

GoCollective A/S

Skøjtevej 26

2770 Kastrup

CVR no. 18 42 91 01

Annual report for 2023

Adopted at the annual general meeting on 26 June 2024



Cecilie Elgaard

chairman

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Statement by management on the annual report

The Board of directors and executive board have today discussed and approved the annual report of GoCollective A/S for the financial year 1 January - 31 December 2023.

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

In our opinion, the consolidated financial statements and parent financial statements give a true and fair view of the company and the group financial position at 31 December 2023 and of the results of the group and the company operations and consolidated cash flows for the financial year 1 January - 31 December 2023.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.


Kastrup, 26 June 2024

Executive board


Marianne Böttger


Nicolai Heineke

Board of directors



Thibault Guy Depoix-Joseph
chairman



Florian Krapfl


Dr. Albrecht Karl Reiter


Tim Kaltwasser


Jakob Gade Bro
employee representative


Frederik Hede Jensen
employee representative


Thomas Rosendal
employee representative

Independent auditor's report

To the shareholder of GoCollective A/S

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2023, and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of GoCollective A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("financial statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent auditor's report

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Consolidated Financial Statements and Parent Company Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Independent auditor's report

Auditor's responsibilities for the audit of the consolidated Financial Statements and parent company Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.


Independent auditor's report


- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 26 June 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no. 33 77 12 31


Maj-Britt Nørskov Nannestad
statsautoriseret revisor
MNE no. 32198


Jacob Dannefer
statsautoriseret revisor
MNE no. 47886

Company details

The company

GoCollective A/S
Skøjtevej 26
2770 Kastrup

CVR no.: 18 42 91 01

Reporting period: 1 January - 31 December 2023

Domicile: Tårnby

Board of directors

Thibault Guy Depoix-Joseph, chairman
Florian Krapfl
Dr. Albrecht Karl Reiter
Tim Kaltwasser
Jakob Gade Bro, employee representative
Frederik Hede Jensen, employee representative
Thomas Rosendal, employee representative

Executive board

Marianne Bøttger
Nicolai Heineke

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
2900 Hellerup

Financial highlights

Seen over a 5-year period, the development of the Company may be described by means of the following financial highlights:

	Group*				
	2023 TDKK	2022 TDKK	2021* TDKK	2020* TDKK	2019* TDKK
Key figures					
Revenue	1.782.814	2.008.245	1.692.572	1.664.213	1.894.609
Gross profit	5.613	-22.869	18.142	-292.667	48.280
Operating profit/loss	-161.481	-232.291	-90.028	-410.448	-144.147
Operating profit/loss before amortisation/depreciation and impairment losses**	-2.824	-43.847	-55.266	-262.479	-25.982
Profit/loss before net financials	-86.763	-60.547	-16.527	-411.070	-140.649
Profit/loss for the year	-141.228	-123.761	23.623	-498.068	-258.082
Balance sheet					
Balance sheet total	1.478.402	1.749.969	1.183.736	1.236.543	1.613.432
Investment in property, plant and equipment	-46.991	-39.356	149.624	197.768	312.225
Equity	722.522	27.401	157.278	28.658	526.731
Number of employees	1.954	2.352	2.028	2.334	2.612
Financial ratios					
Gross margin	0,3%	-1,1%	1,1%	-17,6%	2,5%
EBIT margin	-4,9%	-3,0%	-1,0%	-24,7%	-7,4%
Return on assets	-5,4%	-4,1%	-1,4%	-28,8%	-17,4%
Solvency ratio	48,9%	1,6%	13,3%	2,3%	32,6%
Return on equity	-37,7%	-134,0%	25,4%	-179,4%	-98,0%

Financial highlights

2023

Target figures for the underrepresented gender

Board of Directors

Total number of members	4
Percentage of underrepresented gender	0
Target figure in percentage	30
Year of fulfillment of target figure	2027

Other management levels

Total number of members	19
Percentage of underrepresented gender	37

The financial ratios are calculated in accordance with the Danish Finance Society's recommendations and guidelines. For definitions, see the summary of significant accounting policies.

*In the financial highlights only 2023 and 2022 have group consolidated date. The years 2019-21 are for the parent company GoCollective A/S.

**Operating profit/loss before amortisation/depreciation and impairment losses is calculated by operating profit/loss excluding amortisation and depreciations for the year. Amortisation and depreciations can be found in note 12 and 13.

Management's review

Business review

The GoCollective A/S Group (formerly Arriva A/S) is the largest private bus and heavy-rail operator in Denmark, offering Bus, Rail and electric ferry services as well as providing transport related vocational training and Danish language tuition through the UCplus business. Until February 2024, GoCollective also operated the free float car sharing service, SHARE NOW.

Recognition and measurement uncertainties

The recognition and measurement of items in the annual report is not associated with any uncertainty.

Unusual matters

Due to the unique nature of the fiscal year 2023, the Group recognized a total of mDKK 160 in non-recurring costs – primarily related to:

- Fine write-downs in Rail
- Redundancies from restructuring
- IT platform replacement costs
- Rebranding
- Advisory costs related to the divestment process
- Advisory costs related to turn-around and re-financing

Operating and Financial review

The company/group entered into an agreement to divest the business from Deutsche Bahn (DB) to the private equity firm Mutares SE & Co. KGaA in September 2022. During the early months of 2023 the company completed the divestment and secured a successful closing of the transaction on May 15th 2023 with the new owner also committing to a 24-month insolvency guarantee.

The finalization of the transaction put the company on a new strategic trajectory ending 3 years of strategic stalemate and non-investment in the business. During the sales process, commencing for Arriva Danmark in 2020 and ending with the final closing of the new ownership on May 15th, 2023, the company was under severe capital constraints and did not have a mandate from its owner to bid on and commit to any new transportation contracts. As a result, the company was unable to defend a very significant portion of its existing contract portfolio which came up for re-tender during the period. Consequently, in 2023 the company's finances continued to be burdened by contract run-off from the existing Bus contract portfolio – corresponding to a total activity reduction of almost 25% compared to 2022. In all, the business has seen a c. 50% reduction of its contracted revenue since 2020, as a direct result of not being able to defend existing contracts.

Management's review

Cost saving measures and operational improvements positively impacts results

With the successful divestment to Mutares the company was finally free from mid-2023 to initiate an ambitious transformation and growth strategy, named *Go 2026*, based on a 3-step action plan to drive a comprehensive restructuring of the company and repositioning the business for growth as an autonomous operator in the Danish public transportation market.

During 2023 the company has therefore already implemented operational improvements and cost saving measures across the Group with an annualized run-rate impact of c. mDKK 75 – based primarily on fixed cost reductions (Indirect and Fixed) as well as productivity improvements. Additional initiatives aimed at mitigating the negative drag from declining revenues will come into effect during 2024, with an expected total annualized run-rate value of c. mDKK 120.

Focus on core businesses – car sharing service SHARE NOW discontinued

In 2022, SHARE NOW reached mDKK 1.1 individual rides in its fleet of shared cars in urban and greater Copenhagen, whilst also yielding a significant contribution to emission-, congestion-, and noise reduction. However, despite the obvious customer success, and due to significant future investment needed to achieve consistent profitability, it was decided to close down the SHARE NOW business and secure full strategic and operational focus on the core Bus and Rail businesses. The termination of SHARE NOW was announced in October 2023, with all operations finally ending on February 29th, 2024.

Re-engaging in tendering with positive outcome

Following the divestment from DB, initiatives to retain and grow the Bus contract portfolio have commenced with success. GoCollective thus bid on its first bus contract since 2019 immediately after closing in mid-2023, winning a respectable portion of Movia's A22 tender on Zealand - with 22 electric busses commencing operations from Q4 2024. This has been followed up with wins in Midtrafik's MT66 tender in Jutland (54 electrical busses), Fynbus' Svendborg tender on Funen in early 2024 (9 electrical buses) and Movia's A23 tender on Zealand (55 electrical buses) – thereby cementing GoCollective's competitiveness and providing comfort in the company's ability to execute effectively on the commercial aspects of its strategic plan. Growth was also pursued in UCplus, with the business winning an important Danish language tuition contract in in Southern Jutland adding a further c. mDKK 19 in annual recurring revenues.

Management's review

Inflations mitigated with delay due to price increase limitations

GoCollective is not free to independently increase its unit pricing in public transport contracts in response to inflationary pressures – relying instead on the indexation mechanisms inherent to individual contracts. For the Bus business this mechanism is quite dynamic with general price inflation trends being reflected in revenue adjustments with a delay of only 2 to 6 months. For the Rail business however, this mechanism works with a much longer lag of 12 to 18 months. The sharp peak in inflation during the second half of 2022 was therefore not offset for the Rail contract until January 2024, thus impacting performance negatively throughout 2023.

Positive development in Rail passenger volume normalization

Throughout 2023 the company experienced operational disruptions due to an unusually high level of storm damages and maintenance of the track system by the infrastructure provider Bannedanmark as well as supplier delivery difficulties for heavy overhaul of trainsets, causing a higher than anticipated level of train groundings. Despite this situation and its impact on punctuality, it is positively noted that the year saw an almost 10% increase on average in monthly passengers compared to 2022. The passenger base is, however, still not back to the 2019 level, impacting the business negatively, given that rail ticket revenues are collected directly from passengers. The company still doesn't expect passenger volumes to be fully normalized until the end of 2025 at the earliest.

Write-down of fine receivables in Rail

The collection of receivables related to fines issued to passengers travelling without a ticket is under the purview of the Danish Tax Authorities (Danish Debt Collection Agency). GoCollective does not have a mandate to collect these receivables independently, and during 2023 the Rail business wrote-down receivables for c. mDKK 83 in recognition of the slow rate of reclaim from the collector (Danish Debt Collection Agency).

New ERP platform to provide strengthened productivity

As part of the separation from Deutsche Bahn, a substantial part of the company's IT-platform, including the ERP and HR systems, needed to be replaced. These projects have been comprehensive in terms of both costs and use of internal resources, and will continue in 2024, with the new systems going live mid-year 2024. Despite the initial cost burden, there is an expectation that the new IT platform will increase productivity going forward, thus supporting the Group's ongoing transformation and efficiency ambitions.

Development in contract loss provisions

In 2020, Arriva Denmark set aside mDKK 214.3 for future expected losses on Bus contracts, and in the financial year 2023, mDKK 29.8 of this sum has been reversed.

Management's review

Divestment of Property

As part of the divestment process, the company sold its large Copenhagen depot on Sibeliusgade, Østerbro to the Arriva Group plc, and in this connection realized a gain of mDKK 210 in 2023.

Financing

As part of the divestment to Mutares, the previous owner Deutsche Bahn provided a combined equity injection to the GoCollective Group of mDKK 837. This inflow of funds was used largely to bring down existing debt and allow for the transaction to complete on a debt free basis. The Groups equity is thus strengthened, and the company expects to be able to finance future activities and growth through operations and loans secured by the company's assets.

As a result of the above, GoCollective Group realizes a consolidated loss before tax of mDKK 114.3 compared to a loss of mDKK 95.9 in 2022.

The total result after tax for 2023 is a loss of mDKK 141.2 and the groups consolidated equity per 31 December 2023 is mDKK 722.5.

Management considers this year's result to be satisfactory.

Other Significant events in 2023

Beyond the above-mentioned elements, the following events were noticeable milestones for the company in 2023:

Operating model evolution securing successful execution on strategic plans

To ensure the most effective execution of the strategic plans for each of the business units in the GoCollective A/S Group, 2023 saw a significant focusing and strengthening of top management – with the team going from 9 to 5 Directors. A more decentralized operating model was also bolstered through by strengthening individual business unit autonomy and accountability. This involved a more direct localization of certain functions within Finance, HR, Business Development, Procurement and Facility Management, as well as significantly expanded financial transparency and result ownership at the business unit level.

Management's review

GoCollective – new brand kicks off repositioning in the market

Another fundamental part of the divestment from DB has been centered around the rebranding of GoCollective A/S as an autonomous operator in the Danish public transportation market. With a completely new brand identity and name announced on December 5, 2023, the company solidly initiated its repositioning, leveraging +20 years of experience as the most diversified operator in the country and re-entering the market, revitalized, and restructured. As such the new *GoCollective* brand is not only a clear expression of what the company does and aspires to, but also tells the story of a renowned operator taking ownership for the development of public transport - reaching for a leading role in the category and communicating a sustainable message with societal relevance.

Outlook

Positive perspective on growth and financing

The 3-year long investment block imposed by the previous owner and the subsequent decline in contracted revenues will continue to impact GoCollective A/S negatively towards the end of 2025, at which point a major mobilization of new Bus contracts is expected to finally reverse the negative revenue trend.

For 2024 a strategic focus is therefore to continue to mitigate the negative bottom-line impact from the decrease in Bus volume and revenue by continuing to execute on the company's ambitious transformation agenda. 2023 has shown better than expected progress in this respect, providing momentum for the journey going forward.

Furthermore, by winning several tenders within the first 12 months of the new ownership, the company is already well positioned to deliver on the strategic plan to secure not only profitability, but also growth.

Securing long-term financing to support these growth plans and investments in new electrical busses is also crucial for 2024. Having secured medium-term financing through a successful bond emission of c. mDKK 300, finalized in April 2024, there is confidence that future financing will also be successful.

Management's review

Macro-economy and global political situation continuing to put pressure on supply-chain and maintenance

Within the Rail segment, heavy overhaul of the trainsets was negatively impacted in 2023, due to core suppliers struggling to retain workforce capacity (experiencing intense workforce competition from other heavy industry, especially defense) and thus unable to deliver on Service Level Agreements (SLA) – resulting in more grounded trainsets than expected during the year. 2024 will continue to be challenged by this dynamic, although mitigated by new agreements made with additional suppliers. In general, the company will continue to be exposed to the uncertainty of the geo-political and macro-economic situation, with an elevated risk of energy price volatility, supply chain disruptions, and changed consumer behavior.

Sustainability as predominant global agenda impacting the business

In 2023 the company initiated two large projects with regards to ESG and Cybersecurity, thus working actively towards both NIS2 and CSRD compliance. In 2024 this work will continue with increased focus, taking on the responsibility as provider of critical infrastructure, and aiming also towards ISO 27001 compliance by the end of the year.

A successful transformation will also support the company in its continuous development towards working with corporate responsibility, green transition, and other societal issues. In particular, the journey towards working into a framework of ESG, including the Taxonomy and CSRD, was a new focus area of 2023 which will increase in 2024, where it will be of great importance to create a KPI- and data driven ESG-framework and governance platform, aligned with stakeholder demands and expectations.

The company expects an operating profit before depreciation / amortisations and impairments (Operating EBITDA) of mDKK 0 – 10 and a total pretax result for the Group of mDKK 240 to mDKK 270 for 2024.

Statutory corporate social responsibility report, cf. Danish Financial Statements Act Sections 99(a) and 99(b)

The Company's Sustainability Report can be viewed in the Parent Company Mutares SE & Co. KGaA's Annual Report 2023:

https://mutares.com/wp-content/uploads/2024/04/Mutares_NFKB_2023_US_MIT_final_safe.pdf

Management's review

Gender diversity

The transport sector is characterized by a significant overrepresentation of male employees as well as an average age above benchmark compared to other industries. The average age of a Go-Collective bus driver is 54. The gender split in the entire company is approximately 84% male/16% female.

As a result, this represents a strategic workforce planning issue as well as a general diversity issue, and so the company recognizes its responsibility to work proactively towards being able to attract a broader representation of the general workforce.

The Board of Directors in GoCollective A/S are recruited from the ownership group. The board is composed of the owners in relation to professional competences, the geographical location of the businesses, size and the number of businesses the cooperative has, so that there is the greatest possible diversity. In addition, the aim is to achieve a gender distribution on the company's supreme governing body corresponding to the representation of the genders in the ownership group. Since the board consists of the owners, and the basis for recruiting the underrepresented gender in the owners is extremely limited, in 2023 it has not been possible to recruit a member to the board from the underrepresented gender.

With the changes in Other Management Levels as of October 2023, the company has succeeded in improving its rate of female representatives in the top management, noting that with the transformation of the company in 2023 focus has been on competences rather than gender. Equal gender distribution has been achieved in other management levels, with a percentage of 37% of the underrepresented gender.

The figures for gender diversity and targets for the future can be found in the financial highlights on page 8.

Employee work environment and HSE

The company has always had a strong profile in terms of social responsibility, reflecting a broad diversity with regards to nationalities, age, and backgrounds. In 2023, the company extended its senior employee program – providing favorable and flexible terms for senior employees – to include not only Bus employees, but also Rail employees. Overall, the company has a long, continuous history of HSE initiatives (Health, Safety and Environment), being also ISO 45001 certified (Occupational Health & Safety). Since 2010, the company has been executing on a 'vision zero' strategy for the Bus Division, successfully decreasing the number of work-related accidents by 69%. LTIF (Lost Time Injury Frequency) is today 13 accidents per million work hours.

Management's review

Impact on external environment, green transition and reducing emissions

Alongside its purchase and operation of a growing EV fleet, the company also strives towards mitigating the negative impact of its remaining diesel powered fleet by working proactively towards reducing the consumption of fossil fuels stemming from daily operations as much as possible. Other measures are also taken to proactively prevent, reduce and mitigate damage or impact on the external environment. For example, the main part of the company's waste is recycled. In average, the volume of recycled waste amounts to 71%, and waste KPI's have been monitored and optimized systematically since 2014.

Statutory Data Ethics description, cf. Danish Financial Statements Act Sections 99(d)

The company operates with the following types of data: customer, production, and behavioral data, all of which are used for internal and commercial purposes, imposing related risks such as customer data security, compliance with privacy rules, lack of sufficient technical and organizational measures and deficiencies in data processing agreements.

GoCollective has developed a number of internal policies as to working with and processing data. Several of these are based on data classification to support decision making as to how to handle a given piece of information. The policies also include standards that define the minimum level of protection that GoCollective requires for the handling of information as well as the design, construction and operation of information systems.

Mergers in the year

Two subsidiaries have been merged with the parent company to consolidate the organisation. The Parent company is the dominate entity.

Accounting policies

The group annual report of GoCollective A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies are identical for both the parent company financial statements and the consolidated financial statements.

The accounting policies applied are consistent with those of last year.

The annual report for 2023 is presented in TDKK

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the group's and the parent company's and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the group's and the parent company's and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Accounting policies

Business acquisitions carried through before 1 July 2018

Subject to some exemptions, acquisitions carried through before 1 July 2018 are accounted for under the same accounting policies as those applying to business combinations carried through on or after 1 July 2018. The most material exemptions are:

- Identifiable assets and liabilities of the entity acquired are recognised only if they are probable.
- Identifiable contingent liabilities of the entity acquired are not recognised in the consolidated balance sheet.
- Where the purchase price allocation is not final, positive and negative differences due to changes to the recognition and measurement of the acquired net assets may be adjusted until the end of the financial year following the year of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.
- Transaction costs directly attributable to the acquisition of subsidiaries are included as part of cost.
- After the initial recognition, adjustment of contingent consideration is recognised directly with its counter entry in initial purchase price, thus correcting the value of goodwill or negative goodwill.
- In respect of step acquisitions, the carrying amount of the existing investments is recognised in cost.

Pooling of interests

Intragroup business combinations are accounted for under the pooling-of-interests method. Under this method, the three enterprises are combined at carrying amounts, and no differences are identified. Any consideration which exceeds the carrying amount of the acquired enterprise is recognised directly in equity. The pooling-of-interests method is applied as if the three enterprises had always been combined by restating comparative figures.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

Accounting policies

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

Fixed assets acquired in foreign currencies are translated at the exchange rate at the transaction date.

Consolidated financial statements

The consolidated financial statements comprise the parent company GoCollective A/S and subsidiaries in which the parent company, directly or indirectly, holds more than 50% of the voting rights or otherwise has a controlling interest.

The consolidated financial statements are prepared as a consolidation of the parent company's and subsidiaries' financial statements by aggregating uniform accounting items. On consolidation, intra-group income and expenses, holdings of shares, intra-group balances and dividends as well as realised and unrealised gains and losses on intra-group transactions are eliminated.

Investments in subsidiaries are set off against the proportionate share of the subsidiaries' fair value of net assets and liabilities at the acquisition date.

Entities acquired or formed during the year are recognised in the consolidated financial statements from the date at which control is obtained. Entities sold during the year are recognised in the consolidated income statement until the date of disposal. Comparative figures are not restated for acquisitions or disposals.

Accounting policies

Income statement

Revenue

Revenue from the sale of bus timetable, train carriage hours and course hours and training hours, advertising and bonus etc. is recognised in the income statement when delivery and transfer of risk to the buyer have been made before year end.

Revenue is recognised exclusive of VAT and net of discounts relating to sales.

Cost of productions

Production costs comprises costs incurred to achieve revenue for the year. This comprises consumables, direct labour and indirect production costs such as maintenance and depreciation etc. as well as production related costs for operation, administration and management.

Other operating income and expenses

The item other operating income and expenses includes items of a secondary nature relative to the company's activities, including gains and losses on the sale of intangible assets and items of property, plant and equipment, operating losses, indemnities relating to operating losses and conflicts as well as payroll refunds.

Distribution costs

Distribution costs comprise costs incurred to distribute goods sold during the year and to carry through sales campaigns, etc. in the year, including costs related to sales staff, advertising, exhibitions and amortisation of distribution- and sales-related activities.

Administrative costs

Administrative expenses comprise expenses incurred in the year related to management, administrative staff, office premises, office expenses, depreciation, etc.

Financial income and expenses

Financial income and expenses comprise interest and are recognised in the income statement at the amounts relating to the financial year.

Income from investments in subsidiaries

Dividend from investments is recognised in the reporting year in which the dividend is declared.

Accounting policies

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in the equity.

The Company is jointly taxed with whollyowned Danish subsidiaries and other Danish companies in the Mutares Group. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable income.

Balance sheet

Intangible assets

Development projects and software

Development costs comprise costs, wages/salaries and amortisation losses that are directly and indirectly attributable to the company's development activities.

Developments projects recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

Following the completion of the development work, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is usually five years.

Tangible assets

Items of land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life. Land is not depreciated.

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

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use. In the case of self-constructed assets, cost comprises direct and indirect expenses for labour, materials, components and subsuppliers.

Accounting policies

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

Land and buildings	0-50 years
Plant and machinery	2-12 years
Other fixtures and fittings, tools and equipment	3-12 years
Leasehold improvements	4-10 years

Assets costing less than DKK 50 thousand are expensed in the year of acquisition.

Fixed asset investments

Investments in subsidiaries

Investment in subsidiaries, associates and participating interests are measured at cost. If cost exceeds the recoverable amount, a write-down is made to this lower value.

Other investments

Other investments cover deposits and investments in bond. The bond is measured at fair value and adjusted on a monthly basis.

For the parent other investments cover deposits, prepaid maintenance and loan to subsidiaries which are measured at amortised cost, which normally corresponds to nominal value.

Inventory

Inventory are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

Fuel is measured at cost using the weighted average method.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

The net realisable value of inventory is calculated as the expected selling price less direct costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

Receivables

Receivables are measured at amortised cost.

Accounting policies

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Provisions

Provisions are recognized when, as a result of an event that occurred at the latest on the balance sheet date, the company has a legal or actual obligation, and it is likely that financial benefits will have to be provided to fulfill the obligation.

Provision for deductibles regarding statutory motor liability insurance is made on the basis of the insurance companies' assessment of the extent of damage.

In addition, provision is made for liabilities about which there is uncertainty with regard to maturity or the size of the amount.

Income tax and deferred tax

As management company, GoCollective A/S is liable for payment of the subsidiaries' corporate income taxes to the tax authorities.

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Changes in deferred tax, as a result of changes in tax rates, are recognized in the income statement.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Accounting policies

Liabilities

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, the financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest method. Accordingly, the difference between the net proceeds and the nominal value is recognised in the income statement over the term of the loan.

For bond loans, amortised cost corresponds to an outstanding debt calculated as the underlying cash value of the loan at the time of borrowing, adjusted by amortisation of the value adjustment of the loan at the time of borrowing.

Financial liabilities also include the capitalised residual finance lease commitment.

Other liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Deferred income

Deferred income recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.

Cash flow statement

The cash flow statement shows the group's cash flows for the year, broken down under cash flows from operating, investing and financing activities, the year's changes in cash and cash equivalents and the group's cash and cash equivalents at the beginning and at the end of the year.

The cash flow effect of additions and disposals of entities is shown separately under cash flows from investing activities. The cash flow statement includes cash flows from acquired entities from the time of acquisition, and cash flows from sold entities are included until the date of sale.

Cash flows from operating activities

Cash flows from operating activities are stated as the group's profit or loss for the year, adjusted for non-cash operating items, changes in working capital and paid income taxes. Dividend income from investments is recognised under 'Interest income and dividend received'.

Cash flows from investing activities

Cash flows from investing activities comprise payments related to the acquisition and sale of entities and activities as well as intangible assets, property, plant and equipment and investments.

Accounting policies

Cash flows from financing activities

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

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term securities whose remaining life is less than three months and which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Financial Highlights

Definitions of financial ratios.

Gross margin ratio	$\frac{\text{Gross Profit} \times 100}{\text{Revenue}}$
EBIT margin	$\frac{\text{Profit/loss before financials} \times 100}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit/loss before financials} \times 100}{\text{Average assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$

Income statement 1 January 2023 - 31 December 2023

	Note	Group		Parent company	
		2023 TDKK	2022 TDKK	2023 TDKK	2022 TDKK
Revenue	2	1.782.814	2.008.245	1.024.261	1.282.379
Cost of productions		-1.777.201	-2.031.114	-1.041.314	-1.334.568
Gross profit		5.613	-22.869	-17.053	-52.189
Distribution costs		-6.453	-6.714	0	0
Administrative costs		-160.641	-202.708	-118.881	-141.131
Operating profit/loss		-161.481	-232.291	-135.934	-193.320
Other operating income	3	253.500	188.445	279.343	216.967
Other operating costs	4	-178.782	-16.701	-80.390	-16.607
Profit/loss before financial income and expenses		-86.763	-60.547	63.019	7.040
Income from investments in subsidiaries	5	0	0	-7.225	15.000
Financial income	6	5.212	4.461	1.210	115
Financial costs	7	-32.798	-39.812	-28.262	-16.508
Profit/loss before tax		-114.349	-95.898	28.742	5.647
Tax on profit/loss for the year	8	-1.148	-763	-18.767	-14.803
Profit/loss from continuing operations		-115.497	-96.661	9.975	-9.156
Profit/loss for the year, discontinuing operations	9	-25.731	-27.100	-25.731	-27.100
Net profit/loss for the year		-141.228	-123.761	-15.756	-36.256
Distribution of profit	11				

Balance sheet at 31 December 2023

	Note	Group		Parent company	
		2023	2022	2023	2022
		TDKK	TDKK	TDKK	TDKK
Assets					
Software		20.235	28.343	16.623	23.766
Development projects in progress		0	1.402	0	0
Intangible assets	12	20.235	29.745	16.623	23.766
Land and buildings		30.239	26.361	11.236	6.111
Other fixtures and fittings, tools and equipment		142.796	366.532	15.979	19.748
Plant and machinery		796.971	693.152	183.567	177.952
Leasehold improvements		8.811	9.261	2.003	2.563
Property, plant and equipment in progress		0	6.385	0	4.888
Tangible assets	13	978.817	1.101.691	212.785	211.262
Investments in subsidiaries	14	0	0	245.644	452.605
Receivables from group enterprises	15	0	0	329.743	443.615
Other financial investments	15,16	24.675	24.173	40.863	0
Deposits	15	13.877	13.692	8.247	7.892
Fixed asset investments		38.552	37.865	624.497	904.112
Total non-current assets		1.037.604	1.169.301	853.905	1.139.140

Balance sheet at 31 December 2023 (continued)

	Note	Group		Parent company	
		<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
		TDKK	TDKK	TDKK	TDKK
Assets					
Inventory	17	<u>114.226</u>	<u>97.155</u>	<u>3.854</u>	<u>6.097</u>
Trade receivables		80.255	118.970	67.423	86.622
Receivables from group enterprises		0	0	53.440	23.898
Other receivables		54.564	129.918	19.485	13.696
Deferred tax asset	18	0	0	322	17.393
Corporation tax		289	0	958	0
Prepayments	19	<u>53.007</u>	<u>48.333</u>	<u>64.824</u>	<u>73.783</u>
Receivables		<u>188.115</u>	<u>297.221</u>	<u>206.452</u>	<u>215.392</u>
Cash at bank and in hand		<u>135.386</u>	<u>55.814</u>	<u>18.448</u>	<u>211</u>
Total current assets		<u>437.727</u>	<u>450.190</u>	<u>228.754</u>	<u>221.700</u>
Assets held for sale/discontinuing operations	9,20	<u>3.071</u>	<u>130.478</u>	<u>3.071</u>	<u>5.178</u>
Total assets		<u><u>1.478.402</u></u>	<u><u>1.749.969</u></u>	<u><u>1.085.730</u></u>	<u><u>1.366.018</u></u>

Balance sheet at 31 December 2023

	Note	Group		Parent company	
		2023 TDKK	2022 TDKK	2023 TDKK	2022 TDKK
Equity and liabilities					
Share capital		140.004	140.003	140.004	140.003
Reserve for development expenditure		2.817	4.601	0	0
Retained earnings		579.701	-117.203	269.228	-23.350
Equity	21	722.522	27.401	409.232	116.653
Other provisions	22	65.050	74.601	7.955	11.480
Total provisions		65.050	74.601	7.955	11.480
Payables to group enterprises		0	859.208	113.252	358.143
Other payables		197.708	174.748	167.046	135.191
Total non-current liabilities	23	197.708	1.033.956	280.298	493.334
Trade payables		66.966	46.663	21.868	20.609
Payables to group enterprises		16.623	241.643	108.650	528.767
Corporation tax		0	0	0	1.131
Other payables		376.513	302.839	224.707	171.178
Total current liabilities		460.102	591.145	355.225	721.685
Total liabilities		657.810	1.625.101	635.523	1.215.019
Liabilities, discontinuing operations	9,20	33.020	22.866	33.020	22.866
Total equity and liabilities		1.478.402	1.749.969	1.085.730	1.366.018

Balance sheet at 31 December 2023 (continued)

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Statement of changes in equity

Group

	Share capital	Reserve for development expenditure	Other reser- ves	Retained ear- nings	Total
	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 January 2023	140.003	4.601	0	-117.203	27.401
Tax-free group contribution	0	0	836.348	0	836.348
Cash capital increase	1	0	0	0	1
Dissolution of previous years' revaluation	0	-1.784	0	1.784	0
Transfers, reserves	0	0	-836.348	836.348	0
Net profit/loss for the year	0	0	0	-141.228	-141.228
Equity at 31 December 2023	140.004	2.817	0	579.701	722.522

Statement of changes in equity

Parent company

	Share capital	Other reserves	Retained earnings	Total
	TDKK	TDKK	TDKK	TDKK
Equity at 1 January 2023	140.003	0	-12.014	127.989
Net effect from merger and acquisition under pooling of interests method	0	0	-11.336	-11.336
Adjusted equity at 1 January 2023	140.003	0	-23.350	116.653
Tax-free group contribution	0	308.334	0	308.334
Cash capital increase	1	0	0	1
Transfers, reserves	0	-308.334	308.334	0
Net profit/loss for the year	0	0	-15.756	-15.756
Equity at 31 December 2023	140.004	0	269.228	409.232

Cash flow statement 1 January 2023 - 31 December 2023

	Note	Group	
		2023 TDKK	2022 TDKK
Net profit/loss for the year		-141.228	-123.761
Adjustments	28	153.989	98.317
Change in working capital	29	155.385	-81.337
Cash flows from operating activities before financial income and expenses		168.146	-106.781
Financial income		4.556	4.271
Financial costs		-32.572	-38.777
Cash flows from ordinary activities		140.130	-141.287
Restructuring costs		-77.773	-2.290
Fines write down		-93.047	0
Corporation tax		783	6.085
Cash flows from operating activities		-29.907	-137.492
Purchase of intangible assets		-147	-2.047
Purchase of property, plant and equipment		-46.991	-39.356
Fixed asset investments made etc		-2.460	-329
Sale of property, plant and equipment		335.260	18.494
Cash flows from investing activities		285.662	-23.238
Payables to group enterprises		-1.100.852	108.679
Other payables		-55.138	-136.032
New shareholder loan liabilities incurred		16.625	0
Other loan payables incurred		126.834	152.737
Cash from external investment in securities		0	25.925
Cash capital increase		836.348	0
Cash flows from financing activities		-176.183	151.309
Change in cash and cash equivalents		79.572	-9.421
Cash and cash equivalents, beginning of the period		55.814	65.235
Cash and cash equivalents at the end of the period		135.386	55.814

Notes

1 Capital resources and subsequent events

For 2024 a strategic focus is therefore to continue to mitigate the negative bottom-line impact from the decrease in Bus volume and revenue by continuing to execute on the ambitious transformation agenda. 2023 has shown better than expected progress in this respect, providing momentum for the journey going forward.

Furthermore, by winning several tenders within the first 12 months of the new ownership, the company is already well positioned to deliver on the strategic plan to secure not only profitability, but also growth.

During 2023 GoCollective have received tax free contribution from their previous owner to ensure the Group has the capability to continue their operations under the new owner Muta-res. In addition GoCollective Group has secured long-term financing to support these growth plans and investments in new electrical buses is also crucial for 2024. Having secured medium-term financing through a successful bond emission of c. mDKK 300, finalized in April 2024, there is confidence that future financing will also be successful.

Based on the above Management expect to have the capital resources to continue through 2024.

	Group		Parent company	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	TDKK	TDKK	TDKK	TDKK
2 Revenue				
Domestic bus services	1.016.449	1.271.866	1.024.261	1.282.379
Domestic train operations	575.271	574.443	0	0
Domestic education services	191.094	161.936	0	0
Total revenue	<u>1.782.814</u>	<u>2.008.245</u>	<u>1.024.261</u>	<u>1.282.379</u>

The company's revenue comes from activity in Denmark.

Notes

	Group		Parent company	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	TDKK	TDKK	TDKK	TDKK
3 Other operating income				
Sale of cantine food	851	12.779	0	0
Gain on sale of assets	216.318	120.622	216.288	120.219
Rental income	0	0	12.371	24.135
Management fee	0	0	21.757	32.416
Reversal from Contract Loss Provision	28.927	40.197	28.927	40.197
COVID-19 compensation	7.404	14.847	0	0
	<u>253.500</u>	<u>188.445</u>	<u>279.343</u>	<u>216.967</u>
4 Other operating costs				
Restructuring costs	77.773	0	73.578	0
Fines write down	93.047	0	0	0
Loss on sale of assets	7.962	16.701	6.812	16.607
	<u>178.782</u>	<u>16.701</u>	<u>80.390</u>	<u>16.607</u>
5 Income from investments in subsidiaries				
Dividends			74.400	15.000
Impairments			-81.625	0
			<u>-7.225</u>	<u>15.000</u>

Notes

	Group		Parent company	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	TDKK	TDKK	TDKK	TDKK
6 Financial income				
Interest received from group enterprises	0	804	90	9
Other financial income	4.556	3.467	992	1
Exchange income	656	190	128	105
	<u>5.212</u>	<u>4.461</u>	<u>1.210</u>	<u>115</u>
7 Financial costs				
Interest paid to group enterprises	1.564	38.481	16.534	13.986
Other financial costs	31.008	4.628	11.519	2.367
Exchange loss	226	-3.297	209	155
	<u>32.798</u>	<u>39.812</u>	<u>28.262</u>	<u>16.508</u>
8 Tax on profit/loss for the year				
Current tax for the year	-289	0	-958	1.131
Deferred tax for the year	0	0	17.070	9.708
Adjustment of tax concerning previous years	1.437	763	2.655	3.964
	<u>1.148</u>	<u>763</u>	<u>18.767</u>	<u>14.803</u>

Notes

	Group		Parent company	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	TDKK	TDKK	TDKK	TDKK
9 Discontinuing operations				
Revenue	82.801	93.167	82.801	93.167
Production costs	-83.208	-91.177	-83.208	-91.177
Wages	-6.449	-6.557	-6.449	-6.557
Other external expenses	-17.935	-21.299	-17.935	-21.299
Financial income and costs	-940	-1.234	-940	-1.234
Result of discontinuing operations	<u>-25.731</u>	<u>-27.100</u>	<u>-25.731</u>	<u>-27.100</u>
Other fixtures and fittings, tools and equipment	0	11	0	11
Trade receivables	160	581	160	581
Other receivables and prepayments	2.911	4.586	2.911	4.586
Assets of discontinuing operations	<u>3.071</u>	<u>5.178</u>	<u>3.071</u>	<u>5.178</u>
Trade payables	11.500	10.889	11.500	10.889
Other payables	21.562	11.977	21.562	11.977
Liabilities of discontinuing operations	<u>33.062</u>	<u>22.866</u>	<u>33.062</u>	<u>22.866</u>
Net assets of discontinuing operations	<u>-29.991</u>	<u>-17.688</u>	<u>-29.991</u>	<u>-17.688</u>

Management in GoCollective A/S decided in December 2023 to close down all activities related to city car rental services (Share Now brand). All activities are to be handled and closed by the end of March 2024.

Notes

	Group		Parent company	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	TDKK	TDKK	TDKK	TDKK
10 Staff				
Wages and Salaries	916.499	1.018.395	512.767	628.823
Pensions	81.166	87.053	51.125	59.745
Other social security expenses	68.152	97.898	56.310	91.405
Other staff expenses	11.337	26.449	5.168	10.263
	<u>1.077.154</u>	<u>1.229.795</u>	<u>625.370</u>	<u>790.236</u>

Wages and Salaries, pensions, other social security expenses and other staff expenses are recognised in the following items:

Cost of sales	950.558	1.078.324	519.420	664.111
Administrative expenses	<u>126.596</u>	<u>151.470</u>	<u>105.950</u>	<u>126.125</u>
	<u>1.077.154</u>	<u>1.229.794</u>	<u>625.370</u>	<u>790.236</u>

Executive Board and Board of directors	<u>10.556</u>	<u>8.915</u>	<u>10.556</u>	<u>8.915</u>
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Number of fulltime employees on average	<u>1.954</u>	<u>2.352</u>	<u>1.223</u>	<u>1.613</u>
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In the above number of fulltime employees on average, employees related to the discontinuing operations are 36 in 2023 and 28 in 2022 in both Group and the parent company.

11 Distribution of profit

Retained earnings	<u>-141.228</u>	<u>-123.761</u>	<u>-15.756</u>	<u>-36.256</u>
	<u>-141.228</u>	<u>-123.761</u>	<u>-15.756</u>	<u>-36.256</u>

Notes

12 Intangible assets

Group

	Software TDKK	Development projects in progress TDKK
Cost at 1 January 2023	65.272	1.402
Additions for the year	0	147
Transfers for the year	1.549	-1.549
Cost at 31 December 2023	<u>66.821</u>	<u>0</u>
Impairment losses and amortisation at 1 January 2023	36.929	0
Depreciation for the year	9.657	0
Impairment losses and amortisation at 31 December 2023	<u>46.586</u>	<u>0</u>
Carrying amount at 31 December 2023	<u>20.235</u>	<u>0</u>

Software covers a personalised rail-traffic-info-system and a system for planning for busdrivers. Development of software relates to improvement of before mentioned systems.

Notes

12 Intangible assets (continued)

Parent company

	Software TDKK
Cost at 1 January 2023	34.480
Cost at 31 December 2023	34.480
Impairment losses and amortisation at 1 January 2023	10.714
Depreciation for the year	7.143
Impairment losses and amortisation at 31 December 2023	17.857
Carrying amount at 31 December 2023	16.623

Software covers system for planning for busdrivers. Development of software relates to improvement of this systems.

Notes

13 Tangible assets

Group

	Land and buildings	Other fixtures and fittings, tools and equipment	Plant and machinery	Leasehold improvements	Property, plant and equipment in progress
	TDKK	TDKK	TDKK	TDKK	TDKK
Cost at 1 January 2023	71.929	400.311	1.930.982	52.588	6.385
Additions for the year	3.493	0	117.240	0	4.007
Disposals for the year	0	-111.299	-64.540	-65	0
Transfers for the year	3.123	3.353	123.849	2.381	-10.392
Cost at 31 December 2023	<u>78.545</u>	<u>292.365</u>	<u>2.107.531</u>	<u>54.904</u>	<u>0</u>
Impairment losses and depreciation at 1 January 2023	45.569	149.239	1.237.829	44.280	0
Depreciation for the year	2.737	30.499	119.624	1.878	0
Impairment and depreciation of sold assets for the year	0	-32.400	-54.295	-65	0
Transfers for the year	0	2.231	7.402	0	0
Impairment losses and depreciation at 31 December 2023	<u>48.306</u>	<u>149.569</u>	<u>1.310.560</u>	<u>46.093</u>	<u>0</u>
Carrying amount at 31 December 2023	<u>30.239</u>	<u>142.796</u>	<u>796.971</u>	<u>8.811</u>	<u>0</u>
Depreciated over	<u>0-50 years</u>	<u>3-12 years</u>	<u>2-12 years</u>	<u>4-10 years</u>	

Financial leasing amounts to DKK 77.750 thousand in the above note for 'Plant and machinery'.

Notes

Parent company

	Land and buildings	Other fixtures and fittings, tools and equipment	Plant and machinery	Leasehold improvements	Property, plant and equipment in progress
	TDKK	TDKK	TDKK	TDKK	TDKK
Cost at 1 January 2023	19.597	76.548	587.695	28.963	4.888
Additions for the year	3.493	0	77.996	0	2.835
Disposals for the year	0	-1.066	-64.010	0	0
Transfers for the year	3.123	3.064	258.465	0	-7.723
Cost at 31 December 2023	<u>26.213</u>	<u>78.546</u>	<u>860.146</u>	<u>28.963</u>	<u>0</u>
Impairment losses and depreciation at 1 January 2023	13.486	56.791	526.165	26.399	0
Depreciation for the year	1.491	4.612	62.161	561	0
Impairment and depreciation of sold assets for the year	0	-1.066	-53.765	0	0
Transfers for the year	0	2.230	142.018	0	0
Impairment losses and depreciation at 31 December 2023	<u>14.977</u>	<u>62.567</u>	<u>676.579</u>	<u>26.960</u>	<u>0</u>
Carrying amount at 31 December 2023	<u>11.236</u>	<u>15.979</u>	<u>183.567</u>	<u>2.003</u>	<u>0</u>
Depreciated over	<u>0-50 years</u>	<u>3-12 years</u>	<u>2-12 years</u>	<u>4-10 years</u>	

Financial leasing amounts to tDKK 77.750 thousand in the above note for 'Plant and machinery'.

Notes

	Parent company	
	<u>2023</u>	<u>2022</u>
	TDKK	TDKK
14 Investments in subsidiaries		
Cost at 1 January 2023	623.980	743.390
Additions for the year	0	125.340
Disposals for the year	-125.340	-244.750
Received dividends	0	0
Cost at 31 December 2023	<u>498.640</u>	<u>623.980</u>
Revaluations at 1 January 2023	-171.375	-171.375
Disposals for the year	0	0
Revaluation	-81.621	0
Revaluations at 31 December 2023	<u>-252.996</u>	<u>-171.375</u>
Carrying amount at 31 December 2023	<u><u>245.644</u></u>	<u><u>452.605</u></u>

Group

Investments in subsidiaries are specified as follows:

<u>Name</u>	<u>Registered office</u>	<u>Ownership interest</u>	<u>Equity</u>	<u>Profit/loss for the year</u>
GoCollective Rail A/S	Tårnby, Denmark	100%	366.428	-134.209
GoCollective Service A/S	Tårnby, Denmark	100%	1.076	-1.184
UCplus A/S	Mileparken, Denmark	100%	18.354	9.004
Raildan 35 ApS	Tårnby, Denmark	100%	89.263	-6.694
Busdan 39 ApS	Tårnby, Denmark	100%	7.929	-8.974
Busdan 40 ApS	Tårnby, Denmark	100%	4.141	-4.218
Busdan 32.1 A/S	Tårnby, Denmark	100%	20.367	-110
Busdan 32.2 ApS	Tårnby, Denmark	100%	-3	-2.200
Dan Captive Insurance A/S	Tårnby, Denmark	100%	51.197	15.460

Notes

15 Fixed asset investments

Group

	Other financi- al investments	Deposits
	<u>TDKK</u>	<u>TDKK</u>
Cost at 1 January 2023	24.171	13.692
Additions for the year	504	1.958
Disposals for the year	<u>0</u>	<u>-1.773</u>
Cost at 31 December 2023	<u>24.675</u>	<u>13.877</u>
Carrying amount at 31 December 2023	<u>24.675</u>	<u>13.877</u>

Parent company

	Receivables from group enterprises	Other financi- al investments	Deposits
	<u>TDKK</u>	<u>TDKK</u>	<u>TDKK</u>
Cost at 1 January 2023	158.226	0	7.892
Additions for the year	258.360	40.863	1.433
Disposals for the year	<u>-86.843</u>	<u>0</u>	<u>-1.078</u>
Cost at 31 December 2023	<u>329.743</u>	<u>40.863</u>	<u>8.247</u>
Carrying amount at 31 December 2023	<u>329.743</u>	<u>40.863</u>	<u>8.247</u>

Notes

	Group		Parent company	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	TDKK	TDKK	TDKK	TDKK
16 Fair value disclosure				
Listed bonds				
Fair value adjustments recognised in the income statement	<u>504</u>	<u>863</u>	<u>0</u>	<u>0</u>
Fair value of an asset or a liability that is measured at fair value, closing	<u>24.675</u>	<u>24.173</u>	<u>0</u>	<u>0</u>
The fair value hierarchy used is no. 1				
17 Inventory				
Fuel inventory	5.758	9.617	3.854	6.097
Spare parts	<u>108.468</u>	<u>87.538</u>	<u>0</u>	<u>0</u>
	<u>114.226</u>	<u>97.155</u>	<u>3.854</u>	<u>6.097</u>

Notes

	Group		Parent company	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	TDKK	TDKK	TDKK	TDKK
18 Provision for deferred tax				
Provisions for deferred tax on:				
Tax loss carry-forward	0	0	-322	-17.393
Transferred to deferred tax asset	<u>0</u>	<u>0</u>	<u>322</u>	<u>17.393</u>
Deferred tax asset				
Calculated tax asset	<u>0</u>	<u>0</u>	<u>322</u>	<u>17.393</u>
Carrying amount	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>322</u></u>	<u><u>17.393</u></u>

19 Prepayments

Prepayments comprise prepaid expenses regarding rent, insurance premiums, subscriptions and interest as well as fair value adjustments of derivative financial instruments with a positive fair value.

20 Assets held for sale

Ryvang

The subsidiary Arriva Ryvang ApS had an asset held for sale in 2022. The company was sold in 2023 to Arriva UK Limited. GoCollective A/S shows an income of tDKK 216.288 in note 2 'Other operating income' which is related to the sale. The cash flow statement shows tDKK 335.260 which relates to the liquidity received from the sale.

Notes

21 Equity

The share capital consists of 140.004 shares of a nominal value of TDKK 1. No shares carry any special rights.

The share capital has developed as follows:

	2023 TDKK	2022 TDKK	2021 TDKK	2020 TDKK	2019 TDKK
Share capital at 1 January	140.003	140.003	140.003	140.003	140.003
Additions for the year	1	0	0	0	0
Share capital	140.004	140.003	140.003	140.003	140.003

	Group		Parent company	
	2023 TDKK	2022 TDKK	2023 TDKK	2022 TDKK
Balance at beginning of year at 1 January 2023	74.601	75.143	11.480	12.022
Provision in year	1.834	0	0	0
Employed in year	-11.385	-542	-3.525	-542
Balance at 31 December 2023	65.050	74.601	7.955	11.480

Other provision covers provision on claims handling and employer's insurance.

Notes

23 Long term debt

	Group		Parent company	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	TDKK	TDKK	TDKK	TDKK
Payables to group enterprises				
After 5 years	0	447.725	40.605	345.000
Between 1 and 5 years	0	411.483	72.647	13.143
Non-current portion	0	859.208	113.252	358.143
Other short-term debt to group enterprises	16.623	241.643	108.650	528.767
Current portion	16.623	241.643	108.650	528.767
	16.623	1.100.851	221.902	886.910
Other payables				
After 5 years	145.569	105.442	114.907	74.137
Between 1 and 5 years	52.139	69.306	52.139	61.054
Non-current portion	197.708	174.748	167.046	135.191
Other short-term other debt	376.513	302.839	224.707	171.178
Current portion	376.513	302.839	224.707	171.178
	574.221	477.587	391.753	306.369

Financial leasing debt amounts to tDKK 77.550 thousand in the above note for other payables.

Notes

	Group		Parent company	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	TDKK	TDKK	TDKK	TDKK
24 Contingent assets and liabilities				
Within 1 year	29.861	58.459	14.458	43.580
Between 1 and 5 years	<u>31.529</u>	<u>40.681</u>	<u>4.148</u>	<u>12.209</u>
	<u>61.390</u>	<u>99.140</u>	<u>18.606</u>	<u>55.789</u>

The group has an unrecognized tax asset of mDKK 291.6.

25 Mortgages and collateral

The Parent company's assets are pledged as security for loans. Estimated book value of assets is DKK 93 million. The assets pledge are buses in tangible asset group 'Plant and machinery'.

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable by the group amounts to TDKK 0. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

26 Related parties and ownership structure

Controlling interest

The following shareholders are recorded in the Company's register of shareholders:

Mutares SE &Co. KGaA. 100 % ownership

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act. There have been no such transactions in the financial year.

Notes

	Group		Parent company	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	TDKK	TDKK	TDKK	TDKK
27 Fee to auditors appointed at the general meeting				
Audit fee	1.868	1.424	714	900
Other assurance engagements	994	0	377	0
Non-audit services	119	91	44	75
PricewaterhouseCoopers	<u>2.981</u>	<u>1.515</u>	<u>1.135</u>	<u>975</u>

	Group	
	<u>2023</u>	<u>2022</u>
	TDKK	TDKK
28 Cash flow statement - adjustments		
Financial income	-5.212	-4.461
Financial costs	32.798	39.812
Depreciation, amortisation and impairment losses	164.395	167.641
Restructuring costs	77.773	2.290
Fines write down	93.047	0
Sale of property	-209.960	-107.728
Tax on profit/loss for the year	1.148	763
	<u>153.989</u>	<u>98.317</u>

29 Cash flow statement - change in working capital		
Change in inventories	-17.071	-99
Change in receivables	116.815	22.297
Change in payables, etc.	76.052	-12.577
Other payables	-20.411	-90.958
	<u>155.385</u>	<u>-81.337</u>