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# *Velove Denmark ApS*

Vermlandsgade 66, DK-2300 København S

## Annual Report for 2022

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CVR No. 42 03 19 84

The Annual Report was  
presented and adopted  
at the Annual General  
Meeting of the  
company  
on 26/6 2023

Jonatan Schwamberg  
Chairman of the  
general meeting



# Contents

	<u>Page</u>
<b>Management's Statement and Auditor's Report</b>	
Management's Statement	1
Independent Practitioner's Extended Review Report	2
<b>Company information</b>	
Company information	4
<b>Financial Statements</b>	
Income Statement 1 January - 31 December	5
Balance sheet 31 December	6
Statement of changes in equity	8
Notes to the Financial Statements	9

# Management's statement

The Executive Board has today considered and adopted the Financial Statements of Velove Denmark ApS for the financial year 1 January - 31 December 2022.

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

In my opinion the Financial Statements give a true and fair view of the financial position at 31 December 2022 of the Company and of the results of the Company operations for 2022.

I recommend that the Financial Statements be adopted at the Annual General Meeting.

Copenhagen, 26 June 2023

**Executive Board**

Jonatan Schwamberg  
Executive Officer

# Independent Practitioner's Extended Review Report

To the shareholder of Velove Denmark ApS

## Conclusion

We have performed an extended review of the Financial Statements of Velove Denmark ApS for the financial year 1 January - 31 December 2022, which comprise 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.

Based on the work performed, in our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

## Basis for Conclusion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Practitioner's responsibilities for the extended review 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 (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

## Management's responsibility 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.

## Practitioner's responsibilities for the extended review of the Financial Statements

Our responsibility is to express a conclusion on the Financial Statements. This requires that we plan and perform procedures to obtain limited assurance in respect of our conclusion on the Financial Statements and, moreover, that we perform supplementary procedures specifically required to obtain additional assurance in respect of our conclusion.

An extended review consists of making inquiries, primarily of Management and others within the enterprise, as appropriate, and applying analytical procedures and the supplementary procedures specifically required as well as assessing the evidence obtained.

An extended review is less in scope than an audit and, consequently, we do not express an audit opinion on the Financial Statements.

# Independent Practitioner's Extended Review Report

Hellerup, 26 June 2023

**PricewaterhouseCoopers**  
Statsautoriseret Revisionspartnerselskab  
*CVR No 33 77 12 31*

Flemming Eghoff  
State Authorised Public Accountant  
mne30221

## Company information

**The Company** Velove Denmark ApS  
Vermlandsgade 66  
DK-2300 København S  
CVR No: 42 03 19 84  
Financial period: 1 January - 31 December  
Incorporated: 13 January 2021  
Financial year: 2nd financial year  
Municipality of reg. office: Copenhagen

**Executive Board** Jonatan Schwamberg

**Auditors** PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
2900 Hellerup

## Income statement 1 January - 31 December

	Note	2022	2021
		DKK	DKK
<b>Gross profit</b>		<b>1,504,573</b>	<b>1,256,065</b>
Staff expenses	2	-1,430,827	-1,256,065
<b>Profit/loss before financial income and expenses</b>		<b>73,746</b>	<b>0</b>
Financial income		1,785	264
Financial expenses		-4,510	-901
<b>Profit/loss before tax</b>		<b>71,021</b>	<b>-637</b>
Tax on profit/loss for the year	3	-15,572	0
<b>Net profit/loss for the year</b>		<b>55,449</b>	<b>-637</b>

### Distribution of profit

	2022	2021
	DKK	DKK
<b>Proposed distribution of profit</b>		
Retained earnings	55,449	-637
	<b>55,449</b>	<b>-637</b>

## Balance sheet 31 December

### Assets

	Note	2022	2021
		DKK	DKK
Deposits	4	122,750	122,750
<b>Fixed asset investments</b>		<b>122,750</b>	<b>122,750</b>
<b>Fixed assets</b>		<b>122,750</b>	<b>122,750</b>
Trade receivables		337,598	13,750
Contract work in progress	5	393,130	429,682
Other receivables		0	57,499
Prepayments		69,696	1,316
<b>Receivables</b>		<b>800,424</b>	<b>502,247</b>
<b>Cash at bank and in hand</b>		<b>1,416,957</b>	<b>422,296</b>
<b>Current assets</b>		<b>2,217,381</b>	<b>924,543</b>
<b>Assets</b>		<b>2,340,131</b>	<b>1,047,293</b>



# Balance sheet 31 December

## Liabilities and equity

	Note	2022	2021
		DKK	DKK
Share capital		40,000	40,000
Retained earnings		54,812	-637
<b>Equity</b>		<b>94,812</b>	<b>39,363</b>
Provision for deferred tax		15,044	0
<b>Provisions</b>		<b>15,044</b>	<b>0</b>
Trade payables		716,022	356,338
Payables to group enterprises		1,300,535	519,020
Corporation tax		551	0
Other payables		213,167	132,572
<b>Short-term debt</b>		<b>2,230,275</b>	<b>1,007,930</b>
<b>Debt</b>		<b>2,230,275</b>	<b>1,007,930</b>
<b>Liabilities and equity</b>		<b>2,340,131</b>	<b>1,047,293</b>
Key activities	1		
Contingent assets, liabilities and other financial obligations	6		
Related parties	7		
Accounting Policies	8		

## Statement of changes in equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	40,000	-637	39,363
Net profit/loss for the year	0	55,449	55,449
<b>Equity at 31 December</b>	<b>40,000</b>	<b>54,812</b>	<b>94,812</b>

# Notes to the Financial Statements

## 1. Key activities

The company's purpose is development, operation and trade in business logistics, IT, service solutions in the urban community based on the company's own development of electric cargo bike, container solutions and platform for "last mile delivery", and management of movables and business, which is compatible with this.

	<u>2022</u> DKK	<u>2021</u> DKK
<b>2. Staff Expenses</b>		
Wages and salaries	1,407,526	1,243,324
Other social security expenses	<u>23,301</u>	<u>12,741</u>
	<b>1,430,827</b>	<b>1,256,065</b>
Average number of employees	<u>3</u>	<u>3</u>

	<u>2022</u> DKK	<u>2021</u> DKK
<b>3. Income tax expense</b>		
Current tax for the year	528	0
Deferred tax for the year	<u>15,044</u>	<u>0</u>
	<b>15,572</b>	<b>0</b>

## 4. Other fixed asset investments

	<u>Deposits</u> DKK
Cost at 1 January	<u>122,750</u>
Cost at 31 December	<u>122,750</u>
Carrying amount at 31 December	<u>122,750</u>

## Notes to the Financial Statements

2022	2021
DKK	DKK

### 5. Contract work in progress

Contract work in progress is recognised in the balance sheet as follows:

Selling price of work in progress	393,130	429,682
	<u>393,130</u>	<u>429,682</u>

2022	2021
DKK	DKK

### 6. Contingent assets, liabilities and other financial obligations

#### Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

Within 1 year	235,088	121,099
	<u>235,088</u>	<u>121,099</u>

### 7. Related parties and disclosure of consolidated financial statements

#### Consolidated Financial Statements

The Company is included in the Group Annual Report for the Parent Company

Name	Place of registered office
Velove Bikes AB	Sweden

The Group Annual Report of Velove Bikes AB may be obtained at the following address:

E A Rosengrens gata 4  
421 31 Västra Frölunda  
Sweden

# Notes to the Financial Statements

## 8. Accounting policies

The Annual Report of Velove Denmark ApS for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2022 are presented in DKK.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### Leases

All leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

### Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

## Income statement

### Net sales

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

# Notes to the Financial Statements

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

## **Direct expenses**

Cost incurred in relation to generation of revenue.

## **Other external expenses**

Other external expenses comprise expenses for premises, sales and distribution as well as office expenses, etc.

## **Gross profit**

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, direct expenses and other external expenses.

## **Staff expenses**

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees. The item is net of refunds made by public authorities.

## **Financial income and expenses**

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

## **Tax on profit/loss for the year**

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

## **Balance sheet**

### **Other fixed asset investments**

Other fixed asset investments consist of deposits.

### **Receivables**

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

### **Prepayments**

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

### **Deferred tax assets and liabilities**

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

## Notes to the Financial Statements

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

### **Current tax receivables and liabilities**

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

### **Financial debts**

Debts are measured at amortised cost, substantially corresponding to nominal value.