

Stella Bikes ApS

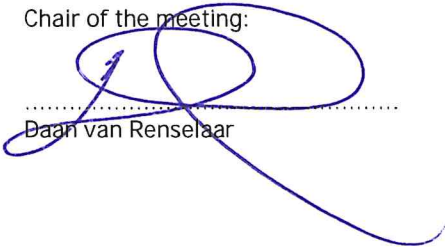
c/o Regus
Automatikvej 1, 3., 2860 Søborg

CVR no. 40 46 41 66

Annual report 2021

Approved at the Company's annual general meeting on 2 May 2022

Chair of the meeting:



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Daan van Renselaar

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Statement by the Board of Directors and the Executive Board

Today, the Executive Board has discussed and approved the annual report of Stella Bikes ApS for the financial year 1 January - 31 December 2021.

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

The annual report, which has not been audited, has been prepared in accordance with the provisions of the Danish Financial Statements Act. The Executive Board has considered the criteria for omission of audit to be met.

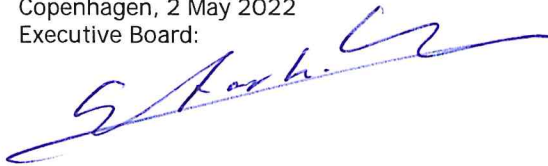
In my opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021.

Further, in my opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

It is proposed to the annual general meeting that the financial statements for 2022 should not be audited.

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

Copenhagen, 2 May 2022
Executive Board:



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Mark Stork
CEO

The general meeting has decided that the financial statements for the coming financial year will not be audited.

Management's review

Company details

Name	Stella Bikes ApS
Address, Postal code, City	c/o Regus Automatikvej 1, 3., 2860 Søborg
CVR no.	40 46 41 66
Established	15 April 2019
Registered office	Copenhagen
Financial year	1 January - 31 December
Executive Board	Mark Stork, CEO

Management's review

Business review

The company's purpose is wholesale and retail trade in electric bicycles as well as imports and trade in various bicycle equipment.

Unusual matters having affected the financial statements

The financial position at 31 December 2021 of the Company and the results of the activities of the Company for the financial year for 2021 have resulted in loss of the share capital. This is mainly due to a delay in the start-up of the operating business in Denmark, which has been further delayed in 2022 due to COVID-19 and uncertainty due to supply chain issues and the situation in Central and Eastern Europe. It is the management's expectations that the equity will be re-established when the Company commences its sales in Denmark.

Going concern

Stella Fietsen Holding B.V. has issued a letter of comfort inter alia stating that it is in the interest of the parent company to ensure that the company meets its financial obligations at all times and that it is the policy of the parent company to provide the company with such support and assistance as may be required to ensure that it maintains capital and liquidity levels to enable it at all times to meet its obligations in conformity with standards of prudence generally accepted for its field of business. This letter of comfort is valid until date of the general meeting in the company where the annual report for the year ending 31 December 2021 is approved, however, in no event later than 31 May 2022. Based on this, it is the Management's assessment that the Company can continue as going concern.

Financial review

The income statement for 2021 shows a loss of EUR 22,238 against a loss of EUR 7,781 last year, and the balance sheet at 31 December 2021 shows a negative equity of EUR 156,132.

Management considers the Company's financial performance in the year satisfactory taking into account the COVID 19 situation, and the delay in the start-up of business in Denmark.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Financial statements 1 January - 31 December

Income statement

Note	EUR	2021	2020
	Gross loss	-19,110	-1,796
	Financial expenses	-3,128	-5,985
	Profit/loss before tax	-22,238	-7,781
	Tax for the year	0	0
	Profit/loss for the year	<u>-22,238</u>	<u>-7,781</u>
	Recommended appropriation of profit/loss		
	Retained earnings/accumulated loss	<u>-22,238</u>	<u>-7,781</u>
		<u>-22,238</u>	<u>-7,781</u>

Financial statements 1 January - 31 December

Balance sheet

Note	EUR	<u>2021</u>	<u>2020</u>
	ASSETS		
	Non-fixed assets		
	Receivables		
	Other receivables	<u>1,200</u>	<u>325</u>
		<u>1,200</u>	<u>325</u>
	Cash	<u>5,593</u>	<u>577</u>
	Total non-fixed assets	<u>6,793</u>	<u>902</u>
	TOTAL ASSETS	<u>6,793</u>	<u>902</u>

Financial statements 1 January - 31 December

Balance sheet

Note	EUR	<u>2021</u>	<u>2020</u>
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	5,359	5,359
	Revaluation reserve	-299	26
	Retained earnings	<u>-161,192</u>	<u>-138,954</u>
	Total equity	<u>-156,132</u>	<u>-133,569</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Trade payables	727	0
	Payables to group enterprises	<u>162,198</u>	<u>134,471</u>
		<u>162,925</u>	<u>134,471</u>
	Total liabilities other than provisions	<u>162,925</u>	<u>134,471</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>6,793</u></u>	<u><u>902</u></u>

- 1 Accounting policies
- 2 Going concern uncertainties
- 3 Staff costs
- 4 Contractual obligations and contingencies, etc.
- 5 Contingent assets
- 6 Collateral
- 7 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

EUR	Share capital	Revaluation reserve	Retained earnings	Total
Equity at 1 January 2020	5,359	-4	-131,173	-125,818
Transfer through appropriation of loss	0	0	-7,781	-7,781
Revaluation of share capital through foreign exchange adjustments	0	30	0	30
Equity at 1 January 2021	5,359	26	-138,954	-133,569
Transfer through appropriation of loss	0	0	-22,238	-22,238
Revaluation of share capital through foreign exchange adjustments	0	-325	0	-325
Equity at 31 December 2021	5,359	-299	-161,192	-156,132

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Stella Bikes ApS for 2021 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

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

Reporting currency

The financial statements are presented in euros (EUR), as the Company's most significant transactions are settled in EUR.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate 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 and payables and other monetary items denominated in foreign currencies are translated at the exchange rate 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 most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

The Company has chosen IAS 11 as interpretation for revenue recognition.

Income from the sale of goods for resale and finished goods is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Gross loss

The items revenue and external expenses have been aggregated into one item in the income statement called gross loss in accordance with section 32 of the Danish Financial Statements Act.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to administration etc.

Financial expenses

Financial expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Balance sheet

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Cash

Cash comprise of cash.

Income taxes and deferred taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; 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. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Financial statements 1 January - 31 December

Notes to the financial statements

2 Going concern uncertainties

The financial position at 31 December 2021 of the Company and the results of the activities of the Company for the financial year for 2021 have resulted in loss of the share capital. This mainly due to a delay in the start-up of the operating business in Denmark, which has been further delayed in 2020 and 2021 due to COVID-19. It is the management's expectations that the equity will be reestablished when the Company commences its sales in Denmark.

Stella Fietsen Holding B.V. has issued a letter of comfort inter alia stating that it is in the interest of the parent company to ensure that the company meets its financial obligations at all times and that it is the policy of the parent company to provide the company with such support and assistance as may be required to ensure that it maintains capital and liquidity levels to enable it at all times to meet its obligations in conformity with standards of prudence generally accepted for its field of business. This letter of comfort is valid until date of the general meeting in the company where the annual report for the year ending 31 December 2021 is approved, however, in no event later than 31 May 2022. Based on this, it is the Management's assessment that the Company can continue as going concern.

3 Staff costs

The Company has no employees.

4 Contractual obligations and contingencies, etc.

Other contingent liabilities

The Company has no contingent liabilities or contingencies.

5 Contingent assets

The company has tax loss carry-forwards totaling EUR 161 thousand. The nominal value thereof is 22%, totaling EUR 35 thousand. EUR 0 of the amount has been recognised in the balance sheet under deferred tax asset. The EUR 35 thousand relates to tax losses, and has not been recognised in the balance sheet due to the uncertainty of utilization

6 Collateral

The Company has not provided any security or other collateral in assets at 31 December 2021.

7 Related parties

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Stella Fietsen Holding B.V.	Oosteinderweg 90, 8072PD Nunspeet, Holland	Consolidated financial statement can be requisitioned on Oosteinderweg 90, 8072PD Nunspeet, Holland