

Swapfiets Denmark ApS

Nørregade 47
1165 København K
Denmark

CVR no. 39 58 48 67

Annual report 2019

The annual report was presented and approved at the
Company's annual general meeting on

23 June 2020

Dirk Pieter de Bruijn
chairman



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Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of Swapfiets Denmark ApS for the financial year 1 January – 31 December 2019.

The annual report, which has not been audited, 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 2019 and of the results of the Company's operations for the financial year 1 January – 31 December 2019.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 23 June 2020
Executive Board:



Dirk Pieter de Bruijn



Onno Michiel Huyghe

Management confirms that the Company fulfills the requirements to be exempt of audit.



Auditor's report on the compilation of financial statements

To the Management of Swapfiets Denmark ApS

We have compiled the financial statements of Swapfiets Denmark ApS for the financial year 1 January – 31 December 2019 based on the Company's bookkeeping records and other information provided by you. The financial statements comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies.

We performed our work in accordance with ISRS 4410 *Engagements to Compile Financial Statements*.

We have applied our professional expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with the independence and other ethical requirements of the IESBA Codes of Ethics, which is based on fundamental principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion as to whether these financial statements are prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 23 June 2020

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Martin Eiler
State Authorised
Public Accountant
mne32271

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Company details

Swapfiets Denmark ApS
Nørregade 47
1165 København K
Denmark

Website: www.swapfiets.dk

CVR no.: 39 58 48 67
Established: 16 May 2018
Registered office: Copenhagen
Financial year: 1 January – 31 December

Executive Board

Dirk Pieter de Bruijn
Onno Michiel Huyghe

Financial statements 1 January – 31 December

Income statement

EUR	Note	2019	16/5-31/12 2018
Gross profit		1,292,510	338,900
Staff costs	2	-1,268,706	-333,051
Depreciation, amortisation and impairment losses		<u>-17,367</u>	<u>-2,087</u>
Operating profit		6,437	3,762
Financial expenses		-6,437	-3,762
Tax on profit/loss for the year		<u>0</u>	<u>0</u>
Profit for the year		<u>0</u>	<u>0</u>
Proposed profit appropriation			
Retained earnings		<u>0</u>	<u>0</u>
		<u>0</u>	<u>0</u>

Financial statements 1 January – 31 December

Balance sheet

EUR	Note	2019	2018
ASSETS			
Fixed assets			
Property, plant and equipment	3		
Fixtures and fittings, tools and equipment		<u>173,941</u>	<u>48,056</u>
Investments			
Deposits		<u>77,701</u>	<u>86,584</u>
Total fixed assets		<u>251,642</u>	<u>134,640</u>
Current assets			
Receivables			
Trade receivables		32,827	533,009
Other receivables		12,110	25,423
Contributed capital receivable		50,000	50,000
Prepayments		<u>20,562</u>	<u>0</u>
		<u>115,499</u>	<u>608,432</u>
Cash at bank and in hand		<u>169,619</u>	<u>10,396</u>
Total current assets		<u>285,118</u>	<u>618,828</u>
TOTAL ASSETS		<u><u>536,760</u></u>	<u><u>753,468</u></u>

Financial statements 1 January – 31 December

Balance sheet

EUR	Note	2019	2018
EQUITY AND LIABILITIES			
Equity			
Contributed capital		50,000	50,000
Unpaid contributed capital		50,000	50,000
Reserves in accordance with the Articles		-50,000	-50,000
Total equity		50,000	50,000
Liabilities			
Current liabilities			
Trade payables		20,372	25,428
Payables to group entities		180,424	634,559
Other payables		285,964	43,481
		486,760	703,468
Total liabilities		486,760	703,468
TOTAL EQUITY AND LIABILITIES		536,760	753,468
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Financial statements 1 January – 31 December

Statement of changes in equity

EUR	Contributed capital	Unpaid contributed capital	Reserves in accordance with the Articles	Total
Equity at 1 January 2019	50,000	50,000	-50,000	50,000
Transferred over the profit appropriation	0	0	0	0
Equity at 31 December 2019	50,000	50,000	-50,000	50,000

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Swapfiets Denmark ApS for 2019 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

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

Income statement

Gross Profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit comprising revenue, cost of sales and other external costs.

Revenue

Revenue from rental income is recognised when the income can be reliably measured and is expected to be received. Revenue is measured ex. VAT and taxes charged on behalf of third parties.

Cost of sales

Cost of sales comprises costs incurred to generate revenue for the year.

Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, operating leases, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit/loss for the year

Tax for the year comprises current tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Property, plant and equipment

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Fixtures and fittings, tools and equipment	3-5 years
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The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Impairment of fixed assets

The carrying amount of property, plant and equipment is subject to an annual impairment test.

When there is an indication that assets may be impaired, an impairment test of each individual asset and group of assets is made. Write-down to the recoverable amount is made, if this amount is lower than the carrying amount.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Investments

Deposits are measured at cost.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses based on an individual assessment of receivables.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Cash at bank and in hand

Cash at bank and in hand comprise cash.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Liabilities

Liabilities other than provision are measured at net realisable value.

Financial statements 1 January – 31 December

Notes

2 Staff costs

EUR	2019	16/5-31/12 2018
Wages and salaries	1,180,424	325,328
Pensions	60,043	7,718
Other social security costs	28,239	5
	<u>1,268,706</u>	<u>333,051</u>
Average number of full-time employees	<u>13</u>	<u>14</u>

3 Property, plant and equipment

EUR	Fixtures and fittings, tools and equipment
Cost at 1 January 2019	50,143
Additions for the year	<u>143,252</u>
Cost at 31 December 2019	<u>193,395</u>
Depreciation and impairment losses at 1 January 2019	-2,087
Depreciation for the year	<u>-17,367</u>
Depreciation at 31 December 2019	<u>-19,454</u>
Carrying amount at 31 December 2019	<u>173,941</u>

4 Contractual obligations, contingencies, etc.

Rent and operating lease obligations

The Company has entered into rent obligations and operating leases with a remaining term of 29-56 months.

Remaining rent and operating lease obligations at the balance sheet date fall due at DKK 4,012 thousand within 1-5 years.

5 Related party disclosures

Swapfiets Denmark ApS' related parties comprise the following:

Control

Swapfiets Denmark ApS is part of the consolidated financial statements of SwapThis Holding BV, Amsteldijk 216, 1079LK Amsterdam, Holland which is the smallest and largest group, respectively, in which the Company is included as a subsidiary.

Financial statements 1 January – 31 December

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6 Disclosure of events after the balance sheet date

COVID-19 has impacted our organization. As we are stationed in 4 different countries, we were impacted by the measures taken by the local government. Swapfiets complied with all the rules and restrictions set by local governments.

All measures started in the second week of March. During the last two weeks of March and the beginning of April we have experienced an increased number of members cancelling their subscriptions. The number of new members showed a decline as well. Overall, we have experienced a minor decline in members (-220 members/ -1.1%) on a monthly basis. Since April we have seen our growth increasing week by week.

During the period of lock down we have been able to service our members. Stores have been closed, but we have reached out to our members using our Swapcars. Customer interactions have been taking place with respect to all Covid-19 measures and restrictions.

At this moment we see an increase in delta growth. Biking is promoted by local governments, and consumers are looking for alternatives to public transport. Swapfiets can play a key role in this movement.

Because of the temporary and limited effect of COVID-19 we have not experienced cashflow challenges and faced no problems paying our employees and creditors.

We received compensation of the Danish government for the costs of employees during lockdown.

COVID-19 provides opportunities to expand to new countries as governments across Europe are investing in biking infrastructure heavily and consumers are looking for alternatives to public transport.

7 Principal activities

The Company's main activities is rental and leasing of goods for leisure and sports, as well as rent of bicycles and mobility subscriptions offers and hereto related activities.