Accell Danmark ApS

Tobaksgården 11
8700 Horsens
CVR No. 32570763

Annual report 2022

The Annual General Meeting adopted the annual report on 05.07.2023

Christoph Mannel
Chairman of the General Meeting

Contents

Entity details

Entity

Accell Danmark ApS

Tobaksgården 11

8700 Horsens

Business Registration No.: 32570763

Registered office: Horsens

Financial year: 01.01.2022 - 31.12.2022

Executive Board

Christoph Mannel

Christoph Mannel

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Tværkajen 5
P. O. Box 10
5100 Odense

Statement by Management on the annual report

The Executive Board has today considered and approved the annual report of Accell Danmark ApS for the financial year 01.01.2022 - 31.12.2022.

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2022 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2022 - 31.12.2022.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

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

Horsens, 05.07.2023

Executive Board

Christoph Mannel

Christoph Mannel

Independent auditor's report

To the shareholders of Accell Danmark ApS

Opinion

We have audited the consolidated financial statements and the parent financial statements of Accell Danmark ApS for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2022 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2022 - 31.12.2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 consolidated financial statements and the parent financial statements" section of this auditor’s 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.

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent 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 consolidated financial statements and the parent 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 Entity’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 consolidated financial statements and the parent 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 Entity’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 consolidated financial statements and the parent 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 Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- 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.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Odense, 05.07.2023

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Heino Hyllested Tholsgaard
State Authorised Public Accountant
Identification No (MNE) mne34511

Marco Mosegaard Brøndsted
State Authorised Public Accountant
Identification No (MNE) mne49081

Management commentary

Financial highlights

	2022 EUR'000	2021 EUR'000	2020 EUR'000	2019 EUR'000	2018 EUR'000
Key figures					
Revenue	74,288	67,608	19,324	15,282	12,158
Gross profit/loss	7,617	8,699	(863)	220	863
Operating profit/loss	320	1,878	(2,000)	(669)	199
Net financials	(1,571)	(1,816)	(329)	(231)	(213)
Profit/loss for the year	(956)	(228)	(2,412)	(690)	(29)
Balance sheet total	54,047	84,503	37,642	17,456	9,375
Investments in property, plant and equipment	435	664	174	145	0
Equity	490	742	857	269	959
Cash flows from operating activities	7,621	(869)			
Cash flows from investing activities	(184)	(188)			
Cash flows from financing activities	(4,547)	(2,627)			
Average number of employees	110	97	13	10	12
Ratios					
Gross margin (%)	10.25	12.87	(4.47)	1.44	7.10
Net margin (%)	(1.29)	(0.34)	(12.48)	(4.52)	(0.24)
Equity ratio (%)	0.91	0.88	2.28	1.54	10.23

Do to changes of the annual report where the company make the consolidated financial statement, there is a non -comparability in the financial higlights.

The financial year 2022 and 2021 show the financial highlight of the consolidated Group. According to the Annual Accounts Act §128, stk. 4, we have omitted from including main and key figures for 2-4. previous financial year on group level. Please be aware that it is the parent company's key figures that have been used for 2-4. previous financial year.

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Gross margin (%):
Gross profit/loss * 100

Revenue

Net margin (%):
Profit/loss for the year * 100
Revenue

Equity ratio (%):
Equity * 100
Balance sheet total

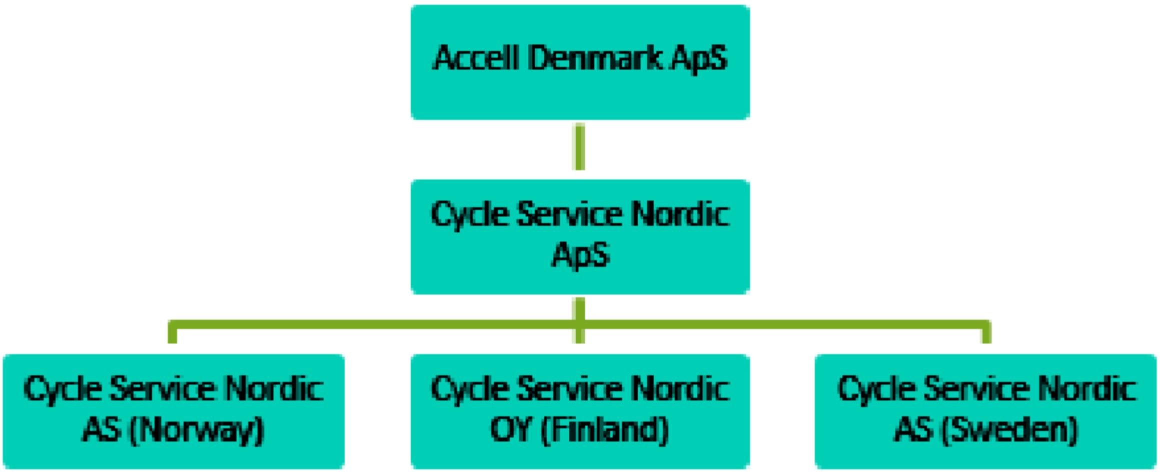
Primary activities

As in previous years, the primary activities of the Group and the parent company are import, sale, marketing and technical maintenance of bicycles and spare parts.

Business model

The Accell Denmark Group, including Cycle Service Nordic ApS, is a distributor of bicycles and parts and accessories in the Nordics focusing on bikes in Denmark and parts and accessories in all 4 Nordic countries.

The Group is headquartered in Denmark, where the regional warehousing for parts and accessories is also located, and the Group has local presence with sales and technical service staff across the Nordics in Norway, Finland and Sweden.



With approx. 3,000 Nordic B2B customers Accell Denmark and Cycle Service Nordic is a known and respected business partner all over the Nordics. Acting as a backup to other Group companies elsewhere in Europe, some limited sales occur to countries outside of the Nordics, but still within Europe.

The Group distributes own bicycle brands and up to 50 quality parts and accessories brands from business partners across the globe, with production facilities in Far-east, Europe and USA.

The Group has around 100 permanent employees and in Cycle Service Nordic a dedicated group of approx. 40 students that work part time – young and talented colleagues that work alongside their studies and that we commonly refer to as our Dream Team due to the skills and flexibility they add to our business.

Policies

The Accell Denmark Group relies to a large extend on the well-defined structures and implemented standards that the overarching Accell Group defines and implements.

This includes our comprehensive Group Code of Conduct which address topics like environment and sustainability, protection of human rights, social matters and anti-corruption, to mention some.

The Code of Conduct contains the majority of our policies, but at regional and national level we do from time-to-time supplement with local policies.

We make the Code of Conduct available to all employees and expect them to adhere to our policies and rules. We encourage everyone to speak up if they are in doubt of our Group or local company standards and expectations, or if they notice something suspicious. Either to reach out to their manager or a colleague, or use our Accell Speak Up whistle-blower channels.

In 2023 we're going to launch a common Supplier Code of Conduct across the Accell Group, which will be implemented going forward and address the topics included in the reporting, and more.

Development in activities and finances

The decrease in gross profit is considered not sufficient, and the negative development is linked to a focus on clearing activities of potential future obsolete stock leading to extraordinary costs from one time sell offs. The extraordinary costs have resulted in a net loss.   The parent and the group anticipated a limited positive result for 2022 and consider the result unsatisfactory.

Furtheremore we refere to note 1 for going concern.

Profit/loss for the year in relation to expected developments

The decrease in gross profit is considered not sufficient, and the negative development is linked to a focus on clearing activities of potential future obsolete stock leading to extraordinary costs from one time sell offs. The extraordinary costs have resulted in a net loss.   The parent and the group anticipated a limited positive result for 2022 and consider the result unsatisfactory.

Uncertainty relating to recognition and measurement

We refere to note 3 and 13, for furthere information about the uncertainty relating to recognition and measurment

Outlook

The parent and the group expect to realize a turnover level close to 2022-level and a net profit in 2023 around XX mill. EUR, but due to the ongoing uncertainty in the market linked to the post COVID-19 pandemic as well as the present Eastern Europe conflict in Ukraine, there is an obvious and significant uncertainty linked to this outlook. Risk management plans and procedures are implemented and are constantly being updated to meet the restrictions from local governments. The turnover in the first 5 months of 2023 has exceeded the expectations and the prognoses for the upcoming season remains positive.

Statutory report on corporate social responsibility

Environment and sustainability

In Cycle Service Nordic a cross-functional CSR Team is in place to make sure that optimizations and efficiencies are both identified and implemented. This has resulted in reductions in heat, electricity as well as increased sorting of waste, which all have a positive impact on our environment and the climate.

Our main risk on this topic relates to the environmental and climate footprint outside of our own operations, and as natural development we're going to increase our focus on this issue going forward, e.g. by implementing a Supplier Code of Conduct as mentioned above. We have already started collecting e.g. CO2 data from some suppliers, and plan to increase these efforts going forward.

We're going to continue our efforts to minimize our impact by optimizing and reusing packaging, selecting the most responsible transportation options, shifting company cars to electrical models, charging electrical truck at optimal times and reducing plastics among other things.

Human rights
Respecting human rights and obeying to applicable law and high ethical standards is critical to us. Within our own operations, as detailed in the following section, we're confident that we live up to our ambitions and standards.

We consider that the greatest risk of infringing human rights of individuals is present in our supply chain, and while we do not have examples of violations, we're committed to address the risk going forward. This is why we will roll out the new Supplier Code of Conduct from 2023 and forward.

Social matters
It is very important for us to maintain a working environment that continues to make us all engaged of coming to work, and where inclusion, diversity and safety is what we all experience. Every year we conduct an employee engagement survey, which historically provided a result that we are proud of, and which is high when comparing to benchmarks with relevant peers.

The survey supports our understanding in management, that we succeed in bringing a diverse group of people together that can collaborate well, make results, and thrive in our working environment. To maintain a safe working environment, we have a dedicated team working on minimizing the risk of accidents, learning from any incidents and an additional area of focus to minimize the risk of stress among our colleagues.

On a quarterly basis we report on various metrics and matters to the Accell Group and hold our department managers accountable for this reporting through ongoing implementation plan and related actions.

We will in the years ahead continue having a dedicated focus on our people and have this as an incorporated part of our current strategy.

Anti-corruption
Our policy includes to avoid all sorts of corrupt behavior, and we ensure that people in relevant functions, such as commercial and procurement, are well trained on a regular basis to understand what to be aware of and what to avoid in the normal course of business.

We consider the risk of corruption in our business to be low and recorded 0 incidents in the past year.

Going forward, we will maintain our existing approach and focus on this matter and optimize where relevant.

Statutory report on the underrepresented gender

The Accell Denmark Group does not have a Board of Directors, and its management consist of 2 executives. Therefore, the Group is exempted from reporting a target for gender representation.

Our local policy to help achieve gender balance at other management levels of the organization, includes that we try to ensure that for all recruitment processes we have candidates of both sexes.

We currently have a management team in Cycle Service Nordic consisting of 5 persons where the 4 are men. This part of the organization is by far the largest within the group, and a focus is in place to achieve greater diversity in management positions, reflecting a diverse organization in general.

Statutory report on data ethics policy

Working responsibly and ethically with data is already an important task for us. And while we do not have a stand -alone data ethics policy as defined by the Danish Business Authority, we do have the same topics incorporated in our existing structures of policies and training, linked up with data protection/GDPR as well as cyber security topics. It is important for us both due to our protection of employee data, as well as in relation to marketing and sales activities to manage both business partner and consumer data in the right way.

Events after the balance sheet date

No events have occurred after the balance sheet date to which would influence the evaluation of this annual report; however the COVID-19 pandemic and the Eastern Europe conflict in Ukraine obviously brings a lot of uncertainty to the outlook for 2023. The turnover in the first months of 2023 has ended at a higher level equal to same period last year, and the activity level so far seems to remain at a high level like in the previous year.

Consolidated income statement for 2022

	Notes	2022 EUR	2021 EUR
Revenue	4	74,287,849	67,608,435
Other operating income		301,158	238,277
Cost of sales		(59,392,107)	(51,783,255)
Other external expenses	5	(7,579,417)	(7,364,308)
Gross profit/loss		**7,617,483**	**8,699,149**
Staff costs	6	(6,156,039)	(5,661,269)
Depreciation, amortisation and impairment losses		(1,141,536)	(1,159,583)
Operating profit/loss		**319,908**	**1,878,297**
Other financial income	7	119,364	108,586
Other financial expenses	8	(1,690,202)	(1,924,978)
Profit/loss before tax		**(1,250,930)**	**61,905**
Tax on profit/loss for the year	9	294,503	(290,230)
Profit/loss for the year	10	**(956,427)**	**(228,325)**

Consolidated balance sheet at 31.12.2022

Assets

	Notes	2022 EUR	2021 EUR
Acquired intangible assets		758,729	926,578
Goodwill		203,400	305,100
Intangible assets	11	**962,129**	**1,231,678**
Land and buildings		2,924,080	3,309,165
Other fixtures and fittings, tools and equipment		485,316	511,011
Leasehold improvements		145,533	264,874
Property, plant and equipment	12	**3,554,929**	**4,085,050**
Other receivables		236,913	211,383
Deferred tax	14	685,220	310,385
Financial assets	13	**922,133**	**521,768**
Fixed assets		**5,439,191**	**5,838,496**
Manufactured goods and goods for resale		29,927,508	18,118,484
Inventories		**29,927,508**	**18,118,484**
Trade receivables		11,630,330	14,696,122
Receivables from group enterprises	15	4,141,619	44,275,693
Other receivables		1,061,749	785,248
Tax receivable		3,540	30,933
Prepayments	16	288,140	65,818
Receivables		**17,125,378**	**59,853,814**
Cash		**1,555,400**	**692,607**
Current assets		**48,608,286**	**78,664,905**
Assets		**54,047,477**	**84,503,401**

Equity and liabilities

	Notes	2022 EUR	2021 EUR
Contributed capital	17	16,767	16,767
Translation reserve		(55,504)	(10,240)
Retained earnings		529,103	735,530
Equity		**490,366**	**742,057**
Other provisions	18	346,080	356,463
Provisions		**346,080**	**356,463**
Lease liabilities		2,668,350	2,941,187
Non-current liabilities other than provisions	19	**2,668,350**	**2,941,187**
Current portion of non-current liabilities other than provisions	19	499,001	735,109
Bank loans		0	6,669,584
Trade payables		7,316,282	6,395,793
Payables to group enterprises	20	39,725,535	64,477,981
Tax payable		24,954	38,181
Other payables		2,963,009	2,116,361
Deferred income	21	13,900	30,685
Current liabilities other than provisions		**50,542,681**	**80,463,694**
Liabilities other than provisions		**53,211,031**	**83,404,881**
Equity and liabilities		**54,047,477**	**84,503,401**
Going concern	1		
Events after the balance sheet date	2		
Uncertainty relating to recognition and measurement	3		
Contingent assets	23		
Contingent liabilities	24		
Assets charged and collateral	25		
Transactions with related parties	26		
Group relations	27		
Subsidiaries	28		

Consolidated statement of changes in equity for 2022

	Contributed capital EUR	Translation reserve EUR	Retained earnings EUR	Total EUR
Equity beginning of year	16,767	(10,240)	735,530	742,057
Exchange rate adjustments	0	(45,264)	0	(45,264)
Group contributions etc.	0	0	750,000	750,000
Profit/loss for the year	0	0	(956,427)	(956,427)
Equity end of year	**16,767**	**(55,504)**	**529,103**	**490,366**

Consolidated cash flow statement for 2022

	Notes	2022 EUR	2021 EUR
Operating profit/loss		319,908	1,878,297
Amortisation, depreciation and impairment losses		1,141,536	1,159,583
Working capital changes	22	7,791,933	(2,020,631)
Cash flow from ordinary operating activities		**9,253,377**	**1,017,249**
Financial income received		119,364	108,586
Financial expenses paid		(1,690,202)	(1,924,978)
Taxes refunded/(paid)		(61,975)	(69,626)
Cash flows from operating activities		**7,620,564**	**(868,769)**
Acquisition etc. of intangible assets		(28,123)	(20,905)
Acquisition etc. of property, plant and equipment		(129,892)	(167,572)
Acquisition etc. of Deposit		(25,530)	0
Cash flows from investing activities		**(183,545)**	**(188,477)**
Free cash flows generated from operations and investments before financing		**7,437,019**	**(1,057,246)**
Repayments of loans etc.		(4,642,149)	(1,602,339)
Repayment of lease liabilities		(654,641)	(1,024,294)
Cash capital increase		750,000	0
Cash flows from financing activities		**(4,546,790)**	**(2,626,633)**
Increase/decrease in cash and cash equivalents		**2,890,229**	**(3,683,879)**
Cash and cash equivalents beginning of year		(1,334,829)	2,349,050
Cash and cash equivalents end of year		**1,555,400**	**(1,334,829)**
Cash and cash equivalents at year-end are composed of:			
Cash		1,555,400	692,607
Short-term bank loans		0	(2,027,436)
Cash and cash equivalents end of year		**1,555,400**	**(1,334,829)**

Notes to consolidated financial statements

1 Going concern

Management does not consider that there are any challenges with the continued operation, as a result of the company entering into a cash pool arrangement with Accell Nederland B.V. and thus indirectly also is supported by KKR & Co. Inc.

2 Events after the balance sheet date

No events have occurred after the balance sheet date to which would influence the evaluation of this annual report; however the COVID-19 pandemic and the Eastern Europe conflict in Ukraine obviously brings a lot of uncertainty to the outlook for 2023. The turnover in the first months of 2023 has ended at a higher level equal to same period last year, and the activity level so far seems to remain at a high level like in the previous year.

3 Uncertainty relating to recognition and measurement

Refer to note 13 for further explanation.

4 Revenue

	2022 EUR	2021 EUR
Denmark	46,089,588	40,399,744
United Kingdom	189,888	38,283
Netherland	122,507	8,843
Germany	971,162	0
Spain	110,747	3,122
Sweden	9,848,037	10,387,052
Norway	8,372,988	9,290,849
Finland	8,582,932	7,480,542
Total revenue by geographical market	**74,287,849**	**67,608,435**
Cycles	28,649,139	24,524,148
Cycle parts	45,638,710	43,084,287
Total revenue by activity	**74,287,849**	**67,608,435**

5 Fees to the auditor appointed by the Annual General Meeting

	2022 EUR	2021 EUR
Statutory audit services	40,343	26,251
Other assurance engagements	0	9,667
Tax services	71,328	54,074
	111,671	**89,992**

In the statutory audit services, there is fees from other than Deloitte in 22 there was 5,379 EUR, and in 21 there was 5,699 EUR

6 Staff costs

	2022 EUR	2021 EUR
Wages and salaries	5,359,388	4,964,715
Pension costs	543,748	455,783
Other social security costs	252,903	240,771
	6,156,039	**5,661,269**

Average number of full-time employees	**110**	**97**

Remuneration to the management is not disclosed in accordance with section 98b of the Danish Financial Statements Act. 3.

7 Other financial income

	2022 EUR	2021 EUR
Financial income from group enterprises	108,331	93,551
Other interest income	922	776
Other financial income	10,111	14,259
	119,364	**108,586**

8 Other financial expenses

	2022 EUR	2021 EUR
Financial expenses from group enterprises	1,490,800	1,683,172
Other interest expenses	83,105	103,838
Other financial expenses	116,297	137,968
	1,690,202	**1,924,978**

9 Tax on profit/loss for the year

	2022 EUR	2021 EUR
Current tax	77,923	64,048
Change in deferred tax	(374,835)	218,146
Adjustment concerning previous years	2,409	8,036
	(294,503)	**290,230**

10 Proposed distribution of profit/loss

	2022 EUR	2021 EUR
Retained earnings	(956,427)	(228,325)
	(956,427)	**(228,325)**

11 Intangible assets

	Acquired intangible assets EUR	Goodwill EUR
Cost beginning of year	1,252,081	1,332,057
Additions	28,123	0
Cost end of year	**1,280,204**	**1,332,057**
Amortisation and impairment losses beginning of year	(325,503)	(1,026,957)
Amortisation for the year	(195,972)	(101,700)
Amortisation and impairment losses end of year	**(521,475)**	**(1,128,657)**
Carrying amount end of year	**758,729**	**203,400**

12 Property, plant and equipment

	Land and buildings EUR	Other fixtures and fittings, tools and equipment EUR	Leasehold improvements EUR
Cost beginning of year	4,671,102	1,440,010	596,708
Additions	143,000	292,035	0
Disposals	0	(133,002)	0
Cost end of year	**4,814,102**	**1,599,043**	**596,708**
Depreciation and impairment losses beginning of year	(1,361,937)	(928,999)	(331,834)
Depreciation for the year	(528,085)	(275,163)	(119,341)
Reversal regarding disposals	0	90,435	0
Depreciation and impairment losses end of year	**(1,890,022)**	**(1,113,727)**	**(451,175)**
Carrying amount end of year	**2,924,080**	**485,316**	**145,533**
Recognised assets not owned by Entity	2,924,080	123,962	0

13 Financial assets

	Other receivables EUR	Deferred tax EUR
Cost beginning of year	211,383	310,385
Additions	25,530	384,791
Disposals	0	(9,956)
Cost end of year	**236,913**	**685,220**
Carrying amount end of year	**236,913**	**685,220**

14 Deferred tax

Changes during the year	2022 EUR	2021 EUR
Beginning of year	310,385	528,546
Recognised in the income statement	374,835	(218,161)
End of year	**685,220**	**310,385**

Deferred tax assets
The deferred tax asset has been recorded in the annual report as a result of the presented budgets. The budgets present positive results for the future, indicating that the deferred tax asset can be recorded in the balance. It is the management expectation that this year's and previous years' deficits will be utilized within 3 - 5 years.

in the presented budgets, a limited revenue growth close to 2022-level has been planned. In addition, an increase in the coverage ratio of 11-20% has been taken into account as a prerequisite. The increase in the coverage ratio can be explained by the fact that previous events are not expected to appear in the future, and a change in the product composition will support the increase in the expected coverage ratio.

Based on budgets for, management expects to be able to utilize tax assets within a 3-5 year period.

15 Receivables from group enterprises

The group is part of a cash pool scheme administered by Accell Group N.V. As of December 31, 2022 the balance in the cashpool scheme amounts to EUR 3,165,200. The company is liable for the other group companies in the cash pool agreememt.

16 Prepayments

Prepayments consists of prepaid costs.

17 Contributed capital

	Number	Par value EUR	Nominal value EUR
Contributed Capital	1	16,767.00	16,767
	1		**16,767**

18 Other provisions

Other provisions consist of the company's guarantee provisions

19 Non-current liabilities other than provisions

	Due within 12 months 2022 EUR	Due within 12 months 2021 EUR	Due after more than 12 months 2022 EUR	Outstanding after 5 years 2022 EUR
Lease liabilities	499,001	735,109	2,668,350	819,090
	499,001	**735,109**	**2,668,350**	**819,090**

20 Payables to group enterprises

The group is part of a cash pool scheme administered by Accell Group N.V. As of December 31, 2022 the balance in the cashpool scheme amounts to EUR 37,007,993. The company is liable for the other group companies in the cash pool agreememt.

21 Deferred income

Deferred income contains contributions that are not recognised as income, until the recognition criteria are met.

22 Changes in working capital

	2022 EUR	2021 EUR
Increase/decrease in inventories	(11,809,024)	(8,490,896)
Increase/decrease in receivables	42,701,042	(20,659,962)
Increase/decrease in trade payables etc.	(23,002,094)	27,094,061
Other changes	(97,991)	36,166
	7,791,933	**(2,020,631)**

23 Contingent assets

There is a tax loss for carryforwards of 739 T.EUR that has not been capitalized

24 Contingent liabilities

The parent participates as the administration company for the Danish companies in a Danish joint taxation arrangement with Cycle Service Nordic ApS. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities.

25 Assets charged and collateral

Bank debt in the Cycle Service Nordic companies is secured on a charge receivables of a nominal amount of EUR 1,008,539.

Receivables comprises in the Cycle Service Nordic companies to EUR 5,352,453 at 31.12.2022.

26 Transactions with related parties

Transactions with related parties are only disclosed if they have not been in accordance with the arm´s length principle. All transactions have been on arm´s length conditions.

27 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Sprint Luxco S.C.A., 2, rue Edward Steichen, L-2540, Luxembourg

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Accell Danmark ApS., Tobaksgården 11, 8700 Horsens, Danmark.

Copies of the consolidated financial statements of Sprint Luxco S.C.A. may be ordered at the following address:
Sprint Luxco S.C.A., 2, rue Edward Steichen, L-2540, Luxembourg

Copies of the consolidated financial statements of Accell Danmark ApS. may be ordered at the following address:
Accell Danmark ApS., Tobaksgården 11, 8700 Horsens, Danmark.

28 Subsidiaries

	Registered in	Ownership %
Cycle Service Nordic ApS	Denmark	100.00
Cycle Service Nordic AS	Norway	100.00
Cycle Service Nordic OY	Finland	100.00
Cycle Service Nordic AB	Sweden	100.00

Parent income statement for 2022

	Notes	2022 EUR	2021 EUR
Revenue	3	28,649,137	24,524,148
Other operating income		61,920	46,619
Cost of sales		(22,374,350)	(18,319,102)
Other external expenses		(4,381,272)	(4,894,132)
Gross profit/loss		**1,955,435**	**1,357,533**
Staff costs	4	(954,659)	(779,302)
Depreciation, amortisation and impairment losses		(71,894)	(87,541)
Operating profit/loss		**928,882**	**490,690**
Other financial income	5	109,758	108,535
Other financial expenses	6	(620,347)	(1,567,353)
Profit/loss before tax		**418,293**	**(968,128)**
Tax on profit/loss for the year	7	(9,956)	(11,150)
Profit/loss for the year	8	**408,337**	**(979,278)**

Parent balance sheet at 31.12.2022

Assets

	Notes	2022 EUR	2021 EUR
Goodwill		0	0
Intangible assets	9	**0**	**0**
Land and buildings		28,738	55,298
Other fixtures and fittings, tools and equipment		75,047	44,317
Property, plant and equipment	10	**103,785**	**99,615**
Investments in group enterprises		3,116,000	3,116,000
Deferred tax	12	89,129	99,085
Financial assets	11	**3,205,129**	**3,215,085**
Fixed assets		**3,308,914**	**3,314,700**
Trade receivables		6,710,439	11,332,196
Receivables from group enterprises	13	3,890,948	44,274,919
Other receivables		18,396	6,595
Tax receivable		0	15,588
Receivables		**10,619,783**	**55,629,298**
Cash		**83,700**	**25,438**
Current assets		**10,703,483**	**55,654,736**
Assets		**14,012,397**	**58,969,436**

Equity and liabilities

	Notes	2022 EUR	2021 EUR
Contributed capital		16,767	16,767
Retained earnings		1,019,644	(138,693)
Equity		**1,036,411**	**(121,926)**
Other provisions	14	346,080	356,463
Provisions		**346,080**	**356,463**
Lease liabilities		45,420	42,673
Non-current liabilities other than provisions	15	**45,420**	**42,673**
Current portion of non-current liabilities other than provisions	15	61,932	60,846
Trade payables		46,695	71,429
Payables to group enterprises	16	11,465,577	58,125,669
Other payables		1,010,282	434,282
Current liabilities other than provisions		**12,584,486**	**58,692,226**
Liabilities other than provisions		**12,629,906**	**58,734,899**
Equity and liabilities		**14,012,397**	**58,969,436**
Going concern	1		
Events after the balance sheet date	2		
Contingent assets	17		
Contingent liabilities	18		
Related parties with controlling interest	19		
Transactions with related parties	20		

Parent statement of changes in equity for 2022

	Contributed capital EUR	Retained earnings EUR	Total EUR
Equity beginning of year	16,767	(138,693)	(121,926)
Group contributions etc.	0	750,000	750,000
Profit/loss for the year	0	408,337	408,337
Equity end of year	**16,767**	**1,019,644**	**1,036,411**

Notes to parent financial statements

1 Going concern

Management does not consider that there are any challenges with the continued operation, as a result of the company entering into a cash pool arrangement with Accell Nederland B.V. and thus indirectly also is supported by KKR & Co. Inc.

2 Events after the balance sheet date

No events have occurred after the balance sheet date to which would influence the evaluation of this annual report; however the COVID-19 pandemic and the Eastern Europe conflict in Ukraine obviously brings a lot of uncertainty to the outlook for 2022. The turnover in the first months of 2022 has ended at a higher level equal to same period last year, and the activity level so far seems to remain at a high level like in the previous year.

3 Revenue

	2022 EUR	2021 EUR
Cycles	28,649,137	24,524,148
Total revenue by geographical market	**28,649,137**	**24,524,148**
Denmark	28,649,137	24,524,148
Total revenue by activity	**28,649,137**	**24,524,148**

4 Staff costs

	2022 EUR	2021 EUR
Wages and salaries	871,117	713,215
Pension costs	70,101	59,293
Other social security costs	13,441	6,794
	954,659	**779,302**
Average number of full-time employees	**14**	**12**

Remuneration to the management is not disclosed in accordance with section 98b of the Danish Financial Statements Act. 3.

5 Other financial income

	2022 EUR	2021 EUR
Financial income from group enterprises	108,331	93,551
Other interest income	922	776
Other financial income	505	14,208
	109,758	**108,535**

6 Other financial expenses

	2022 EUR	2021 EUR
Financial expenses from group enterprises	566,159	1,556,941
Other financial expenses	54,188	10,412
	620,347	**1,567,353**

7 Tax on profit/loss for the year

	2022 EUR	2021 EUR
Change in deferred tax	9,956	11,150
	9,956	**11,150**

8 Proposed distribution of profit and loss

	2022 EUR	2021 EUR
Retained earnings	408,337	(979,278)
	408,337	**(979,278)**

9 Intangible assets

	Goodwill EUR
Cost beginning of year	315,057
Cost end of year	**315,057**
Amortisation and impairment losses beginning of year	(315,057)
Amortisation and impairment losses end of year	**(315,057)**
Carrying amount end of year	**0**

10 Property, plant and equipment

	Land and buildings EUR	Other fixtures and fittings, tools and equipment EUR
Cost beginning of year	135,058	126,784
Additions	2,002	74,138
Disposals	0	(70,222)
Cost end of year	**137,060**	**130,700**
Depreciation and impairment losses beginning of year	(79,760)	(82,467)
Depreciation for the year	(28,562)	(43,408)
Reversal regarding disposals	0	70,222
Depreciation and impairment losses end of year	**(108,322)**	**(55,653)**
Carrying amount end of year	**28,738**	**75,047**
Recognised assets not owned by entity	28,738	75,047

11 Financial assets

	Investments in group enterprises EUR	Deferred tax EUR
Cost beginning of year	3,116,000	99,085
Disposals	0	(9,956)
Cost end of year	**3,116,000**	**89,129**
Carrying amount end of year	**3,116,000**	**89,129**

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

12 Deferred tax

Changes during the year	2022 EUR	2021 EUR
Beginning of year	99,085	110,235
Recognised in the income statement	(9,956)	(11,150)
End of year	**89,129**	**99,085**

Deferred tax assets
Based on budgets, management expects to be able to utilize tax assets within a 3-5 year period.

13 Receivables from group enterprises

The company enters into a cash pool agreement administered by Accell Group N.V. Pr. December 31, 2022 constitutes outstanding in the cash pool agreement 3,091,972 EUR.

14 Other provisions

Other provisions consist of the company's guarantee provisions

15 Non-current liabilities other than provisions

	Due within 12 months 2022 EUR	Due within 12 months 2021 EUR	Due after more than 12 months 2022 EUR	Outstanding after 5 years 2022 EUR
Lease liabilities	61,932	60,846	45,420	'0
	61,932	**60,846**	**45,420**	**0**

16 Payables to group enterprises

The company enters into a cash pool agreement administered by Accell Group N.V. Pr. December 31, 2022 constitutes the debt in the cash pool agreement 8,754,410 EUR.

17 Contingent assets

There is a tax loss for carryforwards of 739 T.EUR that has not been capitalized

18 Contingent liabilities

The Company has no assets charged nor any recourse guarantee commitments at 31 December 2022.

The Entity participates as the administration company in a Danish joint taxation arrangement with Cycle Service Nordic ApS. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities.

19 Related parties with controlling interest

Related parties with controlling interest wholly owns the shares of the Entity and thus has control over the Entity:

Accell Nederland B.V., Industriweg 4, 8444 AR Heerenveen, Netherland
Accell Group B.V., Industrieweg 4, 8444 AR Heerenveen, Netherland
Sprint Bidco B.V., Spicalaan 39, 2132 JG Hoofddorp, Netherland
Sprint Holdco B.V., Spicalaan 39, 2132 JG Hoofddorp, Netherland
Sprint Midco B.V., Spicalaan 39, 2132 JG Hoofddorp, Netherland
Sprint IntermediateCo B.V., Spicalaan 39, 2132 JG Hoofddorp, Netherland
Sprint TopCo B.V., Spicalaan 39, 2132 JG Hoofddorp, Netherland
Sprint Luxco S.C.A., 2, rue Edward Steichen, L-2540, Luxembourg
Sprint LuxCo GP S.à r.l., 2, rue Edward Steichen, L-2540, Luxembourg
KKR Sprint Aggregator L.P., 152928 Canada Inc.,199, Bay Street, Suite 5300, Toronto, Ontario M5L 1B9, Canada

For group relations we refere to note 24 in the consolidated notes.

20 Transactions with related parties

Transactions with related parties are only disclosed if they have not been in accordance with the arm´s length principle. All transactions have been on arm´s length conditions.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

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

Non-comparability

There is non-comparability in the parents accounts, due to a different presentation of wage subsidies and others personnel costs, which has the following effect on the comparison do to changes in the acounting listed below:

- Gross profit	(10.410)
- Staff costs	10.410

Do to changes of the annual report where the company make the consolidated financial statement, there is a noncomparability in the annual report.

Recognition and measurement

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

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

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

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

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

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence. Enterprises in which the Group, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling influence, are regarded as associates.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in Management's proposal for the distribution of net profit/loss and equity, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the takeover date, with net assets having been calculated at fair value.

Income statement

Revenue

Revenue from the sale of manufactured goods is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to intangible assets comprise depreciation, amortisation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets.

Other financial income

Other financial income comprises dividends etc. received on interest income, including interest income on receivables from group enterprises.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, foreign currency transactions, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year
Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Goodwill
Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. Useful life is determined based on an assessment of whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful lives are reassessed on an annual basis. The amortisation periods used are 10 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Acquired intangible assets
Acquired intangible assets comprise customer directory.

Acquired intangible assets acquired are measured at cost less accumulated amortisation.

Acquired intangible assets are amortised on a straight-line basis over their remaining duration.

Depreciation is made on the basis of a useful lifetime of 7 years.

Acquired intangible assets are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment
Land and buildings, plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. and indirect costs of materials, components, subsuppliers and labour costs. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

Interest expenses on loans for the financing of the manufacture of property, plant and equipment are included in cost if they relate to the manufacturing period. All other finance costs are recognised in the income statement.

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

	Useful life
Buildings	'3-10
Other fixtures and fittings, tools and equipment	'2-7
Leasehold improvements	5

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

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

Lease assets
On initial recognition, lease assets are measured at the amount of the initial measurement of the lease liabilities, any lease payments made before the commencement date less any lease incentives received, and any initial direct costs incurred by the lessee.

An estimate of costs to be incurred by the lessee in dismantling and removing the lease assets, or restoring the underlying assets, are recognised as a separate provision. The costs are added to the cost of the lease assets unless the liability is incurred to produce inventories in which case the costs are recognised in the cost of the manufactured goods. Subsequently, lease assets are measured at cost less accumulated depreciation and impairment losses.

Lease assets are depreciated over the lower of the lease term and the useful life of the underlying assets. If the lease transfers the ownership of the lease assets by the end of the lease term or if the exercise of a purchase option is expected, the lease assets are depreciated over their useful life. Depreciation begins at the commencement date.

Lease assets are written down to the lower of recoverable amount and carrying amount
Lease assets are adjusted upon remeasurement of the lease liabilities; see above in the lease liability section.

Lease assets are recognised as fixed assets within the asset item in which the underlying assets of the lease would be recognised if the Entity owned them.

Investments in group enterprises
Investments in group enterprises are measured at cost. Investments are written down to the lower of recoverable amount and carrying amount.

Receivables
Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

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

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

Inventories
Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Tax payable or receivable
Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

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

Cash
Cash comprises cash in hand and bank deposits.

Other provisions
Other provisions comprise anticipated costs of non-recourse guarantee commitments, and returns.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Non-recourse guarantee commitments comprise commitments to remedy defects and deficiencies within the guarantee period.

Lease liabilities
On initial recognition, lease liabilities are measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Entity’s incremental borrowing rate shall be used. Lease payments included in the measurement of the lease liability comprise the following payments:

- Fixed payments less any lease incentives provided by the lessor to the lessee.
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- Amounts expected to be payable under residual value guarantees.
- The exercise price of a purchase option if it is reasonably certain to exercise that option.
- Payments of penalties for terminating the lease if the lease term reflects the lessee exercising an option to terminate the lease.

On subsequent measurement, lease liabilities are adjusted for accrued interest and repayments made, calculated
by the effective interest rate method.

Lease liabilities are remeasured and the corresponding lease assets are similarly adjusted when:

- There is a change in the lease term, e.g. as a result of a change in the assessment of whether an option to extend or to purchase will be exercised. Remeasurement takes place by discounting the revised lease payments using a discount rate revised at the time of changing the lease.

- There is a change in lease payments resulting from a change in an index or a rate, or in the amounts expected to be payable under a residual value guarantee. Remeasurement takes place by discounting the revised lease payments using the original discount rate. However, a revised discount rate is used if the change reflects a change in the floating interest rate.

- There is a lease modification that is not accounted for as a separate lease. Remeasurement takes place by discounting the revised lease payments using a revised discount rate.
If the remeasurement results in the reduction of a lease liability exceeding the carrying amount of the corresponding lease asset, the excess amount is recognised in the income statement.

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

Deferred income
Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

Cash flow statement
The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes, and financial income, financial expenses and income tax paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, repayments of interest-bearing debt, including lease liabilities, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk.