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# ***Velove Denmark ApS***

c/o Lewis Bedford, Siljengade 6, DK-2300  
København S

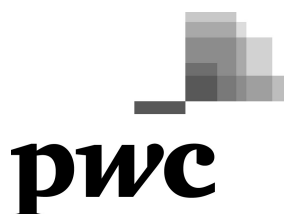
## **Annual Report for 13 January - 31 December 2021**

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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  
28/6 2022

Hélène Gustavii  
Chairman of the General  
Meeting



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# **Management's Statement**

The Executive Board has today considered and adopted the Annual Report of Velove Denmark ApS for the financial year 13 January - 31 December 2021.

The Annual Report is prepared in accordance with the Danish Financial Statements Act. The Company complies with the exemption provisions governing the omission to have its Financial Statements audited.

In my opinion the Financial Statements give a true and fair view of the financial position at 31 December 2021 of the Company and of the results of the Company operations for 2021.

I recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 28 June 2022

## **Executive Board**

Jonatan Schwamberg  
Executive Officer

# Practitioner's Statement on Compilation of Financial Statements

To the Management of Velove Denmark ApS

We have compiled the Financial Statements of Velove Denmark ApS for the financial year 13 January - 31 December 2021 on the basis of the Enterprise's accounting records and other information you have provided.

The Financial Statements comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies.

We performed our work in accordance with ISRS 4410, Engagements to Compile Financial Information.

Based on our professional expertise, we have assisted you with the preparation and presentation of the Financial Statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Act on Approved Auditors and Audit Firms and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), including the principles of integrity, objectivity, professional competence and due care.

The Financial Statements and the accuracy and completeness of the information forming the basis of the compilation of the Financial Statements are your responsibility.

As an engagement to compile financial information is not an assurance engagement, we are under no duty to verify the accuracy or completeness of the information you provided to us to compile the Financial Statements. Accordingly, we express no audit opinion or review opinion as to whether the Financial Statements have been prepared in accordance with the Danish Financial Statements Act.

Hellerup, 28 June 2022

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Flemming Eghoff

State Authorised Public Accountant

mne30221

## **Company Information**

### **The Company**

Velove Denmark ApS  
c/o Lewis Bedford  
Siljangade 6  
DK-2300 København S

CVR No: 42 03 19 84  
Financial period: 13 January - 31 December  
Financial year: 1st financial year  
Municipality of reg. office: København

### **Executive Board**

Jonatan Schwamberg

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

## Income Statement 13 January - 31 December

	<u>Note</u>	<u>2021</u> DKK
<b>Gross profit/loss</b>		<b>1.256.065</b>
Staff expenses	2	<u>-1.256.065</u>
<b>Profit/loss before financial income and expenses</b>		<b>0</b>
Financial income	3	264
Financial expenses	4	<u>-901</u>
<b>Profit/loss before tax</b>		<b>-637</b>
Tax on profit/loss for the year		<u>0</u>
<b>Net profit/loss for the year</b>		<b><u>-637</u></b>

## Distribution of profit

### Proposed distribution of profit

Retained earnings	<u>-637</u>
	<b><u>-637</u></b>

# Balance Sheet 31 December

## Assets

	Note	2021 DKK
Deposits		122.750
<b>Fixed asset investments</b>	5	<b>122.750</b>
<b>Fixed assets</b>		<b>122.750</b>
Trade receivables		13.750
Contract work in progress	6	429.682
Other receivables		57.499
Prepayments		1.316
<b>Receivables</b>		<b>502.247</b>
<b>Cash at bank and in hand</b>		<b>422.296</b>
<b>Currents assets</b>		<b>924.543</b>
<b>Assets</b>		<b>1.047.293</b>

# Balance Sheet 31 December

## Liabilities and equity

	Note	2021 DKK
Share capital		40.000
Retained earnings		-637
<b>Equity</b>		<b>39.363</b>
Trade payables		356.338
Payables to group enterprises		519.020
Other payables		132.572
<b>Short-term debt</b>		<b>1.007.930</b>
<b>Debt</b>		<b>1.007.930</b>
<b>Liabilities and equity</b>		<b>1.047.293</b>
Key activities	1	
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## Statement of Changes in Equity

	Share capital DKK	Retained earnings DKK	Total DKK
Equity at 13 January	0	0	0
Cash payment concerning formation of entity	40.000	0	40.000
Net profit/loss for the year	0	-637	-637
<b>Equity at 31 December</b>	<b>40.000</b>	<b>-637</b>	<b>39.363</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.

	2021 DKK
<b>2 Staff expenses</b>	
Wages and salaries	1.243.324
Other social security expenses	12.741
	<b>1.256.065</b>
<b>Average number of employees</b>	<b>3</b>
<b>3 Financial income</b>	
Other financial income	13
Exchange gains	251
	<b>264</b>
<b>4 Financial expenses</b>	
Other financial expenses	758
Exchange loss	143
	<b>901</b>
<b>5 Fixed asset investments</b>	
	Deposits DKK
Cost at 13 January	0
Additions for the year	122.750
Cost at 31 December	122.750
<b>Carrying amount at 31 December</b>	<b>122.750</b>

# Notes to the Financial Statements

	2021
	DKK
<b>6 Contract work in progress</b>	
Selling price of work in progress	429.682
	<b>429.682</b>

## 7 Contingent assets, liabilities and other financial obligations

### Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

Within 1 year	121.099
	<b>121.099</b>

### Other contingent liabilities

## 8 Related parties

### Basis

#### 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

## 9 Accounting Policies

The Annual Report of Velove Denmark ApS for 2021 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 Financial Statements for 2021 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.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

# Notes to the Financial Statements

## 9 Accounting Policies (continued)

### Income Statement

#### Revenue

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.

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

#### Direct costs

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/loss

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

#### Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

#### Financial income and expenses

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

# Notes to the Financial Statements

## 9 Accounting Policies (continued)

### 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

### Fixed asset investments

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.

### Contract work in progress

Contract work in progress regarding service is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

# Notes to the Financial Statements

## 9 Accounting Policies (continued)

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

### 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 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.

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.