-MERIDIAN AG and all of its subsidiaries are considered to be related parties. All of these are included in the consolidated financial statements. Other related parties of CHG-MERIDIAN AG include the members of the Board of Management and Supervisory Board and their close family members.

The members of the Board of Management and Supervisory Board only receive remuneration in connection with their role as key management personnel. The total remuneration for the Board of Management in 2021 amounted to KEUR 11,142 (PY: KEUR 9,099).

In accordance with the exemption for unlisted companies provided in Section 314 (3) sentence 2 HGB in conjunction with Section 286 (4) HGB, it was decided not to disclose each individual's remuneration.

The remuneration of the Supervisory Board totalled KEUR 200 (PY: KEUR 200).

Neither in the reporting year nor in the prior year there were any significant transactions with related parties that were not conducted at arm's length.

### d) Employees

The average number of employees during the financial year was 1,187 (PY: 1,148). The following table shows the average number of employees broken down by function:

| | | |
|---|---:|---:|
| Administration | 837 | 797 |
| Sales and distribution | 350 | 351 |
| **TOTAL** | **1,187** | **1,148** |

### e) Governing bodies of CHG-MERIDIAN AG

The members of the Board of Management of CHG-MERIDIAN AG are:

- Dr Mathias Wagner, Ravensburg, Diplom-Kaufmann/Dr. oec. [graduate of business administration/doctorate in business economics] (Chairman)
- Ulrich Bergmann, Ravensburg, Diplom-Kaufmann [graduate of business administration]
- Frank Kottmann, Ravensburg, Kaufmann [businessman]
- Oliver Schorer, Wolfegg, Kaufmann [businessman]

The members of the Supervisory Board of CHG-MERIDIAN AG are:

- Jürgen Mossakowski, Ravensburg, Diplom-Kaufmann [graduate of business administration] (Chairman)
- Peter Horne, Weingarten, Diplom-Betriebswirt (BA) [graduate of business administration] (Deputy Chairman)
- Frank Gelf, Berg, Kaufmann [businessman]
- Luz Kling, Überlingen, Kaufmann [businessman]
- Meltem Onursal, Weingarten, legal counsel and attorney
- Jürgen Scheftschik, Wolfegg, Diplom-Kaufmann [graduate of business administration], German Public Auditor and tax advisor

### f) Events after the reporting date and approval of the financial statements

In the second year of the Covid crisis, the overall economic situation is initially expected to recover. However, these expectations are dampened by developments in Ukraine. We have analysed the potential effects and risks on the basis of current information. Taking this information into account, potential effects cannot be ruled out at present.

Nevertheless, we do not currently expect any material effects on the assets, liabilities, financial position and financial performance, and therefore assume an increase in the volume of new business and a largely stable contribution margin for 2022. In this regard, we also refer to the comments in Section 4 of the management report for financial year 2021. There have been no other events significant to the assets, liabilities, financial position and financial performance of the Group after the reporting date.

The Board of Management prepared the consolidated financial statements on 19 April 2022. The consolidated financial statements will be published in the electronic German Federal Gazette [Bundesanzeiger] subsequent to their expected approval at the Supervisory Board meeting on 16 May 2022.

Weingarten, 19 April 2022

CHG-MERIDIAN AG

Dr Mathias Wagner Ulrich Bergmann Frank Kottmann Oliver Schorer

# Group management report for financial year 2021 of CHG-MERIDIAN AG, Weingarten

## 1 Group profile

CHG-MERIDIAN AG, one of the world's leading non-captive providers of technology management, is the Parent Company of the CHG-MERIDIAN Group with registered office in Weingarten, Germany. The international Group is active in 28 countries, of which 24 countries have their own branches. Therefore, overall, the CHG-MERIDIAN Group maintains a presence at 39 locations, including 11 locations in Germany.

The legal structure of the operating companies in the CHG-MERIDIAN Group as at 31 December 2021 is shown in an appendix to the group management report.

The CHG-MERIDIAN Group develops individual usage concepts for the needs of its customers and provides technology management for large corporations, SMEs and public-sector customers. In addition to the 'Information Technologies' product area, the range of solutions also covers the areas 'Healthcare Technologies' and 'Industrial Technologies'.

## 2 Business report

### 2.1 Macroeconomic conditions and sector-specific trends

Global economic recovery was regionally heterogeneous in 2021. There were strict restrictions imposed on public life in the first half of the year, especially in Europe. Many Asian countries struggled with the coronavirus in Q2 and Q3 and took corresponding countermeasures. China maintained its zero-Covid strategy over the entire year and responded to any cases of infection with strict quarantine measures. Restrictions in the US were largely relaxed after Q1 despite infection numbers rising sharply during the course of the year. The gradual opening of economies was facilitated by rising vaccination rates. The vaccination rates in Western Europe and the US went up considerably during the course of the year while the advanced countries of Asia and China followed with somewhat of a delay.

The gradual relaxation of restrictions in Q2 led to dynamic recovery and, after the sharp slump in the prior year, GDP regained in many economies almost pre-crisis levels once again in Q3 2021 (according to the ifo Institute for Economic Research). However, emergence of the omicron variant and, thus, the associated new restrictions led to the world economy losing steam once more.

European economies were hit harder than average by the coronavirus pandemic also in 2021. According to the European statistical office Eurostat, the eurozone recovered somewhat as compared to 2020 and reported an increase in GDP of around 5.2% in 2021. The fourth wave and the related supply restrictions noticeably put the brakes on growth once again in Q4.

After the decline in lease origination (including lease purchases) in the German leasing sector by 9.5% in 2020, the growth in acquisition values amounts to 3.4% for all of 2021 according to the Federal Association of German Leasing Companies (BDL). The leasing sector increased its lease originations by 7.0% in the first nine months of 2021; however, supply bottlenecks and long delivery times by manufacturers in Q4 curbed the continued high demand among leasing companies.

## 2.2 Market success

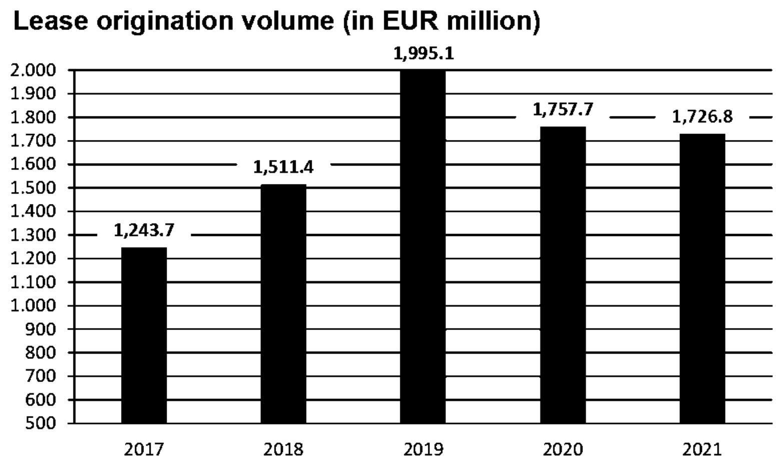
### 2.2.1 CHG-MERIDIAN Group's gross margin

The trend in the gross margin was again encouraging in the past financial year. The gross margin is defined as the present value of all new leases, lease extensions, and remarketed equipment less direct acquisition and funding costs. The generated gross margin must cover all of the costs in the Company. The gross margin increased by EUR 42.4 million to EUR 330.0 million in the reporting year (PY: EUR 287.6 million). The increased margin resulted mainly from the increase in renewal and sales revenues and was seen across all regions. The strongest margin improvements were reported in Australia/New Zealand, Southern Europe and Germany. Consequently, the CHG-MERIDIAN Group's forecast earnings target within the range of EUR 270.0 million and EUR 280.0 million was significantly exceeded in 2021.

### 2.2.2 Lease origination of the CHG-MERIDIAN Group

The lease origination volume - which is the sum of purchase invoices received for equipment leased or sold to refinancing partners - amounted to EUR 1,726.8 million in the reporting year, representing a year-on-year decrease of 1.8% (2020: EUR 1,757.7 million). With due regard to the coronavirus situation, the target set in March 2021 for the lease origination volume in 2021 in the range of EUR 1.8 billion to EUR 2.0 billion was thus just barely missed.

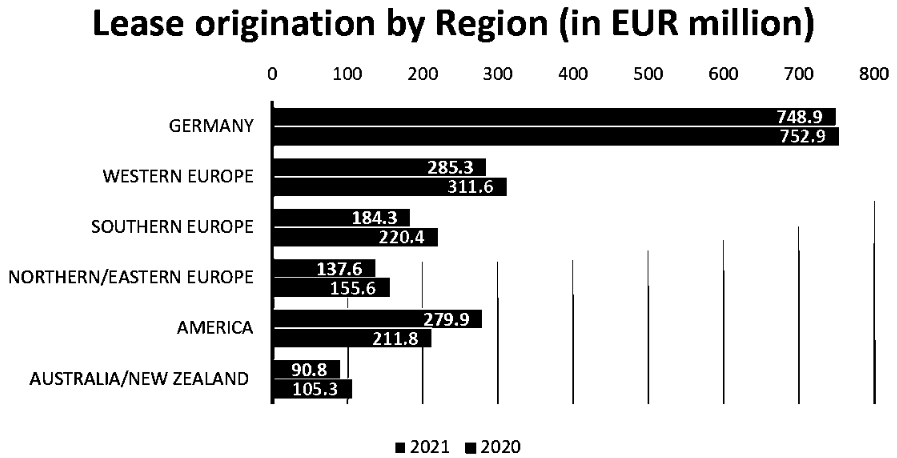
The following diagram shows the changes in the lease origination volume by the CHG-MERIDIAN Group over the past five years:



In region Germany, which includes CHG-MERIDIAN AG and CHG-MERIDIAN Industrial Solutions GmbH, lease origination declined slightly by 0.5% to EUR 748.9 million in 2021 (PY: EUR 752.9 million). While CHG-MERIDIAN AG's lease origination volume increased by 5.2% to EUR 642.5 million in the reporting year (PY: EUR 610.9 million), CHG-MERIDIAN Industrial Solutions GmbH's lease origination volume declined by 25.1% to EUR 106.4 million (PY: EUR 142.0 million).

The lease origination volume at an international level decreased by 2.7% to EUR 977.9 million (PY: EUR 1,004.8 million).

Lease origination volume by region is broken down as follows:




| | |
|---|---|
| Western Europe: | UK, Ireland, Netherlands, Belgium, Luxembourg, France |
| Southern Europe: | Italy, Spain, Austria, Switzerland, Slovenia |
| Northern/Eastern Europe: | Denmark, Finland, Norway, Sweden, Poland, Czech Republic, Slovakia |
| Americas: | USA, Canada, Mexico, Brazil |
| ANZ: | Australia, New Zealand |

When taking a closer look, the development of lease origination is very different at an international level depending on the specific country/within the regions. In Western Europe, the lease origination volume declined by 8.4% to EUR 285.3 million (PY: EUR 311.6 million). The British entity reported a major increase (+62.7%) to EUR 80.6 million (PY: EUR 49.6 million), whereas the lease origination volume in France, the most important single market in the Western Europe region, decreased to EUR 105.8 million (-38.8%). In Southern Europe, the lease origination volume fell by 16.4% to EUR 184.3 million (PY: EUR 220.4), with the lease origination volume in Italy, the region's most important market, plummeting by 21.8%. The Americas region developed favourably during the reporting year, which was the sole area where the lease origination volume rose overall and in each individual country.

## 2.3 Changes to the legal structure

CHG-MERIDIAN New Zealand Limited, Auckland, New Zealand, was newly established in August 2021 as a wholly owned subsidiary of CHG-MERIDIAN AG. The purpose of this subsidiary's establishment is to further push international projects as well as the implementation of CHG-MERIDIAN AG's solution strategy in New Zealand.

Furthermore, circulee GmbH was founded in Berlin, Germany, in November 2021. This company's purpose it to sell and purchase industrial goods, especially IT equipment, as well as rent these goods out and provide related services.

## 2.4 Changes to the Company's governing bodies

There were no changes to the Company's governing bodies during the reporting year.

## 2.5 Report on the business performance of CHG-MERIDIAN Group

### 2.5.1 Report on financial performance

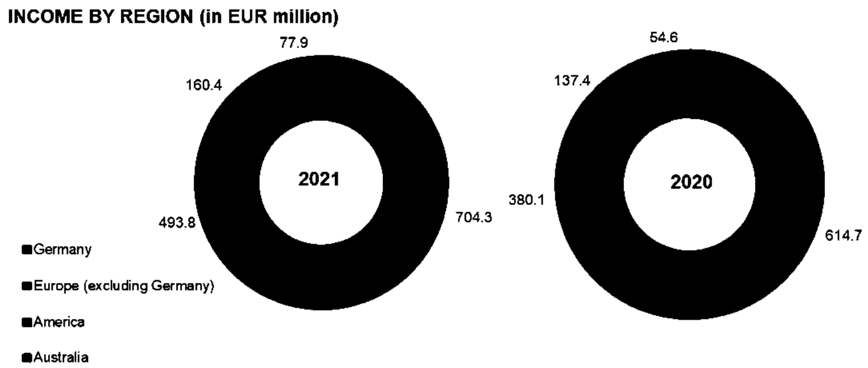
The following table shows the key figures from the consolidated income statement:

| [redacted] | [redacted] | [redacted] | [redacted] |
|---|---:|---:|---:|
| Net interest income | 65,660 | 78,688 | -16.6 |
| Net income from operating leases | 199,826 | 165,698 | 20.6 |
| Net income from remarketing | 74,709 | 47,373 | 57.7 |
| Net income from services rendered | 22,735 | 20,255 | 12.2 |
| Profit from ordinary activities | 151,479 | 122,744 | 23.4 |
| Consolidated net income | 113,133 | 87,017 | 30.0 |

The CHG-MERIDIAN Group generated a profit from ordinary activities of EUR 151.5 million in 2021 (PY: EUR 122.7 million), significantly outperforming the prior-year figure. The continued very positive trend in profitability in the case of operating leases and the significant increase in income from remarketing are offset by a slight decline in net interest income. Calculated by dividing net income by the weighted average number of shares issued during the year, (basic) earnings per share amounted to EUR 1.18 in 2021 (PY: EUR 0.90).

**Earnings**

Broken down by geographical markets, earnings were distributed as follows over the past two years:[1]




The improvement in earnings is attributable to revenue growth in all regions. The most significant earnings growth was in the Europe region (excluding Germany), where there was a major increase of EUR +113.7 million, followed by the Germany region with an increase of EUR +89.6 million. The ANZ and Americas regions reported almost identical earnings growth of EUR +23.3 million and EUR 23.0 million, respectively.

Within Europe (excluding Germany), the driving forces behind the improved earnings were the subsidiaries in France (EUR +45.7 million), Italy (EUR +21.3 million) and Switzerland (EUR +17.0 million).

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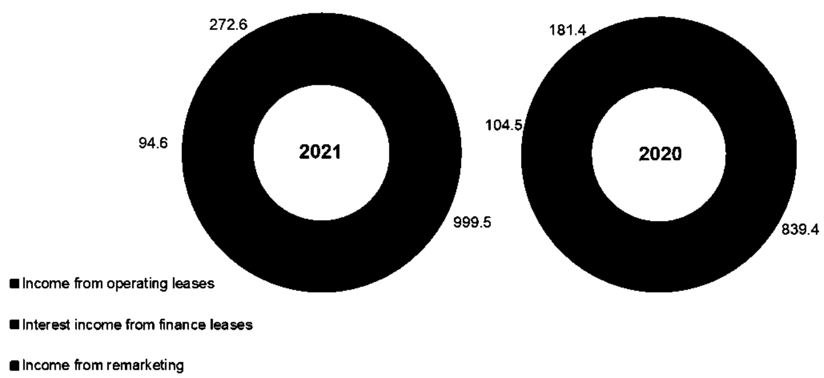
[1] Defined as the total of interest income from finance leases/other interest income, income from operating leases, income from remarketing and income from services rendered.

The following diagram shows how leasing and remarketing income of EUR 1,366.7 million (PY: EUR 1,125.3 million) was broken down into income from operating leases, interest income from finance leases and income from remarketing over the prior two years:

**INCOME BY NATURE (in EUR million)**




**Income from operating leases** increased considerably year on year by EUR 160.1 million to EUR 999.5 million, which was largely attributable to developments at CHG-MERIDIAN AG (EUR +65.7 million), the French subsidiary (EUR +20.7 million) and the Mexican subsidiary (EUR +12.5 million).

**Interest income from finance leases** decreased by EUR 9.9 million. This was mainly driven by the declines at CHG-MERIDIAN AG (EUR -4.3 million) and at the equigroup Holdings Group (EUR -4.0 million).

**Income from remarketing** rose by EUR 91.2 million year on year to EUR 272.6 million. The increase in remarketing income was largely the result of positive development at the French entity (EUR +25.2 million) and the equigroup Holdings Group (EUR +19.4 million).

The number of devices sold through our technology and service centres in Groß-Gerau and Skien, Norway, amounted to around 683,000 in the reporting year (PY: 686,000), resulting in proceeds from remarketing of EUR 76.3 million (PY: EUR 65.9 million). CHG-MERIDIAN's basic strategy in this regard is to generate additional income through its reconditioning and remarketing expertise. The number of items of equipment remarketed remained virtually constant year on year: income per category of equipment rose once again in 2021 due to ongoing favourable demand on the market.

There was also stronger demand for the IT-related services provided by the CHG-MERIDIAN Group. The number of hard disks from which data were erased via the technology and service centres in Groß-Gerau and Skien in a certified process was around 261,000 in the 2021 reporting year, an increase over the previous year's figure of 261,000. These figures reflect the continued high demand for secure data erasure certified by TÜV Informationstechnik GmbH and DEKRA Certification GmbH.

**Expenses**

**Expenses from operating leases** were due to amortisation and depreciation of EUR 783.7 million (PY: EUR 658.7 million) as well as interest expenses from non-recourse funding in the amount of EUR 15.9 million (EUR 15.1 million). The increase in depreciation and amortisation of leased assets under operating leases was largely due to the growth in lease origination over the past three years (see Section 2.2.2).

**Expenses from remarketing** rose at a slower rate than the development of income from remarketing and thus led to increased earnings from remarketing.

The **write-downs and value adjustments on lease receivables and leased assets** decreased by EUR 3.9 million to EUR 21.0 million during the reporting year. This was mainly the result of the impairment loss on capitalised hidden reserves in conjunction with the acquisition of equigroup Holdings in 2018 (effect in 2021: EUR 22.0 million; effect in 2020: EUR 19.2 million), which were recognised for the last time in 2021.

Within operating expenses, staff expenses – the Group's largest expense item – increased by 2.7% to EUR 131.7 million (PY: EUR 128.2 million). Due to the rise in the average number of employees to 1,187 (PY: 1,172 employees), this development is within expectations. Another significant expense item – other administrative expenses – rose by 15.0% to EUR 34.8 million (PY: EUR 30.3 million), which was largely attributable to the rise in legal and advisory fees as well as expenses for licenses at CHG-MERIDIAN AG.

The 9.3% increase in **amortisation, depreciation and impairment losses** to EUR 14.4 million in the reporting year (PY: EUR 13.1 million) was mainly attributable to higher depreciation and amortisation of rights of use for rental and lease agreements.

**Consolidated tax expenses** include the tax expense from the current year of EUR 35.2 million (PY: EUR 24.2 million) as well as deferred tax expenses of EUR 3.2 million (PY: EUR 11.6 million).

Overall, the financial performance can still be described as good.

### 2.5.2 Report on the financial position

The CHG-MERIDIAN Group was able to mobilise a sufficient financing volume of EUR 1,678.9 million in 2021 (PY: EUR 1,612.2 million). As in the previous year, the CHG-MERIDIAN Group thus funded the majority of its lease origination through external funding partners. The funding volume of EUR 1,678.9 million represents 97.2% of the lease origination volume in the reporting year. This is distributed into EUR 1,228.8 million (after deduction of break & rewrites of EUR 35.4 million) in non-recourse funding (PY: EUR 1,171.0 million), which corresponds to 71.2% of the lease origination volume (PY: 66.6%). EUR 387.5 million was attributable to corporate lending (PY: EUR 337.1 million) and EUR 27.1 million to secured lending (PY: EUR 45.4 million). The volume of secured lending is solely attributable to the Mexican subsidiary.

The majority of corporate lending, totalling more than EUR 387.5 million, was drawn down by CHG-MERIDIAN AG. EUR 100.0 million of this relates to the ninth promissory note and EUR 130.0 million to three syndicated loans. There were also three bilateral corporate loans concluded at the total amount of EUR 50.0 million. Further corporate loans were arranged through ten of our subsidiaries and totalled EUR 107.5 million during the reporting year.

The CHG-MERIDIAN Group also always maintained a very good, robust level of financial resources in 2021. In addition to very strong free cash flow of EUR 419.6 million as at 31 December 2021 (PY: EUR 296.4 million), the CHG-MERIDIAN Group also has substantial undrawn short-term credit lines of EUR 243.4 million available (PY: EUR 177.2 million). This means it has a solid financial basis for further growth. There were no restrictions that could have limited the availability of the Group's capital or liquidity at any time in financial year 2021.

### 2.5.3 Report on assets and liabilities

The CHG-MERIDIAN Group's total assets amounted to EUR 4,066.4 million as at 31 December 2021 (PY: EUR 3,618.9 million), which represents a year-on-year increase of EUR 447.5 million or 12.4%. The Group's assets largely consist of receivables from finance leases, leased assets under operating leases, and its liabilities comprise deferred income from forfaiting transactions as well as liabilities to banks.

**Receivables from finance leases** declined by EUR 67.3 million during the reporting year and stood at EUR 704.6 million. The decline is the result of the trend towards more operating leases already observed in previous years.

**Leased assets under operating leases** rose by EUR 375.6 million to EUR 2,292.6 million in the reporting year (PY: EUR 1,917.0 million), which was mainly attributable to the favourable developments at CHG-MERIDIAN AG (EUR +157.7 million), the Mexican entity (EUR +40.9 million), CHG-MERIDIAN Industrial Solutions GmbH (EUR +26.8 million) and the Swiss entity (EUR +20.9 million).

Investments in finance and operating leases are offset mainly by **liabilities to banks** of EUR 1,149.7 million (PY: EUR 1,112.6 million) and **deferred income from forfaiting transactions** of EUR 1,444.1 million (PY: EUR 1,221.9 million). The increase in liabilities to banks results mainly from CHG-MERIDIAN AG (EUR +23.5 million) and the British entity (EUR +12.7 million). The increase in deferred income from forfaiting transactions results mainly from CHG-MERIDIAN AG (EUR +86.4 million), CHG-MERIDIAN Industrial Solutions GmbH (EUR +23.9 million) and the American entity (EUR +21.5 million).

The **equity ratio**[2] of the CHG-MERIDIAN Group remained virtually unchanged, amounting to 16.8% (PY: 16.2%) as at the reporting date. However, as is the case for all leasing companies, the equity ratio is of limited informative use. As a lessor, CHG-MERIDIAN reports leased assets under operating leases in the case of non-recourse funding, even though only guarantees for the existence of legally valid claims are provided under this type of financing. At the same time, the present value of non-recourse-financed rental income for the period after the reporting date is shown on the liabilities side. These accounting principles result in an increase in total assets and liabilities that significantly reduces the share of equity as a percentage of total assets.

### 2.5.4 Overall evaluation of the Group's assets, liabilities, financial position and financial performance

The CHG-MERIDIAN Group concluded the financial year 2021 again on a successful note. The trend in the Group's assets, liabilities, financial position and financial performance underscores the success of the business model and the sustainable growth sought by the CHG-MERIDIAN Group. Moreover, the Company exceeded its gross margin target in 2021, which also had a positive impact on its net income for the financial year. The Company was therefore well positioned at the time these consolidated financial statements were finalised

[2] Defined as the ratio of equity to total assets

and expects the CHG-MERIDIAN Group to continue to thrive in a constantly changing market environment over the coming years.

## 2.6 Financial and non-financial performance indicators

### 2.6.1 Financial performance indicators

Two of the aims of the CHG-MERIDIAN Group's corporate strategy are to generate sustainable, profitable growth and to steadily increase its enterprise value. The Company uses the following financial KPIs to measure the medium and long-term financial success of this strategy of value-based management:

- Lease origination
- Gross margin

The lease origination volume as a financial indicator is defined as the sum total of all incoming invoices received in the financial year for leased equipment or equipment sold to refinancing institutions. The CHG-MERIDIAN Group aims for long-term growth in lease origination volume of five to ten percentage points per year. It was not possible to achieve the lease origination target set in view of the coronavirus pandemic in the range of EUR 1.8 billion to EUR 2.0 billion in the 2021 reporting year. The CHG-MERIDIAN Group's lease originations fell year on year and were therefore not within the target range. Now that the global coronavirus pandemic has subsided, the CHG-MERIDIAN Group is confident that it can resume the growth trajectory it has been pursuing for many years and remain within its target range.

Gross margin is another key indicator. As already described in Section 2.2 Market success, gross margin is defined as the present value of all new leases, lease term extensions, and remarketed equipment minus direct funding and acquisition costs. The generated gross margin must cover all of the costs in the Company. The gross margin target, which depends heavily on the volume of leases originated in previous years, has been 15-20% of the lease origination volume for many years. In the financial year, based on a contribution margin of EUR 330.0 million, the gross margin relative to lease origination ratio (previous periods) was 24.0% in the financial year (PY: 24.0%), thus exceeding the previous year's forecast of a consistently high gross margin (PY: EUR 287.6 million) and clearly exceeding the target range.

### 2.6.2 Non-financial performance indicators

Non-financial performance indicators are non-quantifiable indicators. During the reporting year, these indicators moved in line with management expectations.

**Personnel structure**

The CHG-MERIDIAN Group employed a total of 1,187 staff as at 31 December 2021 (PY: 1,172). This equates to a year-on-year increase of 15 employees.

Recruiting and retaining staff are high priorities for the CHG-MERIDIAN Group. Measures include providing exciting career opportunities, financial incentives, benefits, flexible working hours and mobile working options, finding the right work/life balance and creating a corporate and managerial culture based on a sense of responsibility and trust. In addition, CHG-MERIDIAN AG has forged a partnership with the Weingarten-based Foundation for the Centre for the Disabled in Upper Swabia (KBZO) and now provides workplace childcare facilities. This enables employees of CHG-MERIDIAN AG to return to work after just one year's parental leave by taking advantage of flexible part-time arrangements. This offers women attractive working conditions over the long term. Particularly with regard to demographic changes and the associated shortage of qualified staff, the CHG-MERIDIAN Group hopes to continue to position itself adequately and is focused on encouraging women in leadership roles. Therefore, the organisation plans to raise for the entire Group the share of women in executive positions to 30% by 2025.

Our employees are one of the most important company resources, which is why the CHG-MERIDIAN Group places a strong focus on the appropriate training and qualification of our specialist and managerial staff. Our internal CHG Academy provides employees with support and training in this regard.

## 3 Opportunities and risks report

### 3.1 Opportunities report

#### 3.1.1 Opportunities in the leasing market

We assume that in the coming year customers will once again be looking for combinations of customised financing solutions and specific service offers.

The Federal Association of German Leasing Companies (BDL) sees both challenges as well as growth opportunities for the economy in the areas of digitalisation, sustainability and climate protection, which the new German federal government is also focusing on in conjunction with the ecological transformation. Digitalisation is being understood more and more as the core of modern business models and serves as a driver for user-based invoicing in the case of leasing because digitalisation enables new financing and service models by recording and exchanging user-based data. Sustainability and climate protection create potential not only through the financing of environmentally friendly technologies; rather, they also raise awareness about the circular economy and decarbonisation, and afford leasing companies the opportunity to develop a customised service offering alongside their pure leasing business and, in doing so, to support customers in these processes of change that they are going to experience.

This growth potential is spread across all of the business segments in which the CHG-MERIDIAN Group is active, as the aforementioned trends will not only impact the Information Technologies segment, but also the Industrial Technologies and Healthcare Technologies segments.

CHG-MERIDIAN views the expansion of its service portfolio as the key to achieving or exceeding its targets in the areas of new investment volume and earnings. Identifying new trends early on is one way to identify future challenges for our customers. Generating added value for our customers will always play a key role in the development of new services and lead to the emergence of new solutions. However, if trends and developments are not identified in a timely manner this can lend a significant contribution to the desired targets not being achieved.

CHG-MERIDIAN is aware that only sustainable business models are successful in the long term and this mindset has been firmly embedded into the Company's business model for decades.

In the major customer area in particular, in future it will become increasingly important to ensure synergy effects through international support by providing a single point of contact for all companies. This presents a major opportunity for the CHG-MERIDIAN Group, as there is coverage in all relevant markets through the existing subsidiaries. This gives CHG-

MERIDIAN the opportunity to support its customers, at home and abroad, and to provide individual, flexible and integrated solutions. The close proximity to customers enables us to combine local solutions to meet the customers' quality requirements and thus ensure a high level of customer satisfaction. Furthermore, the Company sees considerable potential in the design of the business model – the traditional leasing business in combination with lifecycle solutions and service concepts. This combination makes it possible to satisfy customer needs with regard to digitalisation and sustainability.

### 3.1.2 Overall assessment of opportunities

The profile of future opportunities for the CHG-MERIDIAN Group stems from a growing international demand for complexity reduction as well as the trends that are projected to result through digitalisation of the economy. In this regard, significant potential is identified due to the impact of the coronavirus pandemic, particularly in the workforce and education system. At the same time, there is growing interest in carbon-neutral procurement methods and the re-use of used equipment, with both components being addressed through the design of service concepts and the remarketing of equipment in CHG-MERIDIAN's technology centre. These flexible and customised solution concepts based on a fully integrated approach enable customers to stay focused on their own core business. The systematic expansion of the product and service portfolio thus provides the foundation for the CHG-MERIDIAN Group's continuing success. Thanks to our international network and a presence in 25 countries, we can also serve international customers locally and respond to their needs.

## 3.2 Risk report

### 3.2.1 Risk strategy

The objective of the risk strategy is to ensure the right balance between opportunities and risks. The risk strategy pursued by the CHG-MERIDIAN Group is derived from its business strategy and forms an integral part of the risk management process. The Board of Management and Supervisory Board of CHG-MERIDIAN AG set out the principles of risk policy, the core message of which incorporates a code of conduct and encourages all staff members to take a sensible attitude toward risk. These principles form the basis for the specific structure of the risk management organisation and are intended to promote awareness of risk on the part of all stakeholders. In addition, the principles are communicated to all employees of the CHG-MERIDIAN Group. The aim of raising employee awareness of risk is to ensure that risks are identified and monitored early on, so that appropriate measures can be taken in the event of an imminent risk.

The risk strategy serves to ensure that competitive advantages and opportunities are seized while at the same time risks that exceed a defined limit can be avoided. Opportunities and risks are tracked in keeping with a risk-conscious management, evaluated in terms of their risk/reward profile and accepted or avoided based on the business's capacity to assume the risk involved.

### 3.2.2 Risk management and risk monitoring

Risks are managed and monitored within the scope of risk management on the basis of a risk strategy, appropriate organisational structures and processes for risk monitoring and measurement that are correspondingly designed for the size and nature, scope, complexity and risk profile of the transactions of the CHG-MERIDIAN AG.

The relevant members of the Board of Management and/or other decision-makers at the Company regularly analyse, evaluate, and monitor risks and also identify new risks (risk types) and risk categories. The level of risk that can be assumed by these decision makers is based on the net asset value. The management of CHG-MERIDIAN AG has set appropriate limits and authorisation levels for the specific risks involved, and these have been approved by the Supervisory Board.

The internal control system is used to manage and monitor the Group's risks. The adequate flow of information is guaranteed by regular meetings between the Board of Management and certain specialist departments, as well as by a structured reporting system.

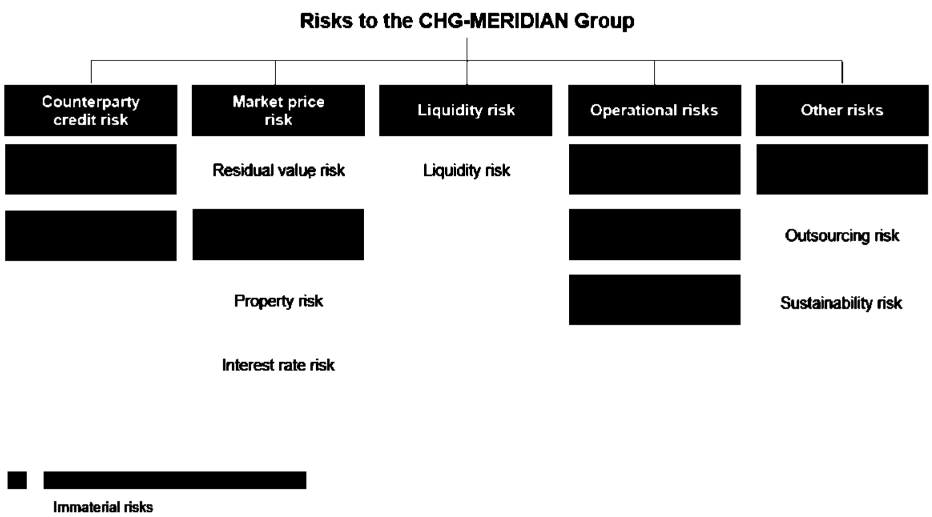
The Treasury department is generally responsible for risk reporting. However, the monthly management report, containing key figures for corporate management and risk monitoring, is supplied by the Group Accounting/Controlling departments. The management report is supplemented on a quarterly basis by the risk-bearing capacity report and the overall risk report, which are submitted to the parent company's decision-makers for analysis and approval.

The responsible risk management functions are the Board of Management as well as Risk Controlling, Compliance, Group Accounting/Controlling, Contract Administration, and Treasury. Risk Control is responsible for the independent monitoring and communication of risks, is located outside the Sales (Market) department and involved in all major risk policy decisions. This function is assumed by the Chief Financial Officer, Mr Bergmann. Compliance works towards the implementation of effective procedures to comply with the legal regulations and requirements essential to the institution as well as appropriate controls. Compliance reports directly to the Chairman of the Board of Management. All risk management units are therefore located in the back office area.

The Group also manages and monitors risk at the level of the parent company by preparing a quarterly calculation of the risk-bearing capacity of CHG-MERIDIAN AG that is submitted to the decision makers responsible at CHG-MERIDIAN AG for analysis and approval. This calculation of risk-bearing capacity involves determining and assessing the proportion of substantial risks identified as a percentage of aggregate risk cover for the respective quarter of the year. If the relevant limits are exceeded (20% of the aggregate risk cover at the level of CHG-MERIDIAN AG), this is also submitted to the Supervisory Board for approval. In addition, the decision makers receive an overall risk report each quarter that bundles the risk reporting from the areas of treasury, management reporting, risk bearing capacity and information security risk.

As an independent unit, the internal audit department tests the structures and processes and monitors the proper functioning and effectiveness of the Company's risk monitoring system.

As a company with a strong focus on products and services, the CHG-MERIDIAN Group is exposed to the following risks in its operating activities:

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### 3.2.3 Risk categories

The following presentation of the individual categories of risk is provided based on the gross method, i.e. before risk-compensating measures are taken into account.

#### 3.2.3.1 Counterparty risk

Counterparty risk is defined as the potential loss that can arise as a result of a counterparty's default, either because of its insolvency or because of its unwillingness to meet its contractual obligations.

The CHG-MERIDIAN Group defines credit risk and country risk as material counterparty risks.

**Credit risk**
Credit risk is the potential loss that may arise from the default or deterioration in the lessee's creditworthiness.

The CHG-MERIDIAN Group mitigates credit risk by pursuing a targeted risk transfer policy. In this context, the organisation aims to refinance the majority of leases through non-recourse funding with transfer of credit risk. The credit risk is thus predominantly transferred to third parties (e.g., credit institutions).

The CHG-MERIDIAN Group may be exposed to credit risk as a result of the credit deterioration or insolvency of customers that it has financed at its own risk. Such risk also exists during pre-financing stages of transactions and in cases where purchase participation declarations and loan commitments have been issued, whereby irrevocable loan commitments are generally only issued in the municipal environment.

CHG-MERIDIAN Group only finances transactions at its own risk with clients who have a sufficiently good credit rating pursuant to the respective current principles for internal financing.

The Group manages this risk by means of the risk-adjusted organisational structure, according to which the approval of at least one mutually independent vote from the front office and back office units is required for the conclusion of each lease agreement in the risk-relevant area in accordance with the defined division of powers. A prerequisite for approval is a creditworthiness analysis based on suitable credit documents and close cooperation with the Group's refinancing partners.

The Group's own credit exposure is monitored on a quarterly basis.

The CHG-MERIDIAN Group continued to use its risk-adjusted operational and organisational structures to manage its credit risk effectively during the reporting period.

**Country risk**
Country risk arises if political or economic circumstances in a particular country impact the value of a foreign exposure. It comprises transfer risk and other country risks. Transfer risk arises if a debtor who is otherwise solvent and willing to make payments is unable to meet payment obligations because the imposition of governmental or regulatory controls has prevented the debtor from obtaining foreign currency or from transferring assets to parties not domiciled in the country concerned. Other country risk comprises risks that jeopardise the enforceability of receivables from counterparties abroad, capital investments, or expected profits abroad, independently of the transfer risk. It depends on economic and political risk factors in a country, in particular country-specific liquidity risk, market risk, and correlation risk.

In order to minimise its country risk, the CHG-MERIDIAN Group therefore operates almost exclusively in countries that are members of the Organisation for Economic Co-operation and Development (OECD) and in economically and politically stable countries.

Country risk exposure is also monitored and controlled on a quarterly basis as part of the risk-bearing capacity calculation.

### 3.2.3.2 Market risk

Market risk arises when the value of a transaction depends on future movements in exchange rates, share prices or interest rates, and the transaction is not hedged by a corresponding counter transaction. The CHG-MERIDIAN Group has identified residual value risk, currency risk, property risk and interest rate risk as types of market risk, but currency risk is the only one judged to be material for the Group.

**Currency risk**
Currency risk arises from fluctuations between foreign currencies and the functional currency of CHG-MERIDIAN AG (EUR). The Company is currently exposed to currency risk in connection with the refinancing of subsidiaries based outside the eurozone. In addition to loans issued to the subsidiaries, fixed assets denominated in foreign currencies are exposed to the risk of currency fluctuations.

The CHG-MERIDIAN Group aims to ensure that funding is obtained in the local currency of the respective subsidiary from its own funding partners. If this is not possible, loans to foreign subsidiaries are generally only granted in their local currency. The Group may be exposed to currency risk arising from changes in interest and principal payments and from the translation of local currency into the functional currency. To minimise this risk, cross currency interest rate swaps are used in some cases.

In order to monitor currency risk, the effects of an appreciation or depreciation of the euro against all currencies other than the functional currency are determined at regular intervals. Where significant risk exposure is identified, hedging instruments in the form of micro-hedges are used for the purpose of risk mitigation.

Intra-group funding transactions are hedged using commensurate derivatives to reduce currency risk. As the hedged items are consolidated, they are not recognised in the consolidated financial statements under hedge accounting, but at fair value through profit or loss. Please refer to sections 5.10, 7.14 and 8 in the notes to the consolidated financial statements for further information.

#### 3.2.3.3 Operational risk

Operational risk constitutes the risk of losses caused by the inadequacy or failure of internal processes, people or systems or by external events, including legal risks.

CHG-MERIDIAN AG defines legal risk, personnel risk, and information security risk as its material operational risks.

The risk itself is quantified at the level of the parent company CHG-MERIDIAN AG. In order to quantify operational risk, CHG-MERIDIAN AG draws on the regulatory requirements specified in Article 315 of the Capital Requirements Regulation (Regulation (EU) No 575/2013). This regulation stipulates that quantification of operational risk must be based on 15% of the three-year average of the relevant indicator (gross earnings).

**Legal risk**
Legal risk arises when new types of lease are used, existing types of lease are amended or the contractual framework (and the resulting verity risks) is altered without the legal risks having been thoroughly assessed in advance.

The CHG-MERIDIAN Group mitigates this risk through the successive standardisation of the general terms and conditions and the various kinds of offers available to Sales. Before a lease is signed, the relevant sales management and contract management staff check to ensure compliance with the adopted standards. In order to meet the needs of the current market and its customers and to further expand the CHG-MERIDIAN Group's market position, the Group also enters into individual agreements and participates in public procurement procedures as a bidder, although these are subject to a defined review and approval process.

Any deviations from these standards and any customised agreements made with individual customers must be approved beforehand by the Legal and Treasury departments and by the responsible member of the Board of Management or those responsible for the country concerned and, if necessary, with the consultation of external advisors. This prevents the occurrence of unmanageable legal risks and safeguards the funding of leases.

CHG-MERIDIAN has implemented a Compliance function to counter risks that may arise from non-compliance with legal regulations or from acts of fraud or embezzlement. The established whistleblowing system gives CHG-MERIDIAN Group employees and business partners the opportunity to report compliance violations anonymously.

**Personnel risk**
Personnel risks are risks that may arise as a result of human error, a lack of professional competency and qualifications, inadequate management or inadequate protection against fraudulent acts. Personnel risks can also result from insufficient human resources, staff turnover and legal disputes with employees.

Control and monitoring are carried out via the Code of Conduct, which defines corporate policy and values intended to guide employees in their daily work. Through the guidelines published in the employee handbook, the Group ensures that employees behave ethically and in compliance with the law. In addition, employees are informed on the intranet about all laws requiring posting and about the complaints office for violations (ombudsman). If employees have reasonable suspicion of a violation of the Code of Conduct, the Compliance Officer will examine the options for action.

Each new employee undergoes a six-month induction phase at the beginning in order to ensure that employees are professionally qualified in accordance with their internal area of deployment. Furthermore, substitution regulations as well as measures for permanent quality assurance are in place through task and process documentation provided via the iKnow platform.

The CHG-MERIDIAN Group supports and organises employee training and development through the CHG Academy, which provides internal and external training opportunities.

The CHG-MERIDIAN Group counters staff turnover by implementing programmes to enhance its attractiveness as an employer and increase staff loyalty, such as flexible working time models and childcare support services.

Staff turnover is generally of minor significance in the CHG-MERIDIAN Group. Furthermore, the HR department is not aware of any legal disputes with employees that have a material impact on the CHG-MERIDIAN Group’s assets and liabilities or financial performance.

**Information security risk**
Information security risks are risks that can arise from the use of information technology in the course of a company's business activity.

Information processing plays a key role in the Group's business activities, as all essential strategic and operational functions are essentially supported by IT. The CHG-MERIDIAN Group specifically mitigates information security risks by means of defined information security policies. These are designed to ensure that the data and IT systems of all business areas are available at all times and that system downtime is avoided as far as possible.

The CHG-MERIDIAN Group has set up an information security organisation in order to achieve the security objectives defined in the information security policy. The Company has also established the function of data protection and information technology officer to ensure that data protection requirements are duly met. Security measures to protect data and IT systems include a restrictive access authorisation system, the use of virus protection programmes and comprehensive data backup. A separate IT emergency recovery plan ensures that critical business processes can be maintained even in the event of an IT system failure and that the availability of the failed systems can be restored promptly.

General information security instructions and guidelines are communicated to all employees via the CHG Group employee handbook or awareness measures.

There are redundant data centres in Frankfurt am Main and Rüsselsheim to further reduce risk. The Group also makes targeted use of standardised and centrally hosted systems and carries out contingency testing in individual areas.

### 3.2.3.4 Other risks

The CHG-MERIDIAN Group has identified strategic risk as a further material risk. This refers to the risk of losses arising from incorrect strategic business decisions, business model risks, and risks to financial performance and margins.

The management of strategic risk is the primary responsibility of the parent company. In analysing and evaluating this risk, which is largely determined in a qualitative manner, management is supported by the respective specialist departments. Strategic risk is therefore identified and analysed on the basis of ongoing observations of macroeconomic conditions as well as regular analysis of competitive and sectoral trends.

### 3.2.4 Summary

Due to continuing restrictions on overall economic activity as a result of the coronavirus pandemic in the course of 2021, high economic uncertainties persist, which especially affect counterparty risks.

The conservative corporate strategy has proven to be the right approach for the long term again this backdrop. By pursuing a rigorous risk management policy, the Board of Management and Supervisory Board of the parent company were kept abreast at all times of the current developments of risk exposures. The CHG-MERIDIAN Group believes that it is well prepared for an increase in counterparty risk or market risk that might arise from the continuation of the coronavirus pandemic thanks to the high level of cash and cash equivalents it has established as a precautionary measure. This has provided the Group with the necessary flexibility to respond to the dynamic development in connection with the coronavirus, despite the volume of lease origination remaining subdued.

# 4 Forecast

## 4.1 Macroeconomic outlook

The magnitude of the coronavirus crisis combined with potential emergence of virus mutations, along with the further progress of vaccine campaigns as well as the Ukraine crisis, present challenges for the 2022 economic forecast.

Against this backdrop, the International Monetary Fund (IMF) has revised its economic forecast downwards. Accordingly, the global economy is forecast to grow only by 4.4% in 2022. This is 0.5 percentage points lower than expected in October. Inflation, which most recently rose sharply due to higher energy prices and supply problems in many industries, is likely to remain high at least in the initial months of 2022.

The European Commission also assumes lower growth of only 4.0% in 2022. However, the Commission expects that economic activity will pick up again in the wake of normalising supply-side conditions and with inflationary pressure slowly receding in the second half of the year.

The German federal government expects Germany's GDP to increase by 3.6% in the coming year. According to the Federal Association of German Leasing Companies, 2022 will be heavily affected by interest rate and inflation developments, and especially the military escalation in Ukraine and the resulting sanctions.

The high prices for energy and preliminary products will initially continue to be an issue, and a slow recovery over the course of the year could be expected if the pandemic situation and supply conditions improve. However, the effects from the conflict in Ukraine will especially impact the energy sector in 2022. Whether it can be expected in 2022 that strong catch-up effects driven by increasing consumer spending, a further upswing in foreign trade and ongoing high government spending will bring us near pre-crisis levels remains to be seen. Nevertheless, investments with a view to transformation towards an ecological/social market economy, which is more focused on digitalisation, offer considerable potential. However, predicting macroeconomic developments is currently very difficult due to the ongoing pandemic and political tensions at the time this report was prepared.

## 4.2 Sector-specific development

The digital transformation will continue to affect the processes of leasing companies in the future. Not all customers make investments themselves; instead, they seek partners to provide them with customised digital offers. It is important to streamline, automate and digitalise companies' internal processes. This is an area in which there is increased growth potential for the 'Information Technologies' area.

In addition to this largest line of business at the CHG-MERIDIAN Group, the focus is also on the continuous expansion of activities in 'Healthcare Technologies' and 'Industrial Technologies'. Demand for additional services will continue to grow in these areas as a result of the digital transformation and Industry 4.0.

Furthermore, in 2022 and beyond, we expect that the strategic focus of the CHG-MERIDIAN Group is also set to continue meeting the expectations and the needs of the market. Our customers will continue to demand individual and fully integrated concepts for the management of technology investments. The overall strategic direction therefore remains unchanged.

**Outlook**

Taking into account the current coronavirus situation and the conflict in Ukraine, we expect the economic environment to recover only moderately during the course of the 2022 reporting year, but are nevertheless confident of generating growth in lease origination volume. We therefore expect the CHG-MERIDIAN Group to achieve a lease origination volume ranging between EUR 1.8 billion and EUR 2.0 billion.

We are optimistic about the gross margin as well and once again anticipate solid results in a range of EUR 325.0 million to EUR 335.0 million. Furthermore, we expect consolidated net income to remain unchanged, with staffing levels increasing slightly.

The impact of the coronavirus pandemic on macroeconomic activity continues to be unforeseeable and characterised by uncertainty. CHG-MERIDIAN is monitoring the developments related to COVID-19 very closely and has established a task force for this purpose. Appropriate precautions were taken to protect our employees, customers and partners. The measures taken will enable us to maintain our business operations during challenging times also in the future. Our focus on digitalisation in recent years has allowed digital and mobile work from home for our employees, thus ensuring full working capacity. We have thus far not observed any impact on our business processes in the reporting year and we do not expect any restrictions in future.

Regarding our financial situation – despite the coronavirus crisis, conflict in Ukraine and the resulting macroeconomic challenges – we consider ourselves well prepared for the coming years due to our very favourable and solid funding base. We still have extensive financial flexibility and sufficient liquidity. It has also been shown that - in spite of the fact that the financing partners continue to have longer examination periods - the refinancing demand for our fundamentally solid customer portfolio remains high. After the obligation to file for insolvency coming into effect once again, another wave of insolvencies could be avoided in the reporting year – due to continued government intervention in providing financial assistance to businesses – with company insolvencies even going down year-on-year. Euler Hermes, Germany's export credit insurance agency, expects a slight increase for the second half of 2022; however, the projected case numbers remain considerably below pre-crisis levels. Due to this trend as well as the general challenges facing individual sectors and their intensification and expansion in the wake of the coronavirus crisis and the Ukraine crisis, we are already anticipating reluctance on the part of financing partners in individual sectors or customer segments in our current credit decisions. The CHG-MERIDIAN Group continues to respond to the potentially moderate increase in defaults in its customer portfolio by performing a wide variety of scenario and sensitivity analyses of our exposure. However, no material impact on risk-bearing capacity is expected in view of this stress testing and our known and long-term stable as well as proven recovery rates.

CHG-MERIDIAN is now in a very strong financial position and will continue to be on the lookout for strategically beneficial acquisitions – either in Germany or abroad – in 2022. Its main focus will be on further development of existing markets.

Weingarten, 19 April 2022

CHG-MERIDIAN AG

Dr Mathias Wagner   Ulrich Bergmann   Frank Kottmann   Oliver Schorer

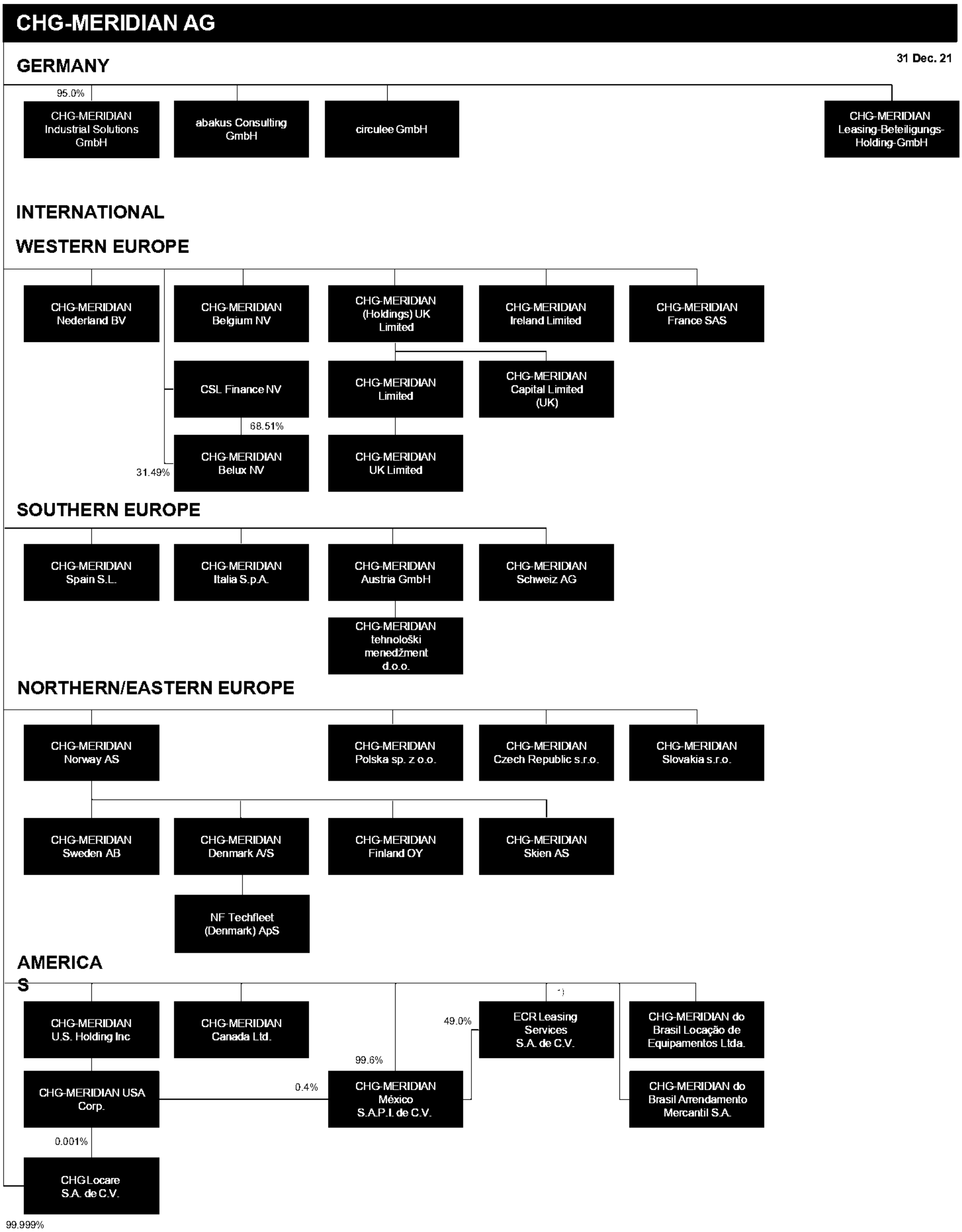
# Appendix 2
# Legal status of the Parent Company

# Legal status of the Parent Company

| | |
|---|---|
| **Date of formation** | 2 March 1979 |
| **Registered name** | CHG-MERIDIAN AG |
| **Registered office** | Weingarten, Germany |
| **Locations** | The locations can be found in the Appendix (Appendix 1.6). |
| **Articles of Incorporation** | The current version of the Articles of Incorporation is dated 17 July 2001, most recently amended on 20 July 2018.<br>The most recent amendment served to amend the possibilities for the Supervisory Board to pass resolutions. Pro rata remuneration of Supervisory Board members beginning or ending their membership during the reporting year was also specified. |
| **Commercial register** | The Company is registered with the Ulm District Court in Department B, under commercial register entry no. 551857. The most recent extract available to us is dated 21 February 2022. |
| **Company's purpose** | Pursuant to Section 2 of the Articles of Incorporation, the purpose of the Company is the purchase, sale and rental of industrial goods, in particular data processing systems and equipment. |
| **Permission pursuant to Section 32 KWG [German Banking Act]** | The Bundesanstalt für Finanzdienstleistungsaufsicht [German Federal Financial Supervisory Authority] granted permission to engage in the business designated in Section 1 (1a) sentence 2 no. 10 KWG by letter dated 21 January 2009 and addressed to the Company's Board of Management.<br>Accordingly, the activity comprises financial services within the meaning of finance leasing as set forth in Section 1 (1a) sentence 2 no. 10 KWG. |
| **Financial year** | Calendar year |
| **Subscribed capital** | The Company's subscribed capital as at 31 December 2021 totals EUR 100,000,000 and consists of 96,000,000 no-par-value registered shares. All shares have the same rights. |
| **Capital structure** | The Company acquired 873,579 treasury shares and sold 1,168,000 treasury shares during the reporting year.<br>As at 31 December 2021, the Company held treasury shares with a notional value of EUR 1,021,017 (PY: EUR 1,327,705) and a portfolio of 980,176 treasury shares. |

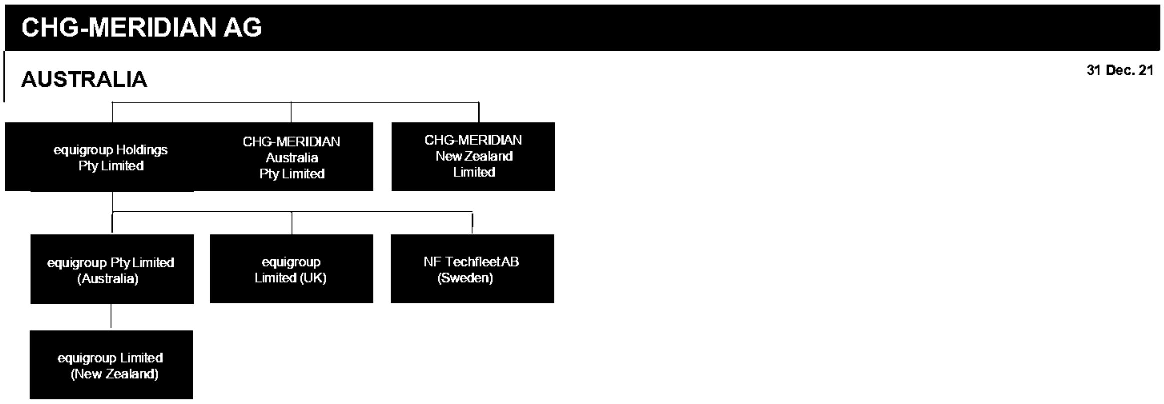
| | |
|---|---|
| **Prior year's financial statements** | At the annual general meeting held on 18 June 2021, it was resolved<br>(1) that the net profit of EUR 97,256,581.96 as at 31 December 2020 be distributed to the shareholders in the amount of EUR 28,765,476.90. The remaining amount of EUR 68,491,105.06 be carried forward to the following year;<br>(2) the Supervisory Board and the Board of Management be formally discharged for financial year 2020;<br>(3) KPMG AG Wirtschaftsprüfungsgesellschaft, Munich, Germany, be elected as auditor for financial year 2021. |
| **Supervisory Board Meeting** | A Supervisory Board meeting was held on 12 May 2021 of the reporting year in which, among other things, the following were resolved:<br>(1) approval of the annual financial statements as at 31 December 2020, prepared by the Board of Management, audited by us and provided with an unqualified auditor's report, together with the management report;<br>(2) approval of the proposed appropriation of profits for 2020;<br>(3) approval of the consolidated financial statements as at 31 December 2020. |
| **Size of the Company** | The Company is a large corporation as defined in Section 267 (3) of the German Commercial Code [HGB] in conjunction with Section 340a (1) HGB. |
| **Capital market listing/ stock exchange listing** | The Company is not listed on a stock exchange or capital market. |
| **Supervisory Board** | The members of the Supervisory Board are listed in the Company's notes to the consolidated financial statements (Appendix 1.6).<br>The notes contain the disclosures pursuant to Section 285 no. 9, 10 HGB in Section 9e. |
| **Board of Management** | Members of the Board of Management are listed in the Company's notes to the consolidated financial statements (Appendix 1.6).<br>The notes contain the disclosures pursuant to Section 285 no. 9, 10 HGB in Section 9e. |
| **Tax status** | The Company's tax status was audited by the tax authorities up to and including 2017 and concluded with no significant objections in a report dated 23 April 2020. |

# Appendix 3
# Organisational chart of CHG-MERIDIAN Group as at 31 December 2021




1) CHG-MERIDIAN AG directly holds 51% of the shares in ECR Leasing Services S.A. de C.V. from an economic perspective.

100% shares held  < 100% shares held




■ 100% shares held ■ < 100% shares held

# Appendix 4
# General Engagement Terms

[Translator's notes are in square brackets]

# General Engagement Terms
for
## Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften
**[German Public Auditors and Public Audit Firms]**
**as of January 1, 2017**

### 1. Scope of application

**(1)** These engagement terms apply to contracts between German Public Auditors (*Wirtschaftsprüfer*) or German Public Audit Firms (*Wirtschaftsprüfungsgesellschaften*) – hereinafter collectively referred to as "German Public Auditors" – and their engaging parties for assurance services, tax advisory services, advice on business matters and other engagements except as otherwise agreed in writing or prescribed by a mandatory rule.

**(2)** Third parties may derive claims from contracts between German Public Auditors and engaging parties only when this is expressly agreed or results from mandatory rules prescribed by law. In relation to such claims, these engagement terms also apply to these third parties.

### 2. Scope and execution of the engagement

**(1)** Object of the engagement is the agreed service – not a particular economic result. The engagement will be performed in accordance with the German Principles of Proper Professional Conduct (*Grundsätze ordnungsmäßiger Berufsausübung*). The German Public Auditor does not assume any management functions in connection with his services. The German Public Auditor is not responsible for the use or implementation of the results of his services. The German Public Auditor is entitled to make use of competent persons to conduct the engagement.

**(2)** Except for assurance engagements (*betriebswirtschaftliche Prüfungen*), the consideration of foreign law requires an express written agreement.

**(3)** If circumstances or the legal situation change subsequent to the release of the final professional statement, the German Public Auditor is not obligated to refer the engaging party to changes or any consequences resulting therefrom.

### 3. The obligations of the engaging party to cooperate

**(1)** The engaging party shall ensure that all documents and further information necessary for the performance of the engagement are provided to the German Public Auditor on a timely basis, and that he is informed of all events and circumstances that may be of significance to the performance of the engagement. This also applies to those documents and further information, events and circumstances that first become known during the German Public Auditor's work. The engaging party will also designate suitable persons to provide information.

**(2)** Upon the request of the German Public Auditor, the engaging party shall confirm the completeness of the documents and further information provided as well as the explanations and statements, in a written statement drafted by the German Public Auditor.

### 4. Ensuring independence

**(1)** The engaging party shall refrain from anything that endangers the independence of the German Public Auditor's staff. This applies throughout the term of the engagement, and in particular to offers of employment or to assume an executive or non-executive role, and to offers to accept engagements on their own behalf.

**(2)** Were the performance of the engagement to impair the independence of the German Public Auditor, of related firms, firms within his network, or such firms associated with him, to which the independence requirements apply in the same way as to the German Public Auditor in other engagement relationships, the German Public Auditor is entitled to terminate the engagement for good cause.

### 5. Reporting and oral information

To the extent that the German Public Auditor is required to present results in writing as part of the work in executing the engagement, only that written work is authoritative. Drafts are non-binding. Except as otherwise agreed, oral statements and explanations by the German Public Auditor are binding only when they are confirmed in writing. Statements and information of the German Public Auditor outside of the engagement are always non-binding.

### 6. Distribution of a German Public Auditor's professional statement

**(1)** The distribution to a third party of professional statements of the German Public Auditor (results of work or extracts of the results of work whether in draft or in a final version) or information about the German Public Auditor acting for the engaging party requires the German Public Auditor's written consent, unless the engaging party is obligated to distribute or inform due to law or a regulatory requirement.

**(2)** The use by the engaging party for promotional purposes of the German Public Auditor's professional statements and of information about the German Public Auditor acting for the engaging party is prohibited.

### 7. Deficiency rectification

**(1)** In case there are any deficiencies, the engaging party is entitled to specific subsequent performance by the German Public Auditor. The engaging party may reduce the fees or cancel the contract for failure of such subsequent performance, for subsequent non-performance or unjustified refusal to perform subsequently, or for unconscionability or impossibility of subsequent performance. If the engagement was not commissioned by a consumer, the engaging party may only cancel the contract due to a deficiency if the service rendered is not relevant to him due to failure of subsequent performance, to subsequent non-performance, to unconscionability or impossibility of subsequent performance. No. 9 applies to the extent that further claims for damages exist.

**(2)** The engaging party must assert a claim for the rectification of deficiencies in writing (*Textform*) [*Translators Note: The German term "Textform" means in written form, but without requiring a signature*] without delay. Claims pursuant to paragraph 1 not arising from an intentional act expire after one year subsequent to the commencement of the time limit under the statute of limitations.

**(3)** Apparent deficiencies, such as clerical errors, arithmetical errors and deficiencies associated with technicalities contained in a German Public Auditor's professional statement (long-form reports, expert opinions etc.) may be corrected – also versus third parties – by the German Public Auditor at any time. Misstatements which may call into question the results contained in a German Public Auditor's professional statement entitle the German Public Auditor to withdraw such statement – also versus third parties. In such cases the German Public Auditor should first hear the engaging party, if practicable.

### 8. Confidentiality towards third parties, and data protection

**(1)** Pursuant to the law (§ [Article] 323 Abs 1 [paragraph 1] HGB [German Commercial Code: *Handelsgesetzbuch*], § 43 WPO [German Law regulating the Profession of Wirtschaftsprüfer: *Wirtschaftsprüferordnung*], § 203 StGB [German Criminal Code: *Strafgesetzbuch*]) the German Public Auditor is obligated to maintain confidentiality regarding facts and circumstances confided to him or of which he becomes aware in the course of his professional work, unless the engaging party releases him from this confidentiality obligation.

**(2)** When processing personal data, the German Public Auditor will observe national and European legal provisions on data protection.

### 9. Liability

**(1)** For legally required services by German Public Auditors, in particular audits, the respective legal limitations of liability, in particular the limitation of liability pursuant to § 323 Abs. 2 HGB, apply.

**(2)** Insofar neither a statutory limitation of liability is applicable, nor an individual contractual limitation of liability exists, the liability of the German Public Auditor for claims for damages of any other kind, except for damages resulting from injury to life, body or health as well as for damages that constitute a duty of replacement by a producer pursuant to § 1 ProdHaftG [German Product Liability Act: *Produkthaftungsgesetz*], for an individual case of damages caused by negligence is limited to € 4 million pursuant to § 54 a Abs. 1 Nr. 2 WPO.

**(3)** The German Public Auditor is entitled to invoke demurs and defenses based on the contractual relationship with the engaging party also towards third parties.

**(4)** When multiple claimants assert a claim for damages arising from an existing contractual relationship with the German Public Auditor due to the German Public Auditor's negligent breach of duty, the maximum amount stipulated in paragraph 2 applies to the respective claims of all claimants collectively.

**(5)** An individual case of damages within the meaning of paragraph 2 also exists in relation to a uniform damage arising from a number of breaches of duty. The individual case of damages encompasses all consequences from a breach of duty regardless of whether the damages occurred in one year or in a number of successive years. In this case, multiple acts or omissions based on the same source of error or on a source of error of an equivalent nature are deemed to be a single breach of duty if the matters in question are legally or economically connected to one another. In this event the claim against the German Public Auditor is limited to € 5 million. The limitation to the fivefold of the minimum amount insured does not apply to compulsory audits required by law.

**(6)** A claim for damages expires if a suit is not filed within six months subsequent to the written refusal of acceptance of the indemnity and the engaging party has been informed of this consequence. This does not apply to claims for damages resulting from scienter, a culpable injury to life, body or health as well as for damages that constitute a liability for replacement by a producer pursuant to § 1 ProdHaftG. The right to invoke a plea of the statute of limitations remains unaffected.

### 10. Supplementary provisions for audit engagements

**(1)** If the engaging party subsequently amends the financial statements or management report audited by a German Public Auditor and accompanied by an auditor's report, he may no longer use this auditor's report.

If the German Public Auditor has not issued an auditor's report, a reference to the audit conducted by the German Public Auditor in the management report or any other public reference is permitted only with the German Public Auditor's written consent and with a wording authorized by him.

**(2)** If the German Public Auditor revokes the auditor's report, it may no longer be used. If the engaging party has already made use of the auditor's report, then upon the request of the German Public Auditor he must give notification of the revocation.

**(3)** The engaging party has a right to five official copies of the report. Additional official copies will be charged separately.

### 11. Supplementary provisions for assistance in tax matters

**(1)** When advising on an individual tax issue as well as when providing ongoing tax advice, the German Public Auditor is entitled to use as a correct and complete basis the facts provided by the engaging party – especially numerical disclosures; this also applies to bookkeeping engagements. Nevertheless, he is obligated to indicate to the engaging party any errors he has identified.

**(2)** The tax advisory engagement does not encompass procedures required to observe deadlines, unless the German Public Auditor has explicitly accepted a corresponding engagement. In this case the engaging party must provide the German Public Auditor with all documents required to observe deadlines – in particular tax assessments – on such a timely basis that the German Public Auditor has an appropriate lead time.

**(3)** Except as agreed otherwise in writing, ongoing tax advice encompasses the following work during the contract period:

**a)** preparation of annual tax returns for income tax, corporate tax and business tax, as well as wealth tax returns, namely on the basis of the annual financial statements, and on other schedules and evidence documents required for the taxation, to be provided by the engaging party

**b)** examination of tax assessments in relation to the taxes referred to in (a)

**c)** negotiations with tax authorities in connection with the returns and assessments mentioned in (a) and (b)

**d)** support in tax audits and evaluation of the results of tax audits with respect to the taxes referred to in (a)

**e)** participation in petition or protest and appeal procedures with respect to the taxes mentioned in (a).

In the aforementioned tasks the German Public Auditor takes into account material published legal decisions and administrative interpretations.

**(4)** If the German Public auditor receives a fixed fee for ongoing tax advice, the work mentioned under paragraph 3 (d) and (e) is to be remunerated separately, except as agreed otherwise in writing.

**(5)** Insofar the German Public Auditor is also a German Tax Advisor and the German Tax Advice Remuneration Regulation (*Steuerberatungsvergütungsverordnung*) is to be applied to calculate the remuneration, a greater or lesser remuneration than the legal default remuneration can be agreed in writing (*Textform*).

**(6)** Work relating to special individual issues for income tax, corporate tax, business tax, valuation assessments for property units, wealth tax, as well as all issues in relation to sales tax, payroll tax, other taxes and dues requires a separate engagement. This also applies to:

**a)** work on non-recurring tax matters, e.g. in the field of estate tax, capital transactions tax, and real estate sales tax;

**b)** support and representation in proceedings before tax and administrative courts and in criminal tax matters;

**c)** advisory work and work related to expert opinions in connection with changes in legal form and other re-organizations, capital increases and reductions, insolvency related business reorganizations, admission and retirement of owners, sale of a business, liquidations and the like, and

**d)** support in complying with disclosure and documentation obligations.

**(7)** To the extent that the preparation of the annual sales tax return is undertaken as additional work, this includes neither the review of any special accounting prerequisites nor the issue as to whether all potential sales tax allowances have been identified. No guarantee is given for the complete compilation of documents to claim the input tax credit.

### 12. Electronic communication

Communication between the German Public Auditor and the engaging party may be via e-mail. In the event that the engaging party does not wish to communicate via e-mail or sets special security requirements, such as the encryption of e-mails, the engaging party will inform the German Public Auditor in writing (*Textform*) accordingly.

### 13. Remuneration

**(1)** In addition to his claims for fees, the German Public Auditor is entitled to claim reimbursement of his expenses; sales tax will be billed additionally. He may claim appropriate advances on remuneration and reimbursement of expenses and may make the delivery of his services dependent upon the complete satisfaction of his claims. Multiple engaging parties are jointly and severally liable.

**(2)** If the engaging party is not a consumer, then a set-off against the German Public Auditor's claims for remuneration and reimbursement of expenses is admissible only for undisputed claims or claims determined to be legally binding.

### 14. Dispute Settlement

The German Public Auditor is not prepared to participate in dispute settlement procedures before a consumer arbitration board (*Verbraucherschlichtungsstelle*) within the meaning of § 2 of the German Act on Consumer Dispute Settlements (*Verbraucherstreitbeilegungsgesetz*).

### 15. Applicable law

The contract, the performance of the services and all claims resulting therefrom are exclusively governed by German law.

# Årsregnskap 2021
# CHG-Meridian Norway AS

Organisasjonsnr: 886 486 812

# Resultatregnskap

## CHG-Meridian Norway AS

| Driftsinntekter og driftskostnader | Note | 2021 | 2020 |
|---|---|---|---|
| Salgsinntekt | 3 | 24 144 831 | 35 425 248 |
| **Sum driftsinntekter** | | **24 144 831** | **35 425 248** |
| Lønnskostnad | 4 | 14 962 196 | 14 562 695 |
| Avskrivning av driftsmidler og immaterielle eiendeler | 5 | 229 318 | 319 769 |
| Annen driftskostnad | 4 | 4 057 783 | 7 630 765 |
| **Sum driftskostnader** | | **19 249 298** | **22 513 230** |
| **Driftsresultat** | | **4 895 533** | **12 912 018** |
| **Finansinntekter og finanskostnader** | | | |
| Annen renteinntekt | | -1 975 | 139 575 |
| Annen finansinntekt | | 385 | 1 190 |
| Annen rentekostnad | | 170 962 | 7 488 |
| Annen finanskostnad | | 32 076 | 127 701 |
| **Resultat av finansposter** | | **-204 628** | **5 576** |
| **Ordinært resultat før skattekostnad** | | **4 690 905** | **12 917 595** |
| Skattekostnad på ordinært resultat | 14 | 1 047 849 | 2 849 657 |
| **Årsresultat** | | **3 643 056** | **10 067 938** |
| **Overføringer** | | | |
| Avsatt til annen egenkapital | 8 | 3 643 056 | 10 067 938 |
| **Sum overføringer** | | **3 643 056** | **10 067 938** |

# Balanse

## CHG-Meridian Norway AS

| Eiendeler | Note | 2021 | 2020 |
|---|---|---|---|
| **Anleggsmidler** | | | |
| ***Immaterielle eiendeler*** | | | |
| Utsatt skattefordel | 14 | 71 038 | 61 112 |
| **Sum immaterielle eiendeler** | | **71 038** | **61 112** |
| ***Varige driftsmidler*** | | | |
| Driftsløsøre, inventar o.a. utstyr | 5 | 106 901 | 163 030 |
| **Sum varige driftsmidler** | | **106 901** | **163 030** |
| ***Finansielle anleggsmidler*** | | | |
| Investeringer i datterselskap | 10 | 12 785 896 | 12 785 896 |
| Andre langsiktige fordringer | 11 | 294 542 342 | 151 188 938 |
| **Sum finansielle anleggsmidler** | | **307 328 238** | **163 974 834** |
| **Sum anleggsmidler** | | **307 506 177** | **164 198 976** |
| **Omløpsmidler** | | | |
| ***Fordringer*** | | | |
| Kundefordringer | 7 | 15 983 004 | 54 656 590 |
| Andre kortsiktige fordringer | 13 | 84 587 062 | 118 070 581 |
| Konsernfordringer | 7 | 15 849 286 | 10 655 110 |
| **Sum fordringer** | | **116 419 352** | **183 382 281** |
| ***Bankinnskudd, kontanter o.l*** | | | |
| Bankinnskudd, kontanter o.l. | 2 | 16 008 815 | 36 992 627 |
| **Sum bankinnskudd, kontanter o.l** | | **16 008 815** | **36 992 627** |
| **Sum omløpsmidler** | | **132 428 167** | **220 374 908** |
| **Sum eiendeler** | | **439 934 344** | **384 573 884** |

# Balanse

## CHG-Meridian Norway AS

| **Egenkapital og gjeld** | **Note** | **2021** | **2020** |
|---|---|---|---|
| **Egenkapital** | | | |
| ***Innskutt egenkapital*** | | | |
| Aksjekapital | 8, 9 | 499 500 | 499 500 |
| Overkurs | 8 | 24 665 188 | 24 665 188 |
| Annen innskutt egenkapital | 8 | 2 298 953 | 2 298 953 |
| **Sum innskutt egenkapital** | | **27 463 641** | **27 463 641** |
| ***Opptjent egenkapital*** | | | |
| Annen egenkapital | 8 | 31 411 103 | 27 768 047 |
| **Sum opptjent egenkapital** | | **31 411 103** | **27 768 047** |
| **Sum egenkapital** | **8** | **58 874 744** | **55 231 688** |
| **Gjeld** | | | |
| ***Kortsiktig gjeld*** | | | |
| Leverandørgjeld | 7 | 61 329 134 | 59 670 712 |
| Betalbar skatt | 14 | 1 057 775 | 2 878 444 |
| Skyldig offentlige avgifter | | 730 475 | 22 894 743 |
| Kortsiktig konserngjeld | 7 | 30 239 204 | 38 112 093 |
| Annen kortsiktig gjeld | 13 | 287 703 012 | 205 786 204 |
| **Sum kortsiktig gjeld** | | **381 059 600** | **329 342 196** |
| **Sum gjeld** | | **381 059 600** | **329 342 196** |
| **Sum egenkapital og gjeld** | | **439 934 344** | **384 573 884** |
| Gjenkjøpsforpliktelser | 6 | 34 271 747 | 23 302 810 |

Oslo, 03.06.2022
Styret i CHG-Meridian Norway AS

DocuSigned by:
Ulrich Bergmann
Ulrich Matthias Bergmann
styreleder

DocuSigned by:
Christian Vold
styremedlem/daglig leder

DocuSigned by:
Lena Gausen
Lena Gausen
styremedlem

DocuSigned by:
Lukas Tobias Tränkle
styremedlem

# CHG-MERIDIAN Norway AS

| KONTANTSTRØMSANALYSE | Note | 2021 | 2020 |
|---|---|---|---|
| **LIKVIDER TILFØRT/BRUKT PÅ VIRKSOMHETEN:** | | | |
| Ordinært resultat før skatt | | 4 690 905 | 12 917 595 |
| +/- Tap/gevinst ved salg av aksjer | | 0 | 0 |
| + Ordinære avskrivninger | 5 | 229 319 | 319 769 |
| + Nedskrivning anleggsmidler | | 0 | 0 |
| - Betalbar skatt i fjor utbetalt i år | 14 | -2 878 444 | -590 782 |
| Tilført fra årets virksomhet | | **2 041 780** | **12 646 582** |
| +/- Endring i lager, debitorer og kreditorer | | 40 332 008 | 45 946 185 |
| +/- Endring i andre tidsavgrensningsposter | | -50 117 347 | -46 549 186 |
| **A = Netto likviditetsendring fra virksomheten** | | **-7 743 559** | **12 043 581** |
| **LIKVIDER TILFØRT/BRUKT PÅ INVESTERINGER:** | | | |
| - lån til datterselskap | 7 | -5 194 176 | -9 922 840 |
| **B = Netto likviditetsendring fra investering** | | **-5 367 365** | **-9 922 840** |
| **LIKVIDER TILFØRT/BRUKT PÅ FINANSIERING:** | | | |
| + Opptak av ny gjeld/nedbetaling av gammel gjeld | 7 | -7 872 889 | 9 191 449 |
| + Endring i egenkapital | | 0 | 0 |
| **C = Netto likviditetsendring fra finansiering** | | **-7 872 889** | **9 191 449** |
| **+ Likviditetsbeholdning 1.1.** | | **36 992 628** | **25 680 438** |
| **A+B+C Netto endring i likvider gjennom året** | | **-20 983 813** | **11 312 190** |
| **= Likviditetsbeholdning 31.12.** | | **16 008 815** | **36 992 628** |

CHG-Meridian Norway AS (org.nr.886 486 812)

**Note 1 – Regnskapsprinsipper**

Årsregnskapet er satt opp i samsvar med regnskapsloven og god regnskapsskikk.

*Salgsinntekter*
Innteksføring ved salg av varer og tjenester skjer på leveringstidspunktet.
Salgsinntekter er presentert med nettotall i regnskapet.

Selskapets system for registrering av avtaler er tilpasset konsernets metode for inntektsføring av avtaler. Dette er tilpasset til IFRS-logikk som er grunnlaget for CHG-MERIDIANs rapportering og er samtidig i tråd med god regnskapsskikk i Norge. Avtaler som inngås har i hovedsak løpetid på mellom 3 og 5 år. Restverdi på avtalene tilsvarer som oftest leie for en termin.

Solgte leasingavtaler defineres som finansielle eller operasjonelle ut fra inntektskriterier. Avtaler som inngås av CHG-Meridian Norway AS er overveiende definert som finansielle leasingavtaler ihht disse kriteriene. Avtalene blir balanseført til beregnet nåverdi av fremtidige leieinntekter inkludert restverdi. Restverdi ved salg av kontraktene inntektføres over kontraktenes levetid.

*Vurdering og klassifisering av balanseposter*
Anleggsmidler er eiendeler ment til varig eie og bruk i virksomheten. Anleggsmidler vurderes til anskaffelseskost, men nedskrives til virkelig verdi ved verdifall som ikke forventes å være forbigående. Omløpsmidler og kortsiktig gjeld omfatter normalt poster som forfaller til betaling innen ett år etter anskaffelsestidspunkt, samt poster som knytter seg til varekretsløpet. Øvrige poster er klassifisert som anleggsmiddel/langsiktig gjeld. Omløpsmidler vurderes til laveste verdi av anskaffelseskost og antatt virkelig verdi.

*Fordringer*
Kundefordringer og andre fordringer oppføres til pålydende etter fradrag for avsetning til forventet tap. Avsetning til tap gjøres på grunnlag av en individuell vurdering av de enkelte fordringene. I tillegg gjøres det for øvrige kundefordringer en uspesifisert avsetning for å dekke antatt tap.

*Varige driftsmidler*
Varige driftsmidler balanseføres og avskrives over driftsmidlets forventede levetid dersom de har levetid over 3 år. Vedlikehold av driftsmidler kostnadsføres løpende, mens påkostninger eller forbedringer tillegges driftsmidlets kostpris og avskrives over resterende økonomisk levetid.

*Leieavtaler*
Leieavtaler er ikke balanseført. Selskapet har kun operasjonelle leieavtaler der de selv er leietaker.

Valuta
Pengeposter i utenlandsk valuta omregnes til balansedagens kurs. Løpende agio og disagio er ført som en del av netto salgsinntekter (inngår i varekost ved varekjøp).

*Skatt*
Skattekostnaden i resultatregnskapet omfatter periodens betalbare skatt og endring i utsatt skatt. Utsatt skatt er beregnet med 22 % på grunnlag av de midlertidige forskjeller som eksisterer mellom regnskapsmessige og skattemessige verdier, samt ligningsmessig underskudd til fremføring ved utgangen av regnskapsåret. Skatteøkende og skattereduserende midlertidige forskjeller som reverserer eller kan reversere i samme periode er utlignet og nettoført. Andre skattereduserende forskjeller er ikke utlignet, men balanseført dersom det er sannsynlig at foretaket kan utnytte dem, og eventuelt nettoført.

CHG-Meridian Norway AS (org.nr.886 486 812)

**Note 2 - Bundne midler**

| | 2021 | 2020 |
|---|---|---|
| I posten inngår bundne bankinnskudd på skattetrekkskonto med NOK | 364 169 | 338 532 |

**Note 3 - Salgsinntekter**

Selskapets virksomhet er basert på provisjon på oppnådd salg. Provisjonen mottas enten direkte fra avtalepartner eller fremkommer som en differanse mellom finansiert beløp og mottatte fakturaer for de objekt som finansieres. I selskapets årsregnskap er alle inntekter vist netto.

Totalt finansiert beløp tilsvarer en omsetning på kr 258 618 005 for 2021 mot kr 227 352 198 i fjor.

Nettosalg fordelt per virksomhetsområde og geografisk fordeling:

| **Virksomhetsområder:** | **2021** | **2020** |
|---|---|---|
| Salg av finanseringsløsninger inkl forsikring | 16 712 701 | 30 461 717 |
| Interne fellestjenester konsern | 7 432 130 | 4 963 531 |
| **Sum** | **24 144 831** | **35 425 248** |

| **Geografisk fordeling:** | **2021** | **2020** |
|---|---|---|
| Norge | 19 147833 | 32 278 598 |
| Europa | 4 996 998 | 3 146 650 |
| **Sum** | **24 144 831** | **35 425 248** |

**Note 4 - Lønn, godtgjørelser m.v.**

*Lønnskostnader*

| | **2021** | **2020** |
|---|---|---|
| Lønninger | 11 569 407 | 11 706 360 |
| Arbeidsgiveravgift | 1 910 642 | 1 561 116 |
| Pensjonskostnader | 857 154 | 967 073 |
| Andre ytelser | 624 993 | 328 146 |
| **Sum** | **14 962 196** | **14 562 695** |
| | | |
| *Gjennomsnittlig antall årsverk* | 12,5 | 12,5 |
| | | |
| *Godtgjørelser* | **Lønn** | **Andre godtgjørelser** |
| Daglig leder CHG-MERIDIAN Norway AS | 1 920 033 | 109 540 |
| | | |
| Styreleder CHG-MERIDIAN Norway AS | 0 | 0 |

Inkludert i lønn for daglig leder er provisjon og bonus med tilsammen kr 1 000 086.

CHG-Meridian Norway AS (org.nr.886 486 812)

*Honorar til revisor*:

| | 2021 | 2020 |
|---|---|---|
| Revisjonstjenester | 137 528 | 136 203 |
| Bistand årsregnskap og lign.p. | 32 000 | 31 000 |
| Annen bistand | 28 222 | 97 107 |
| *Alle beløp er ekskl. mva* | **197 750** | **264 310** |

Selskapet er pliktig til å ha tjenestepensjonsordning etter lov om obligatorisk tjenestepensjon. Selskapets pensjonsordninger tilfredsstiller kravene i denne lov.

**Note 5 Anleggsmidler**

| | Driftsløsøre, inventar ol. | Sum |
|---|---|---|
| Anskaffelseskost pr. 01.01.21 | 7 512 265 | 7 512 265 |
| + Tilgang kjøpte driftsmidler | 173 189 | 173 189 |
| = **Anskaffelseskost 31.12.21** | **7 685 454** | **7 685 454** |
| Akkumulerte avskrivninger 31.12.21 | 7 575 031 | 7 575 031 |
| + Akkumulerte nedskrivninger 31.12.21 | 3 522 | 3 522 |
| = Av- og nedskrivninger pr. 31.12.21 | 7 578 553 | 7 578 553 |
| = **Bokført verdi 31.12.21** | **106 901** | **106 901** |
| Årets ordinære avskrivninger | 229 319 | 229 319 |
| Økonomisk levetid | 0-5 år | |

**Note 6 - Forpliktelser**

Selskapet har forpliktet seg til gjenkjøp av utleiegjenstander etter leieperiodens utløp for til sammen kr 34 271 747. Av dette gjelder 24 022 342 ny portefølje som inntektsføres over leiepeiroden for avtalene og kr 249 405 vedr eldre portefølje, hvor hele beløpet er inntektsført ved salg av avtalen.
Summene er fordelt på mange avtaler over tid. Gjenkjøpsavtalene gir som oftest en fortjeneste for selskapet ved utløp av kontraktene.

**Note 7 - Mellomværende med selskap i samme konsern m.v.**

| | 2021 Leverandørgjeld | 2020 Leverandørgjeld |
|---|---|---|
| CHG-MERIDIAN AG | NOK 3 195 | NOK 672 |
| CHG-MERIDIAN Skien AS | NOK 68 966 | NOK 85 720 |

| | 2021 Kortsiktig fordring | 2020 Kortsiktig fordring |
|---|---|---|
| CHG-MERIDIAN Finland OY | NOK 15 849 286 | NOK 10 655 110 |

| | 2021 Kortsiktig gjeld | 2020 Kortsiktig gjeld |
|---|---|---|
| CHG-MERIDIAN Finland OY | NOK 0 | NOK 6 102 280 |
| CHG-MERIDIAN AG | NOK 25 045 028 | NOK 32 009 813 |

Note **8 - Egenkapital**

| | Aksjekapital | Overkurs | Annen inskutt EK | Annen Egenkapital | Sum |
|---|---|---|---|---|---|
| Egenkapital 01.01.2021 | 499 500 | 24 665 188 | 2 298 953 | 27 768 047 | 55 231 688 |
| Årets resultat | | | | 3 643 056 | 3 643 056 |
| **Egenkapital 31.12.2021** | **499 500** | **24 665 188** | **2 298 953** | **31 411 103** | **58 874 744** |

**Note 9 - Aksjekapital og aksjonærinformasjon**

Aksjekapitalen i CHG-Meridian Norway AS pr. 31.12.2021 består av følgende aksjeklasser:

| | Antall | Pålydende | Balanseført |
|---|---|---|---|
| Ordinære - aksjer | 1 110 | 100 | 499 500 |

*Eierstruktur*

Aksjonæren i CHG-Meridian Norway AS pr. 31.12.2021 var:

| | Ordinære - aksjer | Eierandel | Stemmeandel |
|---|---|---|---|
| CHG-Meridian AG, Germany | 1 110 | 100 % | 100 % |

Konsernregnskap utarbeides av CHG-MERIDIAN AG ved selskapets kontor i Tyskland,
Franz-Beer-Strasse 111, 88250 Weingarten.
Det utarbeides ikke konsernregnskap i Norge.

**Note 10 – Datterselskap**

Datterselskap er vurdert etter kost-metoden.

| Selskapsnavn | Forretnings-kontor | Eierandel i % | Stemmeandel i % |
|---|---|---|---|
| **Datterselskap** | | | |
| CHG-MERIDIAN Sweden AB | Stockholm | 100 % | 100 % |
| CHG-MERIDIAN Denmark A/S | København | 100 % | 100 % |
| CHG-MERIDIAN Finland OY | Helsinki | 100 % | 100 % |
| CHG-MERIDIAN Skien AS | Skien | 100 % | 100 % |

Konsernregnskap utarbeides i morselskapet.

| Selskapsnavn | Anskaffelses-kost | Balanseført verdi | Resultat 2021 | Egenkapital 31.12.2021 |
|---|---|---|---|---|
| **Datterselskap** | | | | |
| CHG-MERIDIAN Sweden AB | 3 765 427 | 3 765 427 | -438 000 | 8 424 000 |
| CHG-MERIDIAN Denmark A/S | 6 657 256 | 6 657 256 | - 1 861 000 | 2 366 000 |
| CHG-MERIDIAN Finland OY | 15 494 238 | 1 | - 5 194 000 | 183 000 |
| CHG-MERIDIAN Skien AS | 2 363 212 | 2 363 212 | 23 000 | 7 118 000 |

Det er ytet egenkapitalinnskudd til CHG-MERIDIAN Finland OY per 1.1.2021 på kr 15 394 636 inngår i kostprisen på aksjene. Det er tilsvarende ytet et egenkapitalinnskudd til CHG-Meridian Danmark A/S på kr 5 679 200 per 1.1.2021 som inngår i kostpris på aksjene.

**Note 11 - Langsiktige fordringer**

Fordringer med forfall over ett år utgjør kr 178 085 577.

Langsiktige fordringer relatert til den ordinære leasingporteføljen har per 31.12.21 en saldo på kr 285 161 984. I 2020 var beløpet kr 150 836 986.

I tillegg kommer bokført verdi av overtatt portefølje fra søsterselskap med kr 8 806 875 per 31.12.2021. Selskapet har i løpet av høsten klargjort for overtakelse av porteføljen til søsterselskapet NF Techfleet Norway og tar over porteføljen og en ansatt fra 01.01.2022. Dette innebærer at CHG-Meridian Norway AS har kjøpt innmaten av selskapet med unntak av egenkapital, likvider og skatterelaterte transaksjoner. Transaksjonen er basert på en fremtidig inntjening av porteføljen.

**Note 12 – Transaksjoner med nærstående parter**

Ytelser til ledende ansatte er omtalt i note 4, og mellomværende med konsernselskaper er omtalt i note 7.

| Selskapets transaksjoner med nærstående parter | 2021 | 2020 |
|---|---|---|
| ***Salg av varer og tjenester:*** | | |
| Salg av utstyr EOL: | | |
| Datterselskaper | 1 837 618 | |
| Morselskap | 3 653 | |
| Salg av forsikring: | | |
| Datterselskaper | 305 802 | 325 021 |
| Interne fellestjenester: | | |
| Datterselskaper | 5 519 662 | 5 007 481 |
| Søsterselskap | 279 930 | |
| Andre nærstående selskap | 1 574 683 | |
| Sum interne fellestjenester | 7 374 275 | 5 007 481 |
| ***Kjøp av varer og tjenester:*** | | |
| Kjøp av fellestjenester av administrativ art samt IT: | | |
| Morselskap | 6 831 | 4 151 900 |

**Note 13 – Kortsiktige fordringer og kortsiktig gjeld**

| | 2021 | 2020 |
|---|---|---|
| Forskuddsbetalt leverandørgjeld | 0 | 33 901 770 |
| Kortsiktige fordringer relatert til leasingportefølje | 77 067 030 | 83 794 929 |
| Andre kortsiktige fordringer | 5 727 297 | 375 022 |
| **Sum andre kortsiktige fordringer i regnskapet** | **82 794 327** | **118 071 721** |

| | 2021 | 2020 |
|---|---|---|
| Kortsiktig gjeld relatert til leasingportefølje | 270 069 555 | 196 670 457 |
| Annen kortsiktig gjeld | 7 666 107 | 9 115 747 |
| **Sum annen kortsiktig gjeld i regnskapet** | **277 735 662** | **205 786 204** |

CHG-Meridian Norway AS (org.nr.886 486 812)

**Note 14 Skatt**

| **Årets skattekostnad** | **2021** | **2020** |
|---|---|---|
| Resultatført skatt på ordinært resultat: | | |
| Betalbar skatt | 1 057 775 | 2 878 444 |
| Endring i utsatt skattefordel | -9 926 | -28 787 |
| **Skattekostnad ordinært resultat** | **1 047 849** | **2 849 657** |
| | | |
| Skattepliktig inntekt: | | |
| Ordinært resultat før skatt | 4 690 905 | 12 917 595 |
| Permanente forskjeller | 72 044 | 35 391 |
| Endring i midlertidige forskjeller | 45 118 | 130 851 |
| **Skattepliktig inntekt** | **4 808 067** | **13 083 837** |
| | | |
| Betalbar skatt i balansen: | | |
| Betalbar skatt på årets resultat | 1 057 775 | 2 878 444 |
| **Sum betalbar skatt i balansen** | **1 057 775** | **2 878 444** |

Skatteeffekten av midlertidige forskjeller som har gitt opphav til utsatt skatt og utsatte skattefordeler, spesifisert på typer av midlertidige forskjeller

| | **2021** | **2020** | **Endring** |
|---|---|---|---|
| Varige driftsmidler | -322 899 | -277 780 | 45 118 |
| **Sum** | **-322 899** | **-277 780** | **45 118** |
| | | | |
| **Grunnlag for utsatt skattefordel** | **-322 899** | **-277 780** | **45 118** |
| | | | |
| **Utsatt skattefordel (22 %)** | **-71 038** | **-61 112** | **9 926** |

# CHG-MERIDIAN Norway AS

## ÅRSBERETNING 2021

CHG-MERIDIAN Norway AS holder til i Oslo hvor selskapet tilbyr leieløsninger av teknologisk utstyr for kunder og leverandører i det norske markedet. CHG-MERIDIAN Norway AS er et datterselskap av CHG-MERIDIAN AG fra Tyskland og morselskap for 4 datterselskap; CHG-MERIDIAN Skien AS, CHG-MERIDIAN Sweden AB, CHG-MERIDIAN Denmark A/S og CHG-MERIDIAN Finland Oy.

CHG-MERIDIAN Norway AS benytter eksterne finansierings- og forsikringsselskaper, mot sine samarbeidspartnere og deres sluttkunder. Selskapet opptrer som tilrettelegger av finansielle leasingavtaler og operasjonelle leieavtaler, hvor verdiøkende tjenester og kompetanse spiller en viktig rolle.

De verdiøkende tjenestene er selskapets hovedfokus, herunder; produktutvikling og strukturering av gode løsninger sammen med leverandører, miljø konsepter, administrasjonsløsninger, forsikringshåndtering, og løsninger for håndtering av brukt utstyr.

CHG-MERIDIAN Norway AS er ikke eksponert for endringer i valutakurser, kun for konserninterne transaksjoner. Selskapet er heller ikke eksponert for endringer i rentenivået, da leieavtalene med kundene baseres på markedsrenten til enhver tid.

Risikoen for tap på fordringer er vurdert som lav, og selskapets har historisk sett ikke hatt vesentlige tap på fordringer. Dette kan forklares ved at avtalene overdras til eksterne finansieringspartnere som har kredittrisikoen på kundene.

Selskapet vurderer likviditeten i selskapet som god, men vi vil fortsatt ha fokus på forfalte fordringer.

Forutsetningen for fortsatt drift er etter styrets oppfatning til stede, og årsregnskapet for 2020 er satt opp under den forutsetningen. Selskapet forventer for kommende år å fortsette driften etter samme lest som tidligere.

Selskapet har i løpet av høsten klargjort for overtakelse av porteføljen til vårt søsterselskap NF Techfleet og tar fra 01.01.2022 over porteføljen og ansatt.

I henhold til gjeldende lover og forskrifter fører selskapet oversikt over totalt sykefravær blant selskapets ansatte. I 2021 var det noe fravær spesielt i forbindelse med Covid19, men lite utover dette. Vi anser sykefraværet til å være på et lavt nivå. Det er vår oppfatning at arbeidsmiljøet og den generelle trivsel på arbeidsplassen er god. Det har vært tre oppsigelser i løpet av året noe som har påvirket både salg og administrasjon. Vi har erstattet alle tre i løpet av høsten 2021. Det har ikke vært personskader i forbindelse med selskapets virksomhet i 2021. Ved utgangen av 2021 er det 13 ansatte med 12,5 årsverk, samt en innleid ressurs. Av disse er 6 kvinner.

CHG

Styret har gjort en vurdering av antall ansatte og stillingskategorier ikke funnet det nødvendig å iverksette tiltak for å fremme likestillingen. Styret består av 3 menn og 1 kvinne.

I et fortsatt spesielt år i form av en pandemi gående i verden, har selskapet opprettholdt stabil drift stort sett fra diverse hjem utenfor kontorplassen.

Selskapet forurenser ikke det ytre miljø, og det er følgelig ikke iverksatt tiltak på dette området i 2021.

Det er ikke tegnet styreansvarsforsikring for hverken styret eller daglig leder.

Selskapets styre og ledelse ser positivt på utviklingen i form av type kunder og grunnlag for videre fremtidig vekst. Selskapet opplever fortsatt stabil funding, grunnet tett samarbeid med et utvalg av fundingpartnere igjennom flere år.

Det er styrets oppfatning at det fremlagte årsregnskap gir tilfredsstillende informasjon for å bedømme selskapets stilling og resultat. Det er heller ikke inntrådt forhold etter regnskapsårets slutt som påvirker dette.

Styret foreslår følgende anvendelse av årets overskudd:

| | |
|---|---|
| Avsatt til annen egenkapital | NOK 3 643 056,- |
| Overført fra annen egenkapital | NOK 0,- |
| Sum overføringer | NOK 3 643 056,- |

Oslo, 03.06.2022

DocuSigned by:
Ulrich Bergmann
335D349A7A844CB...
Ulrich Bergmann
Styrets leder

DocuSigned by:
12E0E378A5E6495...
Christian Vold
Daglig leder/styremedlem

DocuSigned by:
Lena Gausen
268B43EA032943B...
Lena Gausen
Styremedlem

DocuSigned by:
4E89A3B15AA54B2...
Lukas Tränkle
Styremedlem

2

BDO AS
Wilbergjordet 2
Postboks 812
1609 Fredrikstad

# Uavhengig revisors beretning

Til generalforsamlingen i CHG-Meridian Norway AS

## Konklusjon

Vi har revidert årsregnskapet til CHG-Meridian Norway AS.

Årsregnskapet består av:

- Balanse per 31. desember 2021,
- Resultatregnskap 2021
- Kontantstrømoppstilling for regnskapsåret avsluttet per 31. desember 2021
- Noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening:

- Oppfyller årsregnskapet gjeldende lovkrav, og
- Gir årsregnskapet et rettvisende bilde av selskapets finansielle stilling per 31. desember 2021 og av dets resultat og kontantstrømmer for regnskapsåret i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

## Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med de internasjonale revisjonsstandardene International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet nedenfor under Revisors oppgaver og plikter ved revisjonen av årsregnskapet. Vi er uavhengige av selskapet slik det kreves i lov, forskrift og International Code of Ethics for Professional Accountants (inkludert internasjonale uavhengighetsstandarder) utstedt av the International Ethics Standards Board for Accountants (IESBA-reglene), og vi har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Innhentet revisjonsbevis er etter vår vurdering tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

## Annen informasjon

Styret og daglig leder (ledelsen) er ansvarlig for annen informasjon. Annen informasjon består av årsberetningen. Vår konklusjon om årsregnskapet ovenfor dekker ikke annen informasjon.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese annen informasjon. Formålet er å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom annen informasjon og årsregnskapet og den kunnskap vi har opparbeidet oss under revisjonen av årsregnskapet, eller hvorvidt informasjon i annen informasjon ellers fremstår som vesentlig feil. Vi har plikt til å rapportere dersom annen informasjon fremstår som vesentlig feil. Vi har ingenting å rapportere i så henseende.

**Konklusjon om årsberetningen**

Basert på kunnskapen vi har opparbeidet oss i revisjonen, mener vi at årsberetningen

- er konsistent med årsregnskapet og
- inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav.

BDO

## Styret og daglig leders ansvar for årsregnskapet

Styret og daglig leder (ledelsen) er ansvarlig for å utarbeide årsregnskapet og for at det gir et rettvisende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik intern kontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avviklet.

## Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder ISA-ene, alltid vil avdekke vesentlig feilinformasjon som eksisterer. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon blir vurdert som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke økonomiske beslutninger som brukerne foretar basert på årsregnskapet.

For videre beskrivelse av revisors oppgaver og plikter vises det til:
https://revisorforeningen.no/revisjonsberetninger

Fredrikstad, 7. juni 2022
BDO AS

Vidar

Vidar Hermansen
statsautorisert revisor