



DONKEYREPUBLIC ADMIN APS
SKELBÆKGADE 4 4. TH., 1717 KØBENHAVN V
ANNUAL REPORT
1 JANUARY - 31 DECEMBER 2023

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 25 June 2024**

Michael Ro Mejer

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COMPANY DETAILS

Company	DonkeyRepublic Admin ApS Skelbækgade 4 4. th. 1717 Copenhagen V
	CVR No.: 38 04 94 88 Established: 29 September 2016 Municipality: Copenhagen Financial Year: 1 January - 31 December
Board of Directors	Caroline Søeborg Ahlefeldt-Laurvig-Bille, chairman Jens Kramer Mikkelsen Jesper Lilledal Holmgaard Karl Erik Wenngren Marina Kolesnik
Executive Board	Niels Henrik Rasmussen Christian Dufft
Auditor	Deloitte Statsautoriseret Revisionspartnerselskab Weidekampsgade 6 2300 Copenhagen S

MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of DonkeyRepublic Admin ApS for the financial year 1 January - 31 December 2023.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

We recommend the Annual Report be approved at the Annual General Meeting.

Copenhagen, 25 June 2024

Executive Board

Niels Henrik Rasmussen

Christian Dufft

Board of Directors

Caroline Søeborg Ahlefeldt-
Laurvig-Bille
Chairman

Jens Kramer Mikkelsen

Jesper Lilledal Holmgaard

Karl Erik Wenngren

Marina Kolesnik

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of DonkeyRepublic Admin ApS

Opinion

We have audited the Financial Statements of DonkeyRepublic Admin ApS for the financial year 1 January - 31 December 2023, which comprise income statement, Balance Sheet, statement of changes in equity, notes and a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for Opinion

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

Management's Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

INDEPENDENT AUDITOR'S REPORT

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on Management Commentary

Management is responsible for Management Commentary.

Our opinion on the Financial Statements does not cover Management Commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management Commentary and, in doing so, consider whether Management Commentary is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management Commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that Management Commentary is in accordance with the Financial Statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of Management Commentary.

Copenhagen S, 25 June 2024

Deloitte Statsautoriseret Revisionspartnerselskab
CVR no. 33 96 35 56

Claus Jorch Andersen
State Authorised Public Accountant
MNE no. mne33712

Rasmus Christiansen
State Authorised Public Accountant
MNE no. mne50632

FINANCIAL HIGHLIGHTS

	2023	2022	2021	2020	2019
	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000
Income statement					
Net revenue.....	147.537	121.391	44.249	31.028	52.229
Contribution margin.....	55.346	21.419	15.215	-832	13.005
Operating profit/loss before depreciation and amortisation (EBITDA)...	-9.719	-36.673	-15.154	-21.824	-13.163
EBIT.....	-11.326	-39.270	-15.403	-22.458	-13.965
Financial income and expenses, net.....	-4.812	-3.313	0	0	0
Profit/loss for the year before tax.....	-16.137	-42.553	-16.113	-23.809	-14.961
Profit/loss for the year.....	-16.137	-40.949	-15.475	-23.023	-14.288
Balance sheet					
Total assets.....	69.634	86.134	72.043	15.593	25.246
Equity.....	3.365	19.502	20.451	5.926	3.949
PPE.....	5.275	2.241	1.095	733	5.434
Investment in property, plant and equipment.....	-4.641	-3.712	-640	-54	-5.352
Key ratios					
Current ratio.....	144,5	165,4	235,3	162,7	90,6
Equity ratio.....	4,8	22,6	28,7	90,8	33,5
Current ratio:	$\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$				
Equity ratio:	$\frac{\text{Equity, at year-end} \times 100}{\text{Total assets, at year-end}}$				

MANAGEMENT COMMENTARY

Principal activities

The primary activity of the Company is acting as an agent in regards to the rental of bikes. The Company operates a platform enabling bike owners to rent their bikes to end users. For this service, the Company keeps a part of the rental income.

Unusual matters

Other operating income includes the repayment of funds received as part of Covid support programs by the Danish government in 2020, worth negative DKK 1.010 ('000).

Recognition and measurement uncertainty

Significant accounting estimates

In preparing the financial statements, Management relies on numerous accounting estimates and assumptions, particularly in conducting impairment tests for DonkeyRepublic's assets. These decisions, alongside the application of accounting policies, are grounded in prudence and experience but remain inherently uncertain and subject to volatility. Unforeseen events may lead to variances between actual results and these estimates. Detailed information on significant accounting estimates and judgments, including impairment tests, is provided below:

Impairment on subsidiaries

In case the booked value within DonkeyRepublic Admin ApS' balance sheet exceeds the equity of the subsidiary an impairment test is conducted. The test looks into the impact of a company's business plan on the subsidiaries equity as well as other possibilities to evaluate the value of a company. The impairment test is based on the assumption that the company can execute its strategy and achieve its guidance. In regards to other valuation possibilities management assumes that current valuations ratios within the industry remain at least constant.

Other operating income

Other operating income is income related to received grants for the Company's development projects and for projects to expand bike sharing services in Finland in collaboration with a partner. Also included in here is the repayment of Covid support funds the Company received in 2020 to cover some parts of its fixed cost. This repayment is not considered being part of the operational result, as it is a one time effect not directly related to the Company's operations. Further more the Company considers to challenge this decision as it does not see the grounds for a repayment fulfilled. At the time of the report no concrete action in that regard have been taken.

Development in activities and financial and economic position

For a more detailed overview of the operational highlights of the DonkeyRepublic Group, please see the Consolidated Group commentary in the Consolidated Annual Report of DonkeyRepublic Holding A/S.

The income statement shows a loss after tax amounting to DKK ('000) 16.137 and the balance sheet shows equity of DKK ('000) 3.365 with a total asset sum of DKK ('000) 70.753. The result is satisfactory for management.

The Company's sole owner, DonkeyRepublic Holding A/S, has issued a letter of support, whereby it confirms that it has undertaken the obligation to provide the necessary cash and capital, to ensure that the Company will be able to continue operating.

Loss for the year compared to the expected development

In 2023, the Company has significantly increased its revenue by DKK ('000) 26.146 equal to 22 % compared to 2022, and improved EBITDA by DKK ('000) 26.954 to a negative EBITDA of DKK ('000) 9.718. The Board of Directors and Management are satisfied with the positive revenue and EBITDA development, and find it in alignment with the expectations at the beginning of the year.

Significant events after the end of the financial year

No events have occurred after the end of the financial year of material importance for the Company's financial position.

MANAGEMENT COMMENTARY

Financial risk

Industry risk

The micro mobility market is competitive with a multitude of players being active in this market. Some of these players are significantly larger in terms of fleet size or funding. This can become a risk for DonkeyRepublic's growth plans. DonkeyRepublic has however a strong position in the market based on our long experience with both operating a bike share and the sourcing and development of bikes. In addition to that DonkeyRepublic is operating both small and large scale projects with municipalities often on a contract that spans over several years, that are directly or indirectly funded by the cities. The strong focus on city relations is a key driver for winning such subsidized contracts and a good differentiator from many of our competitors. Throughout 2023 the industry has experienced a consolidation phase, driven by a change in macroeconomic factors and increasing pressure on achieving profitability targets. This is expected to continue throughout 2024. This volatility within the industry can become another risk for the company. With both its experience within funding and its successful path on improving profitability, DonkeyRepublic is well positioned to not be negatively impacted by these developments.

Throughout 2022 and also partially in 2023 the delivery timeline for new bikes was severely under pressure due to global supply chain challenges. Even though the situation has significantly improved towards the end of 2023, the timely delivery of ordered bikes can be a challenge. DonkeyRepublic cannot fully mitigate these risks, but has implemented several control support team is also actively blocking riders that procedures to detect any potential delay as early as possible and has invested in the ramp up of a supply chain organization that can then quickly find solutions to minimize these potential delays. Furthermore the company has taken concrete steps in nearshoring, so that the majority of its suppliers are now within Europe.

There is an increased demand across cities and countries to improve the bike sharing infrastructure and significant amounts of funds are made available for this. A trend that continued throughout 2023. There is the risk that this trend stops or dedicated funds are directed to other means. DonkeyRepublic does not foresee a change of this trend, as it is a vital piece in the green agenda of most of the countries. DonkeyRepublic however also mitigates this risk by being active in many cities across several countries. Additionally even though public financing is an important part of the company's business plan, other revenue sources especially the revenue from riders directly remains a vital part in the company's revenue mix.

Operational risk

The profitable operation of a large, enabled and utilized bike fleet can be endangered especially by reckless rider behavior or vandalism of the bikes. DonkeyRepublic has several measures in place to reduce this risk. For example the virtual hub concept is incentivising proper bike parking and a sophisticated ticketing system in the app allows the company to quickly fix potential damages on the bike. The customer support team is also actively blocking riders that have shown criminal behavior and push legal action whenever it is reasonable. The risk of targeted vandalism in specific cities remains, the multicity focus of Donkey Republic across several countries within Europe however lowers the potential impact of it.

The targeted growth over the coming years as well as the continuous product development can stretch the organizational capacities. In case not sufficient qualified resources are allocated to these activities there is the risk of missing targeted growth and profitability plans. DonkeyRepublic is therefore putting a high focus on both expanding the team with experts in their fields and to continuously develop the skill set of their current staff. Examples for this are the hiring of local and experienced city managers to ensure successful roll out, tender and sales experts to continue future growth or implementing a training initiative to improve the employee's qualifications.

MANAGEMENT COMMENTARY

Financial risk (continued)

In 2022 DonkeyRepublic developed both a new pedal bike and a new e-bike, which was rolled out in 2023 across many cities. The proper functioning of these bikes is essential both in regards to rider revenue generation and fulfillment of subsidized city contracts. A severe malfunctioning of the bikes can pose a large risk. The already mentioned long experience and good qualification of the team allows us however to quickly detect and solve potential product issues. A large focus of the development and supply chain management team as well as the operational teams themselves is on the detection regards to the bikes the increasing age of the earlier generation of bikes, can pose another risk to cost of operation or the functionality thereof. Regular maintenance, including large winter maintenance effort, as well as a focus on quality when it comes to spare parts in combination with the company's experience of running these bikes, are ensuring to limit this risk. Asset backed financing is crucial for any kind of fleet expansion that DonkeyRepublic is aiming for. The lack of it could limit the company's growth ambition or put even its liquidity at risk. So far the company has always secured sufficient financing for its investment in the fleet and has also done so for 2024. A strong focus especially within the executive team is also on the continuous expansion and professionalization of the debt raising activities.

As a software-driven company, DonkeyRepublic, faces a general cyber security risk where a hacker attack on the company's backend could lead to a data leak or potentially interrupt the operational functions with immediate consequences for the customer relations, revenue, etc. This threat is addressed by a vigilant oversight on our part.

Environmental situation

Embedded in DonkeyRepublic's DNA is a commitment to addressing mobility challenges in partnership with cities. Long-term contracts facilitate collaborative efforts with cities, enabling joint investments in sustainable solutions. The inclusion of city subsidies enhances service accessibility, allowing for the implementation of long-term mobility solutions with expanded operational coverage and increased usage. Examples include our regional projects in Antwerp and Kiel, where city subsidies contribute to maintaining affordable end-user prices, ensuring profitability in specific scenarios and enhancing overall mobility in the serviced areas. Moreover, these contracts are expected to enhance the company's ability to attract competitive growth capital, thereby securing the necessary working capital for sustained expansion.

Observing a growing trend, cities are increasingly inclined to invest in bike-sharing systems. We have in recent years seen a shift in city preferences, with a notable emphasis on selecting partners and regulating providers and/or vehicle types within cities' jurisdictions. DonkeyRepublic's strategic focus on long-term contracts positions the company to meet the rising demand and navigate evolving market dynamics, solidifying its role as a preferred partner for cities investing in sustainable mobility solutions.

Future expectations

Guidance 2024

Revenue: DKK 150M-170M

EBITDA: DKK (2)M-5M

Revenue

Management sees that the company is well positioned in the market to attract and win further long term contracts to realise the growth rates. For 2024 especially the Belgian and German markets have a strong pipeline. This is why the company sees it realistic to win contracts for between 2000- 4000 bikes in 2024 to be deployed the following year. It is however also stated by the company that the tender outcomes are very binary.

EBITDA

With the existing operational setup the company is able to translate large parts of the revenue gains to improved profitability. Stable existing operations and smooth ramp up of new operations are the main drivers behind that while doing selected investments to better enable the growth of the company.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2023 DKK	2022 DKK
NET REVENUE		147.537.268	121.390.774
Own work, recognised under assets.....		5.417.791	5.832.644
Other operating income.....	1, 2	-307.744	288.051
Cost of sales.....		-96.689.267	-106.092.542
Other external expenses.....		-20.056.678	-25.001.006
GROSS PROFIT/LOSS		35.901.370	-3.582.079
Staff costs.....	3	-45.620.360	-33.091.252
Depreciation, amortisation and impairment losses.....	4	-1.606.705	-2.566.683
OPERATING LOSS		-11.325.695	-39.240.014
Other financial income.....	5	681.706	3.463.488
Other financial expenses.....	6	-5.493.272	-6.776.930
LOSS BEFORE TAX		-16.137.261	-42.553.456
Tax on loss for the year.....	7	0	1.604.781
LOSS FOR THE YEAR	8	-16.137.261	-40.948.675

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2023 DKK	2022 DKK
Development projects completed.....		130.655	274.226
Intangible assets.....	9	130.655	274.226
Other plant, machinery tools and equipment.....		5.126.852	1.927.194
Leasehold improvements.....		17.388	39.270
Property, plant and equipment.....	10	5.144.240	1.966.464
Investments in subsidiaries.....		757.315	757.315
Rent deposit and other receivables.....		1.640.095	1.292.523
Financial non-current assets.....	11	2.397.410	2.049.838
NON-CURRENT ASSETS.....		7.672.305	4.290.528
Finished goods and goods for resale.....		28.053.103	18.691.485
Prepayments.....		2.159.452	24.554.674
Inventories.....	12	30.212.555	43.246.159
Trade receivables.....		8.098.117	10.563.695
Receivables from group enterprises.....		818.109	14.064.047
Other receivables.....		4.752.815	0
Corporation tax receivable.....		0	1.452.309
Joint tax contribution receivable.....		0	152.472
Prepayments.....	13	1.478.327	1.666.983
Receivables.....		15.147.368	27.899.506
Cash and cash equivalents.....		16.601.435	10.698.299
CURRENT ASSETS.....		61.961.358	81.843.964
ASSETS.....		69.633.663	86.134.492

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2023 DKK	2022 DKK
Share Capital.....		50.000	50.000
Reserve for development costs.....		101.701	213.896
Retained earnings.....		3.213.162	19.238.228
EQUITY.....		3.364.863	19.502.124
Other provisions.....	14	2.460.653	3.612.639
PROVISIONS.....		2.460.653	3.612.639
Debt to other credit institution.....		20.940.400	13.530.000
Non-current liabilities.....	15	20.940.400	13.530.000
Current portion of debt.....		5.145.212	7.957.861
Trade payables.....		3.235.755	11.063.348
Debt to Group companies.....		16.419.203	5.766.771
Other liabilities.....		3.554.170	13.513.675
Deferred income.....	16	14.513.407	11.188.074
Current liabilities.....		42.867.747	49.489.729
LIABILITIES.....		63.808.147	63.019.729
EQUITY AND LIABILITIES.....		69.633.663	86.134.492
 Contingencies etc.	17		
Charges and securities	18		
Related parties	19		
Other matters	20		
Consolidated Financial Statements	21		

EQUITY

DKK	Share Capital	Reserve for development costs	Retained earnings	Total
Equity at 1 January 2023.....	50.000	213.896	19.238.228	19.502.124
Proposed profit allocation, see note 8.....			-16.137.261	-16.137.261
Transfers				
Depreciations.....		-143.840	143.840	0
Tax on changes in equity.....		31.645	-31.645	0
Equity at 31 December 2023.....	50.000	101.701	3.213.162	3.364.863

NOTES

			Note
Other operating income			1
Other operating income is income related to received grants for projects to expand bike-sharing services in Finland in collaboration with a partner. Also included here is the repayment of Covid support funds the company received in 2020 to cover some parts of its fixed cost.			
Special items			2
Other operating income includes the repayment of funds received as part of Covid support programs by the Danish government in 2020, worth negative DKK 1.010 ('000).			
	2023 DKK	2022 DKK	
Repayment of compensation for fixed costs (Covid support).....	-1.010.280	0	
	-1.010.280	0	
Staff costs			3
Average number of full time employees	79	65	
Wages and salaries.....	43.286.789	31.437.891	
Pensions.....	1.018.868	593.016	
Social security costs.....	611.586	493.250	
Other staff costs.....	703.117	567.095	
	45.620.360	33.091.252	
Remuneration of Management and Board of Directors.....	0	0	
Depreciation, amortisation and impairment losses			4
Development projects completed.....	143.840	144.262	
Leasehold improvements.....	21.882	26.463	
Other plants, tools and equipment.....	1.440.983	318.908	
Realisation losses.....	0	2.077.050	
	1.606.705	2.566.683	
Other financial income			5
Group enterprises.....	350.107	0	
Exchange rate adjustments.....	331.599	3.463.488	
	681.706	3.463.488	
Other financial expenses			6
Group enterprises.....	225.723	1.463.204	
Exchange rate adjustments.....	811.741	2.033.657	
Other interest expenses.....	4.455.808	3.280.069	
	5.493.272	6.776.930	

NOTES

	2023 DKK	2022 DKK	Note
Tax on loss for the year			7
Calculated tax on taxable income of the year.....	0	-1.604.781	
	0	-1.604.781	
Proposed distribution of profit			8
Retained earnings.....	-16.137.261	-40.948.675	
	-16.137.261	-40.948.675	
Intangible assets			9
		Development projects completed	
Cost at 1 January 2023.....		716.245	
Disposals.....		-7.600	
Cost at 31 December 2023.....		708.645	
Amortisation at 1 January 2023.....		441.750	
Reversal of amortisation of assets disposed of		-7.600	
Amortisation for the year.....		143.840	
Amortisation at 31 December 2023.....		577.990	
Carrying amount at 31 December 2023.....		130.655	
The entity's development projects relate to development of a new and improved DonkeyRepublic Bike design, which is expected to increase reliability and decrease maintenance cost of bikes as well as a number of other improvements.			
Property, plant and equipment			10
	Other plant, machinery tools and equipment	Leasehold improvements	
Cost at 1 January 2023.....	5.065.581	92.656	
Transferred.....	1.514.622	0	
Additions.....	4.640.912	0	
Disposals.....	-2.304.021	-27.011	
Cost at 31 December 2023.....	8.917.094	65.645	
Depreciation and impairment losses at 1 January 2023.....	3.138.387	53.386	
Transferred.....	1.514.893	0	
Reversal of depreciation of assets disposed of.....	-2.304.021	-27.011	
Depreciation for the year.....	1.440.983	21.882	
Depreciation and impairment losses at 31 December 2023....	3.790.242	48.257	
Carrying amount at 31 December 2023.....	5.126.852	17.388	

NOTES

			Note
Financial non-current assets			11
	Investments in subsidiaries	Rent deposit and other receivables	
Cost at 1 January 2023.....	757.315	1.292.523	
Additions.....	0	347.572	
Cost at 31 December 2023.....	757.315	1.640.095	
Carrying amount at 31 December 2023.....	757.315	1.640.095	

Investments in subsidiaries

Name and domicil	Ownership
Smart Cycles SLA, Barcelona.....	100 %
DonkeyRepublic NL BV, Utrecht.....	100 %
DonkeyRepublic Deutschland GmbH, Berlin.....	100 %
DonkeyRepublic Hungary, Budapest.....	100 %
SAS DonkeyRepublic France, Paris.....	100 %
Donkey Republic Belgium BV, Antwerp.....	100 %

	2023 DKK	2022 DKK	
Inventories			12
Finished goods and goods for resale.....	28.053.103	18.691.485	
Prepayments.....	2.159.452	24.554.674	
	30.212.555	43.246.159	

Prepayments for inventory amounts to DKK ('000) 4.237 for 2023, and consists of prepayments made to a number of the Group's suppliers of components and bikes. At 31 December 2023 an updated assessment has been made and management has no indications of impairment or uncertainty related to the value of the prepayments. The bikes and components are expected to be delivered throughout the year of 2024. DonkeyRepublic has a number of internal process and controls to mitigate the risk of impairment including detailed supplier verification test, factory visits and regular status meetings. However, future impact of suppliers being challenged by the current economic uncertainties in supply chain and inflation etc. could entail uncertainties in delivery time etc. Management has very high focus on this and if any potential risk arise management will ensure to mitigate and take action if needed.

Prepayments

Prepayments relate to costs incurred relating to the subsequent financial year.

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NOTES

	2023 DKK	2022 DKK	Note
Other provisions			14
0-1 year.....	745.290	3.612.639	
1 - 5 years.....	1.715.363	0	
	2.460.653	3.612.639	

In 2023, the Company made a provision of DKK 2,5M in regards to refurbishment of its fleet for the coming years.

	31/12 2023 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2022 total liabilities	15
Debt to other credit institution.....	26.085.612	5.145.212	0	21.487.861	
	26.085.612	5.145.212	0	21.487.861	

Deferred income	16
Deferred income relate to payments received regarding income in subsequent years.	

Contingencies etc.	17
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Contingent assets

The company has a tax loss carryforward, which is not recognized in the balance sheet, as it is not assessed that it can be utilized within a period of 3-5 years. The value of the tax loss amounts to DKK ('000) 21.495 on 31 December 2023.

Contingent liabilities

The Company has entered into rent obligations, which at the balance sheet date amount to DKK ('000) 1.912 in the notice period, which expires on 31 March 2027.

The company has entered into leasing agreements with a remaining term of up to 48 months. The leasing contracts have a total residual leasing obligation of DKK ('000) 2.908.

Joint liabilities

The Company is jointly and severally liable together with the Parent Company and the other group companies in the joint taxable group for tax on the group's joint taxable income and for certain possible withholding taxes, such as dividend tax, etc.

Tax payable on the Group's joint taxable income is stated in the annual report of DonkeyRepublic Holding A/S, which serves as management Company for the joint taxation.

NOTES

Note

Charges and securities

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A floating charge of nominally DKK ('000) 37.350 has been provided to Vækstfonden and a floating charge of nominally DKK ('000) 53.200 has been provided to DGIF. The floating charges provides collateral in intangible assets, property, plant and equipment, inventories and trade receivables across DonkeyRepublic Admin ApS, DonkeyRepublic Bike ApS and DonkeyRepublic Holding A/S. The book value of assets charged as collateral amounts to DKK ('000) 43.586 in DonkeyRepublic Admin ApS. The assets are charged as collateral against loans from Vækstfonden across the three Companies.

Lastly, a negative pledge have been made in favor of Vækstfonden, which ensures that no other debtor can post a colleteral in the entity's assets.

Related parties

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DonkeyRepublic Admin ApS' related parties include:

Controlling interest

DonkeyRepublic Holding A/S, Skelbækgade 4, 4. th., 1717 Copenhagen V., is the principal shareholder.

Transactions with related parties

The Company did not carry out any material transactions that were not concluded on market conditions. According to section 98c, subsection 7 of the Danish Financial Statements Act information is given only on transactions that were not performed on common market conditions.

Other matters

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The Company's sole owner, DonkeyRepublic Holding A/S, has issued a letter of support, whereby it confirms that it has undertaken the obligation to provide the necessary cash and capital, to ensure that the Company will be able to continue operating.

Consolidated Financial Statements

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The Company is included in the consolidated financial statements of the ultimate parent, DonkeyRepublic Holding A/S, Skelbækgade 4, 4. th., 1717 Copenhagen V.

ACCOUNTING POLICIES

The Annual Report of DonkeyRepublic Admin ApS for 2023 has been presented in accordance with the provisions of the Financial Statements Act for Danish medium-size enterprises in reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year, except for the following changes.

Change in accounting policies and classification

The accounting policies have been changed in the following areas i.a. as a consequence of the Company's changeover from reporting class B to reporting class C.

- Measurement of the Company's indirect production costs for inventories
- In line with the change in the Danish Financial Statements Act, salary capitalized as part of the intangible assets is now shown as Own work, recognised under assets.
- The portion of the fee paid to long-term contractors that is not capitalized is now reported under Staff cost (was Other external expenses in the past) as the company treats these contractors as employees. This change also impacts the number of employees.

In accordance with the provisions of the Danish Financial Statements Act, comparative figures relating to the changes in policies are not adjusted for the period 2019 - 2022.

Except for the above areas, the accounting policies are consistent with the policies applied last year.

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

Consolidated Financial Statements have not been prepared because the group fulfils the exemption provisions of section 112 of the Danish Financial Statements Act on sub-groups. The Company is included in the consolidated Financial Statements of DonkeyRepublic Holding A/S, Skelbækgade 4, 4. th., 1717 Copenhagen V.

INCOME STATEMENT

Net revenue

Revenue from the sale of manufactured goods and goods for resale, and lease of rental bikes is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

ACCOUNTING POLICIES

Cost of sales

Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

Other operating income

Other operating income includes items of a secondary nature in relation to the enterprises' principal activities, including profit from sale of intangible and tangible assets, operating loss and conflict compensations, as well as salary refunds. Compensations are recognised when the income is estimated to be realisable.

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 wages and salaries, including holiday pay and pensions, and other costs of social security etc., for the Company's employees.

Income from investments in subsidiaries

Dividend from subsidiaries is recognised in the financial year in which the dividend is declared. In connection with transfers, potential profits are recognised when the economic rights related to the sold equity interests are transferred, however, at the earliest when the profit has been realised or is regarded as realisable. Moreover, realised losses other than impairments are included where identified.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from securities, debt and transactions in foreign currencies, as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised by the amounts that relate to the financial year. Interest income and expenses are calculated on amortised cost prices.

Tax on profit/loss for the year

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the Income Statement by the share that may be attributed to the profit for the year, and is recognised directly in equity by the share that may be attributed to entries directly to equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

BALANCE SHEET

Intangible fixed assets

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

ACCOUNTING POLICIES

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

Development projects comprise costs, including wages and salaries, and amortisation, which directly or indirectly can be related to the Company's development activities and which fulfil the criteria for recognition in the Balance Sheet.

The accounting item is measured at the lower of the capitalised costs less accumulated amortisation and recoverable amount.

Capitalised development costs are amortised on a straight-line basis over the estimated useful life after completion of the development work, which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 5 years.

Intangible fixed assets are generally written down to the recoverable amount if this is lower than the carrying amount.

Tangible fixed assets

Plant, machinery and equipment are measured at cost less accumulated depreciation and impairment losses.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

The depreciation base is cost less estimated residual value after end of useful life. Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	Residual value
Other plant, machinery tools and equipment.....	5 years	0 %
Leasehold improvements.....	5 years	0 %

Profit or loss on sale of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the date of sale. Profit or loss is recognised in the Income Statement as other operating income or other operating expenses.

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.

Financial non-current assets

Investments in subsidiaries are measured at cost. If the cost exceeds the net realisable value, this is written down to the lower value.

Deposits include rental deposits which are recognised and measured at cost. Deposits are not depreciated.

ACCOUNTING POLICIES

Financial fixed asset investments also include other equity shares, that are not expected to be disposed of. These shares are measured at cost because the equity interests are unlisted.

Other receivables are measured at amortised cost which usually corresponds to the nominal amount. The amount is written down to meet expected losses.

Impairment of fixed assets

The carrying amount of intangible fixed and tangible assets together with fixed assets, which are not measured at fair value, are assessed annually for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the recoverable amount.

The recoverable amount is calculated at the higher of the capital value and the sales value less expected costs of a sale. The capital value is determined as the Company's share in the current value of the net cash flows which the subsidiary is expected to generate through its activities and from sale of assets after the end of their useful lives. A discount rate is used which reflects the risk-free market rate and the owners' minimum return on interest requirements for similar assets. The growth rate in the terminal period is determined in accordance with the standards within the industry.

Inventories

Inventories include spare parts used to maintain the bikes. Inventories are measured at cost using the FIFO-principle. If the net realisable amount is lower than cost, the inventories are written down to the lower amount.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct payroll cost and other direct and other indirect production costs include indirect materials and payroll and maintenance and depreciation of the machines, factory buildings and equipment used in the production process, the cost of factory administration and management and capitalised development costs relating to the products.

The net realisable value of inventories is stated at the expected sales price less direct completion costs and costs incurred to execute the sale and is determined with due regard to marketability, obsolescence and development in expected sales price of the inventories.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

Accruals, assets

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Other provisions for liabilities

Warranty commitments include liabilities for improvement of work within the warranty period of 1 to 5 years. The provision for liabilities is measured and recognised on the basis of experience with warranty work.

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the Balance Sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

ACCOUNTING POLICIES

The Company is subject to joint taxation with Danish Group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the tax-on-account scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the amount at which the asset is expected to be used within a reasonable number of years, either by setoff against tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the Balance Sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less transaction costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the loan period.

The amortised cost of current liabilities corresponds usually to the nominal value.

Deferred income

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

Foreign currency translation

Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the Income Statement as a financial income or expense.

Receivables, payables and other monetary items in foreign currencies that are not settled on the Balance Sheet date are translated at the exchange rate on the Balance Sheet date. The difference between the exchange rate on the Balance Sheet date and the exchange rate at the date when the receivables or payables come into existence recognised in the Income Statement as financial income or expenses.

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

CASH FLOW STATEMENT

With reference to Section 86(4) of the Danish Financial Statements Act, the Company has not prepared a cash flow statement. A cash flow statement has been prepared for the Group.