



DonkeyRepublic Bike ApS

Christian IX's Gade 7, 5.
1111 København K
CVR No. 39537001

Annual report 2020

The Annual General Meeting adopted the
annual report on 15.04.2021

Christian Dufft

Chairman of the General Meeting

Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2020	8
Balance sheet at 31.12.2020	9
Statement of changes in equity for 2020	11
Notes	12
Accounting policies	14

Entity details

Entity

DonkeyRepublic Bike ApS

Christian IX's Gade 7, 5.

1111 København K

CVR No.: 39537001

Registered office: København

Financial year: 01.01.2020 - 31.12.2020

Board of Directors

Caroline Søeborg Ahlefeldt-Laurvig-Bille, Chairman

Sascha Hausmann

Jens Kramer Mikkelsen

Henrik Starup

Jesper Lilledal Holmgaard

Karl Erik Wenngren

Executive Board

Erdem Ovacik, CEO

Christian Dufft

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of DonkeyRepublic Bike ApS for the financial year 01.01.2020 - 31.12.2020.

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 Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020.

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.

Copenhagen, 30.03.2021

Executive Board

Erdem Ovacik
CEO

Christian Dufft

Board of Directors

Caroline Søeborg Ahlefeldt-Laurvig-Bille
Chairman

Sascha Hausmann

Jens Kramer Mikkelsen

Henrik Starup

Jesper Lilledal Holmgaard

Karl Erik Wenngren

Independent auditor's report

To the shareholders of DonkeyRepublic Bike ApS

Opinion

We have audited the financial statements of DonkeyRepublic Bike ApS for the financial year 01.01.2020 - 31.12.2020, which comprise the income statement, balance sheet, statement of changes in equity and notes, including 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 Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020 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 financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 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 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 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 financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 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 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 the management commentary

Management is responsible for the management commentary.

Our opinion on the 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 financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the 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 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.

Copenhagen, 30.03.2021

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Mads Juul Hansen

State Authorised Public Accountant

Identification No (MNE) mne44386

Management commentary

Primary activities

The entity's primary activities consist of owning bikes which can be rented by end users through the DonkeyRepublic App and software. The App is operated by the Group.

Description of material changes in activities and finances

For a more detailed overview of the operational highlights, please see the Group commentary in the Annual Report of the Donkey Republic Holding Aps.

The income statement shows a profit after tax amounting to DKK 0,2 million and the balance sheet shows equity of DKK 13,4 million with a total asset sum of DKK 26,6 million. The result is considered satisfactory.

The Company's sole owner, DonkeyRepublic Holding ApS, 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.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2020

	Notes	2020 DKK	2019 DKK
Revenue		10,215,782	19,929,609
Cost of sales		0	(14,589,539)
Other external expenses		(112,902)	(96,310)
Gross profit/loss		10,102,880	5,243,760
Depreciation, amortisation and impairment losses	1	(8,584,751)	(7,330,501)
Operating profit/loss		1,518,129	(2,086,741)
Other financial income	2	411,110	362,712
Other financial expenses	3	(1,359,671)	(1,257,359)
Profit/loss before tax		569,568	(2,981,388)
Tax on profit/loss for the year	4	(352,628)	(200,077)
Profit/loss for the year		216,940	(3,181,465)
Proposed distribution of profit and loss:			
Retained earnings		216,940	(3,181,465)
Proposed distribution of profit and loss		216,940	(3,181,465)

Balance sheet at 31.12.2020

Assets

	Notes	2020 DKK	2019 DKK
Other fixtures and fittings, tools and equipment		17,861,331	25,599,178
Property, plant and equipment	5	17,861,331	25,599,178
Fixed assets		17,861,331	25,599,178
Receivables from group enterprises		7,689,304	7,156,811
Deferred tax		0	429,000
Other receivables		0	363,369
Income tax receivable		76,372	222,923
Receivables		7,765,676	8,172,103
Cash		974,120	842,578
Current assets		8,739,796	9,014,681
Assets		26,601,127	34,613,859

Equity and liabilities

	Notes	2020 DKK	2019 DKK
Contributed capital		50,000	50,000
Retained earnings		13,380,674	13,163,734
Equity		13,430,674	13,213,734
Other payables		6,819,084	7,497,377
Non-current liabilities other than provisions	6	6,819,084	7,497,377
Current portion of non-current liabilities other than provisions	6	4,154,116	3,882,765
Trade payables		288,784	295,423
Payables to group enterprises		637,424	9,724,560
Other payables		1,271,045	0
Current liabilities other than provisions		6,351,369	13,902,748
Liabilities other than provisions		13,170,453	21,400,125
Equity and liabilities		26,601,127	34,613,859
Contingent liabilities	7		
Assets charged and collateral	8		

Statement of changes in equity for 2020

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	50,000	13,163,734	13,213,734
Profit/loss for the year	0	216,940	216,940
Equity end of year	50,000	13,380,674	13,430,674

Notes

1 Depreciation, amortisation and impairment losses

	2020 DKK	2019 DKK
Depreciation of property, plant and equipment	8,610,747	6,726,304
Impairment losses on property, plant and equipment	(25,996)	552,436
Profit/loss from sale of intangible assets and property, plant and equipment	0	51,761
	8,584,751	7,330,501

2 Other financial income

	2020 DKK	2019 DKK
Financial income from group enterprises	411,110	362,701
Exchange rate adjustments	0	11
	411,110	362,712

3 Other financial expenses

	2020 DKK	2019 DKK
Financial expenses from group enterprises	326,036	257,302
Other interest expenses	1,031,960	997,569
Exchange rate adjustments	1,675	2,488
	1,359,671	1,257,359

4 Tax on profit/loss for the year

	2020 DKK	2019 DKK
Current tax	(76,372)	(222,923)
Change in deferred tax	429,000	423,000
	352,628	200,077

5 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	36,351,866
Additions	846,904
Cost end of year	37,198,770
Depreciation and impairment losses beginning of year	(10,752,688)
Reversal of impairment losses	25,996
Depreciation for the year	(8,610,747)
Depreciation and impairment losses end of year	(19,337,439)
Carrying amount end of year	17,861,331

6 Non-current liabilities other than provisions

	Due within 12 months 2020 DKK	Due within 12 months 2019 DKK	Due after more than 12 months 2020 DKK
Other payables	4,154,116	3,882,765	6,819,084
	4,154,116	3,882,765	6,819,084

The company has no long-term liabilities that are due after more than 5 years.

7 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where DonkeyRepublic Holding ApS serves as the administration company. 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. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

8 Assets charged and collateral

A floating charge of nominally DKK 12.750k has been provided to Vækstfonden. The floating charge provides collateral in intangible assets, property, plant and equipment, inventories and trade receivables across DonkeyRepublic Admin ApS, DonkeyRepublic Bike ApS and DonkeyRepublic Holding ApS. The book value of assets charged as collateral amounts to DKK 17.861k in DonkeyRepublic Bike ApS. The assets are charged as collateral against loans from Vækstfonden across the three Companies.

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

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those 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.

Income statement

Revenue

Revenue from the lease of rental bikes are 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.

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.

Depreciation, amortisation and impairment losses

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

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, payables and transactions in foreign currencies as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies, 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**Property, plant and equipment**

Plant and machinery as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

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.

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:

Other fixtures and fittings, tools and equipment	3-5 years
--	-----------

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.

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 the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

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

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.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

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