

# Annual Report 2021

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Donkeyrepublic Holding A/S  
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1717 Copenhagen, Denmark  
CVR-nr. 35 67 82 63



# DonkeyRepublic Holding A/S

SKELBÆKGADE 4 4. TH., 1717 KØBENHAVN V

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2021

The Annual Report has been presented and adopted at the Company's Annual General Meeting on 19 April 2022

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Chairman of the General Meeting



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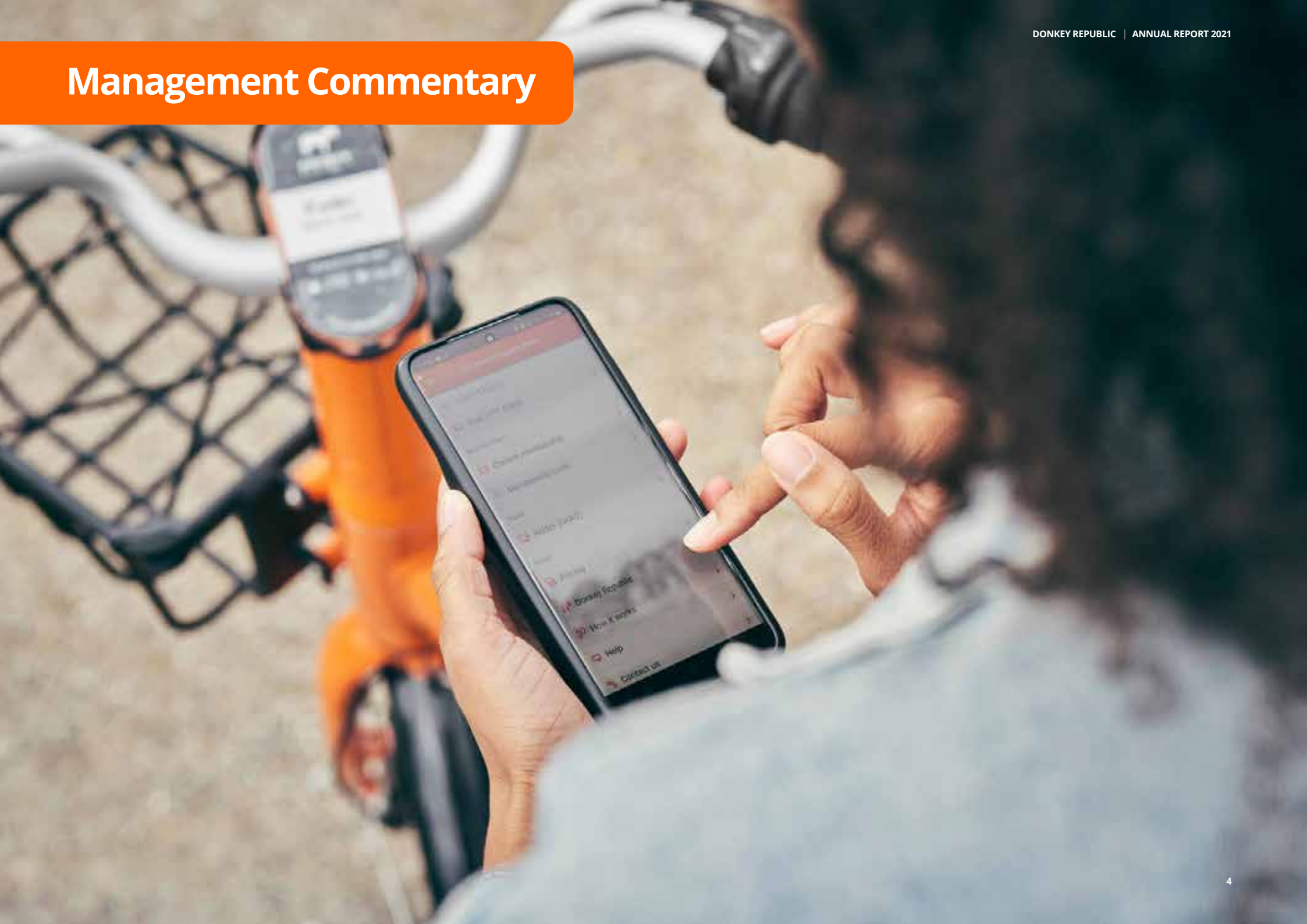
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# Management Commentary



# Letter from the CEO

Dear investor,

It's been quite an adventurous year for us: on the one hand Covid crisis kept dragging on late into the year, while on the other hand there's been increasing pressure on the supply chains. Nevertheless, Donkey has come out strong of these events. Rider demand on our bike sharing service is stronger than ever. We have more new users in the second half of 2021 than before while at the same time retention has improved significantly. Our B2B and B2G pipeline has also grown in line with new heights with partner and city sales.

Our product and service differentiation has contributed to our good stance. Even though competition remains strong, we stand out in all services we offer both for riders and partners. This is thanks to our ability to innovate with a highly talented and passionate team, and our data driven approach. Further, by running different business models on the same product, we are now more resilient than before to any short term disturbances in any business segments.

In recent years, and especially in light of the pandemic we have started to see a strong wave of EU budgets turning into bike-sharing projects across large- and small cities. As expected during our IPO in May

2021, Donkey is a prime competitor to win increasingly more of the contracts offered to realize these bike-sharing projects. We experience a strong product-market fit, driven by our responsible, low-cost and high-flexibility approach to bike sharing, geared especially towards the smaller cities. We project that bike sharing demand of Tier 3 cities make up approximately one-quarter of the European market, where Donkey offering is especially competitive.

Furthermore our pipeline for both SaaS- (where we sell our software and hardware for partners to operate Donkeys) and subsidized MaaS deals (where we operate Donkeys for a city who pays us) kept growing in a healthy manner.

## Building the brand and strengthening the business

In September we successfully launched our first large scale brand marketing campaigns towards riders in two of our key markets: Denmark and the Netherlands. We could track that these were highly effective in building our brand and strengthening our customer base. We were able to develop new channels in our marketing mix, which

gives us further comfort for the upcoming season. We will deploy these key learnings with renewed efforts in our key markets in 2022.

We are increasing our engagement with the cycling industry, and are contributing to shaping the EU-level agenda. Some of the most important changes that we expect to take place in the bike-sharing industry is a better format of city collaborations structured around payments per trip, and open bike station infrastructure that can work with multiple operators. These changes will make the industry more competitive and healthier, and have endorsement from experts. Donkey is well-positioned to lead these changes, and establish itself as the future leader.

## Looking towards 2024

Our 2024 goals are now just around the corner, as we are ordering vehicles for 2023. In line with our 2024 business plan, we are able to grow our fleet and activities without the need for more equity, thanks to the debt financing and strong performance of our fleets.



**Erdem Ovacik**  
CEO

# Highlights

## Key Figures, Growth, Expansion, CO<sub>2</sub>

2021 has been an exciting year for Donkey Republic! Despite a pandemic still lingering in the first half of the year we saw a successful IPO in May and there has been a lot of growth both within revenue, riders, partners and cities. Despite our fleet size not growing more than 0.8% from '20 to '21 we have managed to utilize the existing fleet and grown 57% in users as we gained almost 80k new users and have had 3.3M trips which is 41% more than in 2020. This is a reflection of the extensive growth Donkey Republic has experienced since the foundation in 2015, reaching EUR 5m

in revenue for 2021 bringing us to a level higher than our pre-covid numbers. It is also a reflection of the pandemic shedding a light on the need for better mobility options in cities. We see that covid have had a very positive impact on bike sharing. It is emerging as the key transportation choice among cities and the EU is actively promoting bike sharing by offering funding for expanding cities' cycling infrastructure. 30% of the EUR 750bn reconstruction budget is allocated to fight climate change e.g. through "clean mobility" which has been specified as green investments.

### Total Key Performance Indicators 2021

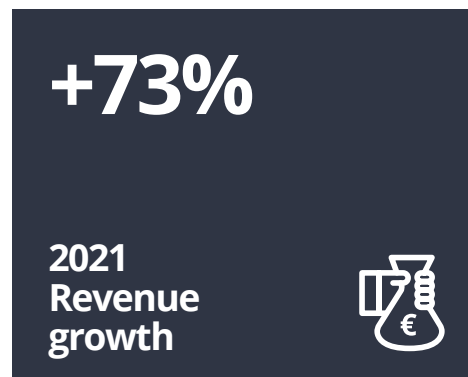
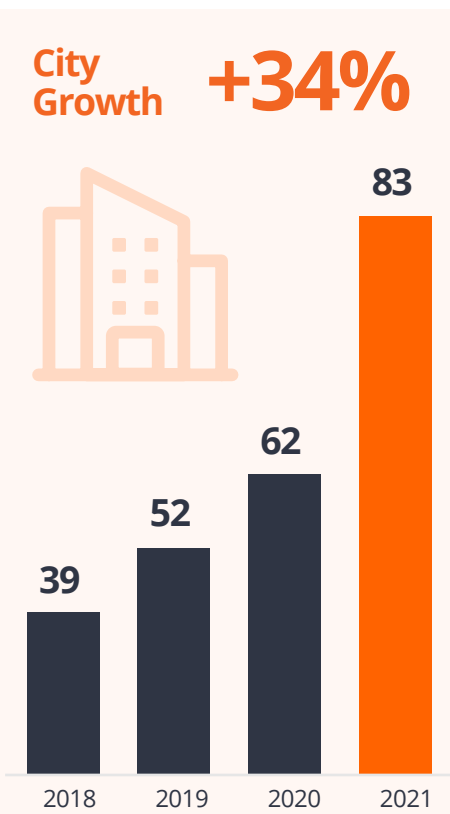
| Metric                         | Growth* | 2021     | 2020     | 2019     | 2018    |
|--------------------------------|---------|----------|----------|----------|---------|
| Total Rev                      | ↑73%    | 5.0m EUR | 2.9m EUR | 4.5m EUR | 2.7 EUR |
| Riders <sup>1</sup>            | ↑57%    | 217.4k   | 138.2k   | 252.3k   | 152.6k  |
| Trips <sup>2</sup>             | ↑41%    | 3.3m     | 2.3m     | 3.3m     | 1.8m    |
| Fleet size (active bikes)      | ↑0.8%   | 13k      | 12.9k    | 10.5k    | 5.7k    |
| CO <sub>2</sub> saved (tonnes) | ↑43%    | 416      | 290      | 416      | 227     |
| Cities                         | ↑34%    | 83       | 62       | 52       | 39      |

<sup>1</sup> Users with a minimum of one rental

<sup>2</sup> Trips are defined from when bike is unlocked to locked again

Growth\*: Year on year growth compared to 2020

Donkey has experienced extensive growth since the foundation in 2015, reaching EUR 5m in revenue for 2021.



# Highlights

## Financial summary

| in m EUR                                | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|------|------|------|------|------|
| <b>Revenue</b>                          |      |      |      |      |      |
| Total revenue                           | 5.0  | 2.9  | 4.4  | 2.5  | 1.6  |
| MaaS Rider revenue                      | 3.6  | 2.2  | 3.8  | n/a  | n/a  |
| MaaS B2G and B2B                        | 0.4  | 0.1  | 0.0  | n/a  | n/a  |
| SaaS licenses                           | 0.4  | 0.3  | 0.2  | n/a  | n/a  |
| SaaS Hardware                           | 0.6  | 0.2  | 0.4  | n/a  | n/a  |
| Other                                   | 0.0  | 0.0  | 0.0  | n/a  | n/a  |
| <b>Profitability</b>                    |      |      |      |      |      |
| Operational margin (incl. depreciation) | 0.7  | -1.3 | 0.0  | n/a  | n/a  |
| Operating profit/ loss (excl. IPO cost) | -2.5 | -3.2 | -2.5 | -1.0 | -1.4 |
| Profit/ loss for the year               | -3.4 | -3.5 | -2.6 | -1.2 | -1.4 |
| <b>Assets</b>                           |      |      |      |      |      |
| PPE                                     | 5.9  | 2.8  | 4.1  | 2.0  | 0.3  |
| Cash                                    | 11.1 | 1.0  | 1.7  | 0.3  | 0.2  |
| Other assets                            | 4.0  | 2.7  | 2.1  | 1.7  | 1.8  |
| <b>Equity and Liabilities</b>           |      |      |      |      |      |
| Equity                                  | 12.5 | 1.1  | 3.0  | 0.8  | 0.2  |
| Debt                                    | 6.2  | 3.9  | 3.6  | 1.0  | 0.8  |
| Other liabilities                       | 2.3  | 1.6  | 1.3  | 2.3  | 1.2  |
| Net Cash (cash-debt)                    | 4.9  | -2.9 | -1.9 | -0.6 | -0.7 |

### Notes

Cost related to the IPO in May 2021 amounted to 0.6m EUR all of it occurred in 2021.

The indebtedness is calculated by deducting the debt (which incl. all interest bearing debt) from cash, in case the amount is positive it is referred as net cash and in case it is negative it is referred as net debt.

Total revenue is excl. partner revenue, which means that for the years 2019 and before some minor reclassifications were made vs. previous publications to make them comparative

Operational margin includes all cost of sales plus all operation related staff cost (e.g. salary for bike mechanic) and the depreciation of the fleet. The mapping of operational cost has been reviewed to provide a better picture of the actual operational performance. Even though the general profitability level did not change the exact profit margins changed compared to previously reported figures in the Company Description for the years 2020 to 2018.

Due to a change in the company structure in 2019 a detailed split of revenue types or the operational margin is not available for the years 2018 and 2017. The revenue was however almost exclusively generated by riders.

Despite the first half of 2021 still being strongly impacted by Covid-19 related restrictions, the **MaaS rider revenue in 2021 increased by more than 60%** vs. 2020. This is especially due to the strong traction we had with our rider community in the second half of the year, where we more than doubled our revenue compared to the same period in the previous year.

Our **MaaS B2G and B2B revenue almost tripled vs. last year**. This is driven by larger deals such as the ones we have in Brest or Randers, where the city is paying us through their partners to operate a bike share.

The **SaaS business continues to grow**, both in regards to recurring revenue generated from licenses (+60% vs. 2020) and from bike and other hardware sales (+113% vs. 2020)

A positive operational margin of 13.5% is an improvement of 2.0M EUR vs. last year and shows that **improvement in revenue could almost fully flow through to the operational margin**.

The operating loss (excl. IPO cost) is with -EUR 2.5m in line with expectation.

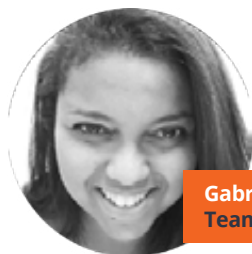
Even though the active fleet has not increased, **large investment in the fleet expansion for 2022** in the form of prepayments have more than doubled the tangible assets.

With the IPO in May 2021 and debt financing Donkey Republic has as of 31.12.2021 **more than 11M EUR in cash** and is well prepared to finance the planned growth for 2022.

The successful IPO in the first half of 2021 **strongly improved** the equity position of Donkey Republic compared to the previous year.

Despite raising additional debt with the Danish Green Investment Fund the cash reserves are larger than the debt, leading to a **positive net cash position**, putting Donkey Republic in a good position to finance its growth.

# A great place to work



**Gabriella Rosas**  
Team & Culture

We are currently 24 nationalities at Donkey HQ, being 40% females, 58% males and 2% non-binary.

Donkey does not discriminate based on nationality, gender, age or disabilities. And to ensure that, we have an unbiased recruitment process that starts with the pre-selection of candidates by the HR department based solely on the professional match of the candidate.



**Donkey has been on the top 10 list of the biggest Recruiters on theHub.io, and ranked Number 1 on their most loved Startup by candidates in the month of January 2022.**

## Individuals are empowered to grow

At Donkey Republic we understand that employees who are happy in life are also happy at work. That is why we offer plenty of opportunities for employees to learn and grow as individuals. We see it as an investment. It increases our talent pool and also makes it much easier to retain our super skilled talents for the long term while we continue to attract new talents.

## The focus is on employees

At Donkey Republic we want to focus on getting the most out of our employees so that we are able to ensure their needs are met. This translates to better business outcomes which we of course aim for. We are experimenting with including employee survey data in our decision-making processes, which makes us able to go straight to the heart of the business and better understand where we might fall short. Building on survey insights not only brings about legitimate, actionable change, it also lets our employees actively participate in the growth of Donkey Republic.

**24 Nationalities**

**40% Females** | **58% Males** | **2% Non-binary**

Most talent applications in January

**The most loved startups in Denmark on the Hub**

- 1 Donkey Republic
- 2 ReFlow
- 3 Rokoko
- 4 Kanpla
- 5 Pixelz
- 6 TechBBQ
- 7 Neurons Inc
- 8 KLUB
- 9 Seasony
- 10 Firmanv

THE MOST LOVED STARTUPS IN DENMARK 2022, THE HUB

WE WERE AWARDED!

**WE ARE AN EMPLOYER BRANDING STAR!**

EMPLOYERBRANDINGSTARS.COM

EMPLOYER BRANDING STAR 2021, EMPLOYERBRANDINGSTARS



Photo from our workation in 2021



# Developing our talents

## \_a story from a Donkey Employee

Mihai has been with Donkey Republic since 2019. He is from Romania but lives, works and bikes here in our HQ in Copenhagen, Denmark.

He started out as one of our Shepherds (our term for bike mechanics) in Copenhagen.

As Donkey Republic started to really expand and grow in the recent years Mihai grew into a new role.

"I'm generally very interested in human physiology, body movement - climbing, calisthenics, swimming, ido portal movement as well as building woodwork and metal work"

**I initially wanted to work as a mechanic for Donkey Republic because I could somehow be in control of what I was doing and the company's core values were directed towards improving the environmental impact of humans. I also like building/repairing things, so fixing bikes seemed like something I could definitely do.**

### From bike mechanic to logistics manager

Over time Mihai's talents evolved and we noticed his focus on best-practices in maintaining a good overview of workshop and spare parts, and gave him the chance, which he excelled at.

He led the implementation of a webshop, which is now growing and improving the way we serve our operational partners.

"I initially wanted to work as a mechanic for Donkey Republic because I could somehow be in control of what I was doing and the company's core values were directed towards improving the environmental impact of humans. I also like building/repairing things, so fixing bikes seemed like something I could definitely do.

While being a mechanic I felt that I could improve the different areas within the company, so I kept doing that till I got to the point of overseeing the Logistics and Spare-parts procurement and management. So being able to be in control of my tasks, grow, doing practical work and being part of a group of people that strive to improve our environmental impact, are the reasons why I enjoy working at Donkey Republic."

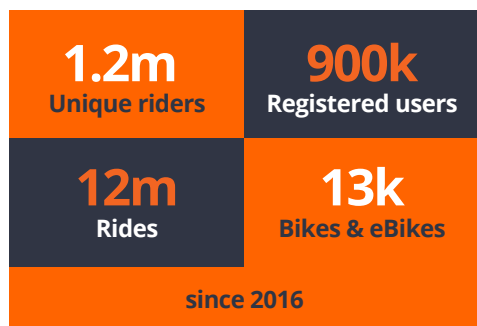
# Meet Mihai!



# Our Business

## Background

As of today Donkey Republic is a bike-sharing platform with more than 1.2m unique riders, close to 900k registered users, and 12m rides made since 2016, today operating and licensing 13k bikes and e-bikes.



Donkey Republic aims at becoming the preferred micromobility partner for cities and citizens. We do this by providing a solution to city transportation and general issues such as congestion, air pollution and citizens' health.



**Donkey Republic's purpose is to create a better world by making sustainable mobility available and affordable to everyone.**

Donkey Republic provides **sustainable**, **affordable**, and **flexible** solutions.

Our bike-sharing solution is affordable to both riders and for cities and partners. For riders, the transparent price system and low prices make bike-sharing an affordable solution, which Donkey Republic believes is imperative for high usage. For cities and partners, the solution is inexpensive relative to competition and Donkey Republic is very transparent with its prices; Donkey Republic's approximate pricing for cities is listed on its partner website ([www.partners.donkey.bike](http://www.partners.donkey.bike)).




## Business models

Donkey Republic operates two different business models;

- 1) **An own-operated solution: Mobility-as-a-Service - MaaS** 
- 2) **A partner-operated solution: Software-as-a-Service - SaaS** 

The two differ in terms of ownership of the vehicles, operational responsibilities, contact with the local authorities, revenue streams, and overall risk profile. Donkey Republic also offers solutions which draw on aspects of both. Both business models are based on the Donkey Republic software platform and supporting hardware.

## Revenue sources and customer segments

|  MaaS Revenue  |   |   |  SaaS Revenue   |
|---|---|---|--|
| <b>Riders</b>   | <b>Corporates &amp; Private Institutions</b>  | <b>Cities &amp; Municipalities</b>  | <b>SaaS partners</b>   |
|  <b>Recurring Revenue streams</b>  |   |   |  |
| <b>Memberships</b><br>Fixed recurring monthly/ yearly subscription fee  | <b>Memberships</b><br>Fixed recurring monthly/ yearly subscription fee  | <b>Public funding</b><br>Upfront payment as well as an ongoing payment. Typical duration of 2-7 years | <b>License fees</b><br>Recurring fixed monthly license fees independent on the level of rider revenue  |
|  <b>Other Revenue streams</b>  |   |   |  |
| <b>Day Deals</b><br>Our Day Deals give you the best price for 1,2,3 or 7 day rentals.<br><b>JustRide</b><br>Pay per ride. The longer you ride, the cheaper it becomes. You can rent more bikes on 1 account (max 5) | <b>Sponsorships</b><br>In the form fees for visual advertising on our bikes. Minimum period 3 months Minimum fleet size 100 bikes By 2022 we expect to have 44,000 Bikes Valid for both pedel and ebikes Starting at 5000 dkk |   | <b>Fleet sales</b><br>Vehicle and hardware sales (e.g. locks) Start-up fee and aftermarket sales. The partner receives all rider and corporate revenue as well as public funding from the city |
| <b>The wallet model</b><br>Allows users to store money in the app. Get more bang for your buck and ride cheaper. Top up your Wallet and we give you more credit for your money.                                     |   |   |  |

# Our Business

## Riders and Growth

Donkey Republic's riders can overall be divided into one of two categories:

**1 Visitors** 

Individuals not local to the country in which they are renting a Donkey Republic bike, i.e. tourists and business travelers.

**2 Locals** 

Riders local to the country in which they rent a Donkey Republic bike with the group being comprised of occasional riders and commuters.

## Rider growth in 2021

Looking at the last twelve months (LTM) trips development for 2018-2021, the Company has achieved growth in the rider segments. The numbers in 2021 shows that we are back on track with our rider growth after 2020 where Covid-19 affected the global markets and rider revenue saw a decline *Fig 2*. On the journey towards becoming the preferred bike-sharing solution, Donkey Republic has achieved several historical milestones expanding our rider base. One of the trends we are happy about is that our local rider base has grown despite Covid-19 over the past years, while visitors are coming back and at a similar level as in 2019.

The first half of 2021 was still very much impacted by Covid-19 restrictions. However, we saw strong improvements in year-on-year rentals on our rider business in the second half of 2021, which has beaten our 2019 (pre-covid) rentals. Importantly, these volumes were reached on similar fleet numbers, thus we have collected higher revenues per vehicle. The growth of 2021 over 2019 second half was appr. 50%, and we expect that growth trajectory to continue in the coming year.

Fig 1. Rider trips, LTM (last twelve months) running average, 2019-2021

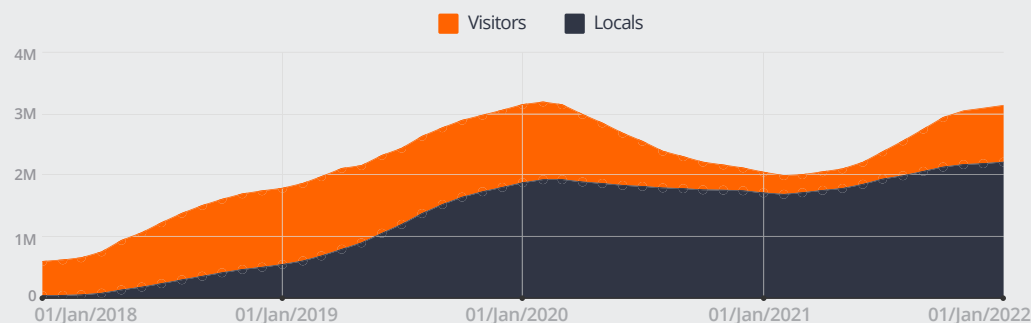
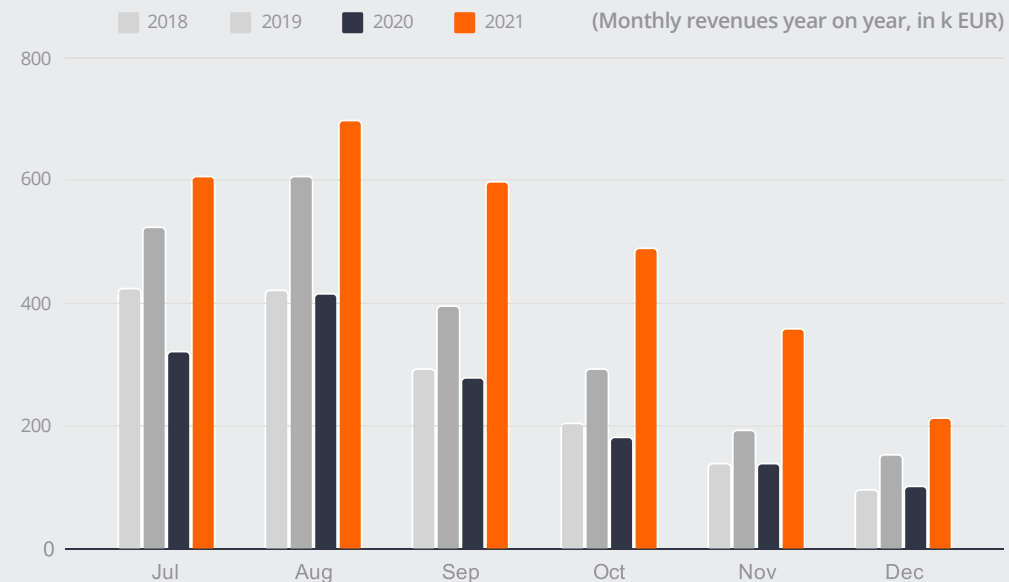


Fig 2. Rider revenues per month, second half of year comparison 2019-2021

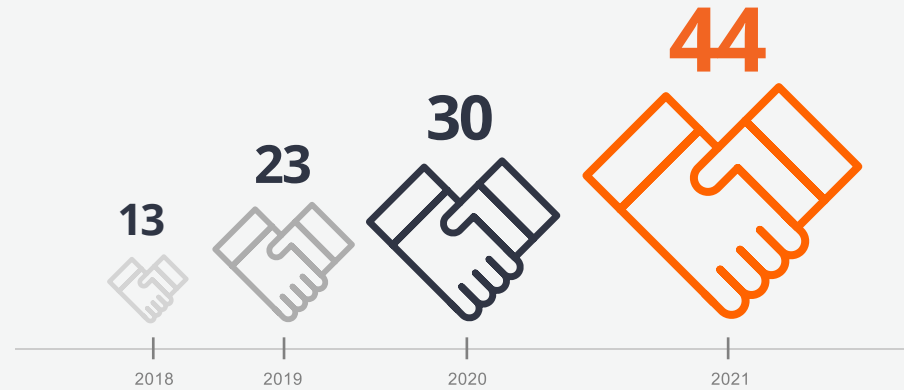


# Our Business

## Won deal development

We continued the growth in won deals<sup>3</sup> with cities and partners in 2021 in line with the past trajectory and our 2024 business plan. We see increasing interest in our product and service, which we expect to continue moving forward.

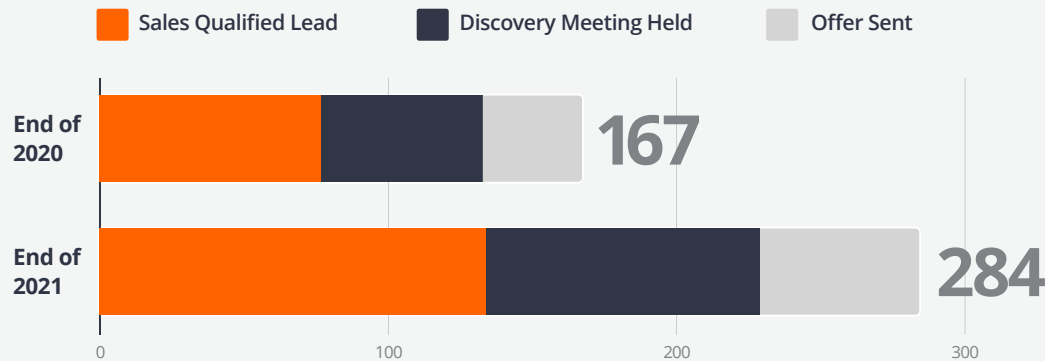
Fig 3. Won deal development (# of won deals)



## Deal pipeline growth during 2021

Our SaaS and subsidized MaaS deal pipeline grew significantly, especially in the latter part of 2021. This was fueled by cities getting back to work after Covid-19 limitations as well as strong public support and budgets becoming available for more bike-sharing projects. On our end, we also started ramping up our sales organization in the last quarter of 2021.

Fig 4. Deal pipeline growth during 2021 (# of deals by deal stages)



<sup>3</sup> Won deals are considered deals where the contract has been signed



# Sustainability

## Making cities more liveable\*

The **3.3M trips** taken with an average of **3 km** per trip on Donkey Republic bikes in 2021 correspond to total positive impact of:



**EUR 8.4m**  
in health  
benefits



**416 Tons**  
in CO2  
savings



**EUR 400k**  
in congestion  
savings

Go to our sustainability website to learn more.  
[www.donkey.bike/sustainability](http://www.donkey.bike/sustainability)

## We are on a mission to create a better world, by making sustainable mobility available to everyone!

Donkey Republic takes pride in leaving a positive footprint on the environment. Donkey Republic measures the net social footprint impact of Donkey Republic's service on health, space, congestion, and GHG emissions compared to other transport modes and aims to implement environmental consciousness throughout the lifecycle of Donkey Republic's bike-sharing service, including production and operation

of the vehicles.

Showing an appropriate level of rigor concerning its sustainability, Donkey Republic has engaged with third parties such as OECD and University of Dresden in analyzing and documenting its positive footprints in the areas of congestion, emission reductions and health benefits. Moreover, the Company works actively towards several of the UN Sustainable Development Goals (UN SDG). Besides these, Donkey Republic focuses on providing vehicles with a long lifetime as well as using bike trailers or renewable fuelled vans for bike collections where possible.

Bike-sharing can be a tool for cities and citizens in reaching the United Nations Sustainable Development Goals



## It's greener on our side of the road

Today more than 70% of Europeans live in cities and therefore transforming the way we move is critical in achieving a sustainable future. There are 4 major areas that bike sharing has a positive impact on:



**IMPROVING PUBLIC HEALTH**



**MINIMISING EMISSIONS**



**REDUCING CONGESTION**



**BETTER USE OF PUBLIC SPACE**

## Donkey Republic makes people bike instead of taking the car, bus or train

The figure to the left here shows data from a study that Donkey Republic commissioned Dresden University to do. They measured in October 2020 the different transport options the Donkey Bikes replace. The study was done in Copenhagen.

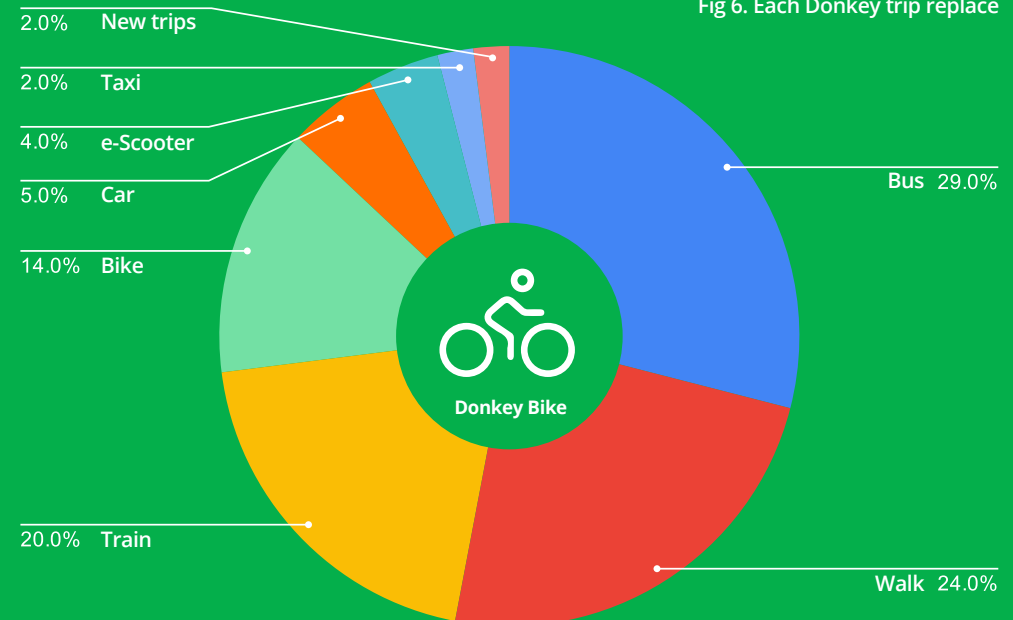


Fig 6. Each Donkey trip replace

## Our commitment

At Donkey Republic we are committed to challenge ourselves and the entire mobility industry to rethink what it means to be a sustainable mobility company fighting for the creation of sustainable cities today – not tomorrow!

## Advocating for global sustainability



## Standards - No greenwashing!



## Democratizing transportation



## Minimizing emissions in cities



## Improving public health



[Click here to read more](#) +

\*The calculations are based on data from the following sources: DTU / COWi: Transportøkonomiske enhedspriser for cykling, DTU / COWi: Transportøkonomiske enhedspriser for cykling, Min of Transport of Denmark: Evaluation of small motorized vehicles,

Eurostat: Handbook on the external costs of transport, OECD: Assessing the Environmental Performance of New Mobility See more about sources, and calculations on this GoogleSheet: Donkey Footprint Analyses

# Statement from the CMO



**Mette Cordt-Bergholt**  
CMO

## Looking back at 2021, Growth, Data and Branding are the main headlines from a Donkey marketing perspective.

Our main focus areas in 2021 have been on:

- Nailing the digital marketing performance tracking
- Building the Donkey brand and raising brand awareness in key markets
- Finding our way into investor relation communications and not least,
- Increasing our efforts into content creation

During the year, the Donkey marketing team grew from 1,5 team members in the beginning of the year to 6 highly skilled and specialized marketeers.

Throughout the 2nd half of 2021, we have

put a lot of efforts into building a solid data performance dashboard with the help of our Business Intelligence Team. Every day, we track our digital marketing activities to continuously optimize our performance. *Fig 1.*

On top of this, we can identify the direct effect of our digital marketing performance by looking at the number of new riders converting directly from our digital marketing activities. *Fig 2.*

We have also implemented new initiatives to better retain our existing riders. Together with our Product Team we have been working on improving our in-app communication funnel as well as making sure to have a good communication flow primarily through our rider newsletter to improve community building and keep our riders updated. *Fig 3.*

In September 2021, we launched our very first Donkey branding campaign. The campaign targeted the locals in two key markets: Copenhagen and Rotterdam, and the media mix was digital advertising combined with influencer marketing and out of home advertising. *Fig 4.*

For the campaign, we also produced our very first Donkey brand movie showing that Donkey Republic is about much more than

bikes. It's a community and a mindset that you become part of once you download the app. *Fig 5.*

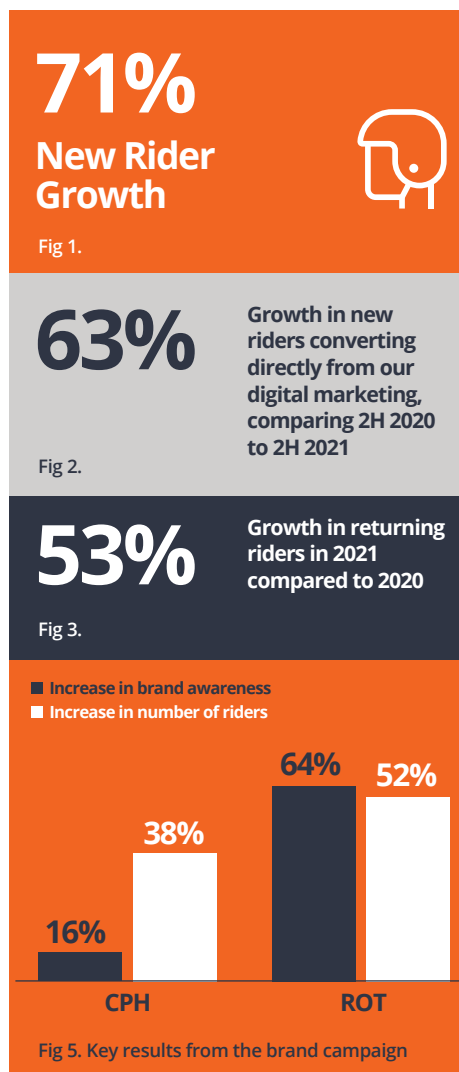
2022 has started off just as speedy as 2021 in the Donkey Marketing Team.

We have high expectations for the year; a continued growth of 109 % in new riders throughout the year, a continued lift in brand awareness across the key markets as well as a continued growth in new riders coming directly from our digital marketing.

**All in all, lots to explore, lots to come!**  
**#Everyridecounts**



Fig 4. Outdoor digital advertising



# The Product \_The rider app

## 1 Day-deals

Day-deals give the riders the option to buy upfront rental for 1, 2, 3 or 7 days, which in return give them a large discount over what they would end up paying if they used JustRide, where there is no time pre-commitment.

## 2 Rider history review

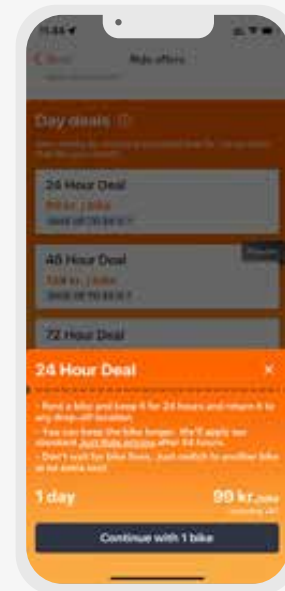
Riders are now able to see details of their past trips, and generate invoices, improving rider satisfaction.

## 3 Wallet auto-top up

Ensuring that once wallets are depleted, they get filled again automatically

## 4 New onboarding flow

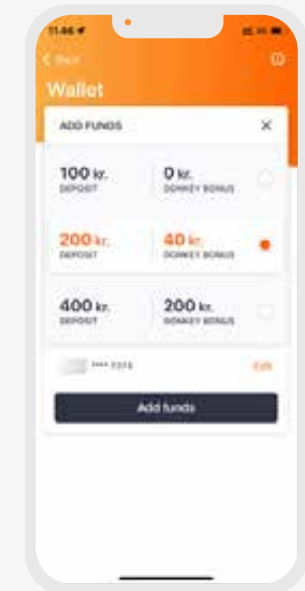
Improved onboarding, with intro to all pricing schemes



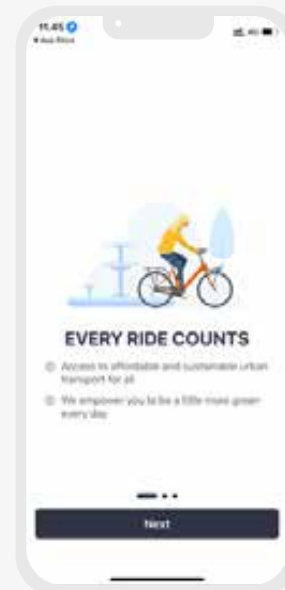
1 Day-deals



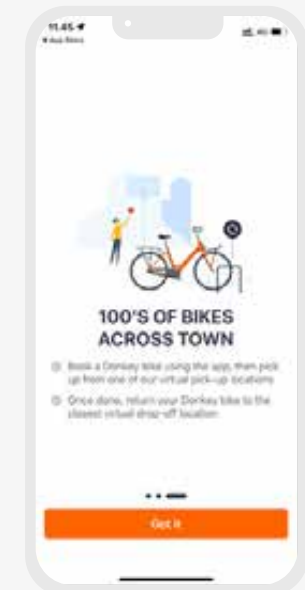
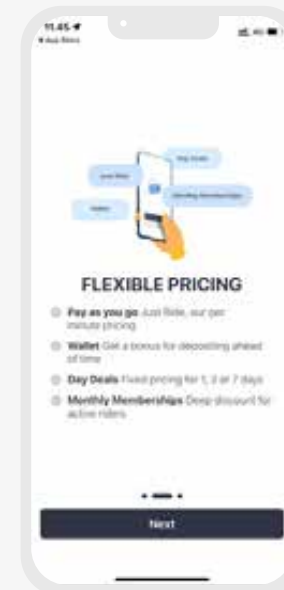
2 Rider history review



3 Wallet auto-top up



4 New onboarding flow





# The Product

## Bike and ebike developments

Donkey Republic is designing both its own pedal bikes and e-bikes. While partnering with market leaders of key components for the bikes, we have taken control of our supply chain and design components that are key for the bike service. This gives us strategic advantages both when it comes to supply chain, but also in developing unique features for our riders.

### 1 New ebike drive-train system: greatly increased mileage

We implemented a drive-train system with mid-motor and torque sensing, increasing our vehicle range on a single battery. Combined with increased battery capacity, we have industry leading range on our new ebikes.

### 2 Secured battery

With Donkey's custom designed digital battery locking mechanism, we have not only secured our batteries, but laid the foundation for giving access to riders for swaps.

### 3 Ability to use alternative batteries on same bikes

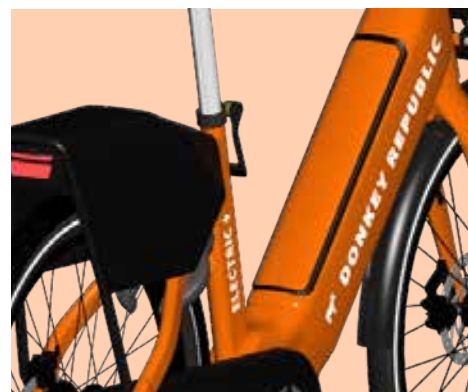
We designed battery end-caps such that we can use different kinds of batteries into the Donkey ebike, making us less dependent on a single supplier or technology.

### 4 Rear carrier

New Donkey rear carrier securely encapsulates our electronics, while providing the option for leashing the bike into bike racks.



1 New ebike drive-train system: greatly increased mileage



2,3 Battery



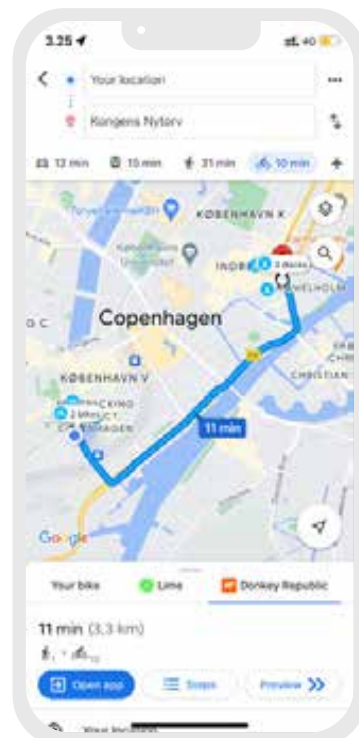
4 Rear carrier

# The Product Integrations

Today, over half of the world’s population lives in urban areas. This number is estimated to increase to more than two-thirds by 2050.

**Improving accessibility to transportation is key to reducing car trips and, thus, supporting cities in their transition towards sustainable urban mobility.**

Donkey Republic is working with several aggregators across Europe, making our services visible to more riders. Some of the more significant ones include Google Maps and upcoming full integration with 9292 the biggest travel planner app in the Netherlands.



1 Donkey Republic on Google Maps



2 9292 test

## 1 Google Maps

Donkey Republic data became available through Google Maps in July 2021, allowing millions of riders to plan trips and get directions using our bike sharing service for a faster, more sustainable travel plan. Donkey Republic was one of the first European-based micromobility services to be integrated to Google Maps, starting with Berlin, Barcelona and Copenhagen coming online in the first phase of the integration.

## 2 9292 test

Donkey Republic started testing full integration with 9292, the biggest travel planner app in the Netherlands. It will be available in 2022 and beta tests in Q1 2022 have already been done. It will be the first shared bike service to fully integrate into this platform, it will allow millions of riders access to Donkey Republic’s orange bikes and give them the option of faster, more sustainable travel planning.

# Our Market Growth and Expansions in 2021

## Map: Expanding Across Europe

Donkey Republic is growing its herd of orange bikes and e-bikes across Europe.

**Country**    **City (signed in 2021)**

|  |                              |
|--|------------------------------|
|  | Harelbeke                    |
|  | Menen                        |
|  | Wevelgem                     |
|  | Moorsele                     |
|  | Gullegem                     |
|  | Puurs                        |
|  | Antwerpen (not launched)     |
|  | Torhout                      |
|  | Steffisburg                  |
|  | Spiez                        |
|  | Sion                         |
|  | Wittenberge                  |
|  | Steinfurt (not launched)     |
|  | Straubing                    |
|  | Fanø                         |
|  | Fredericia                   |
|  | Hillerød                     |
|  | Roskilde (not launched)      |
|  | Kerteminde (not launched)    |
|  | Randers                      |
|  | Cairo (not launched)         |
|  | Mikkeli                      |
|  | Kouvola                      |
|  | Brest                        |
|  | Isafjordur                   |
|  | Gemeente Utrechtse Heuvelrug |
|  | Amsterdam                    |
|  | Drechtsteden                 |
|  | Oslo                         |
|  | Varberg                      |
|  | Dartford                     |



**MaaS cities<sup>4</sup>**

- 10k bikes
- 10.8m trips
- 15 cities

**SaaS cities<sup>5</sup>**

- 3k bikes
- 40+ partners
- 60+ locations

<sup>3</sup> Total numbers by end of 2021

<sup>4</sup> Total numbers by end of 2021

# Shareholder information

## Share capital

As of December 31, 2021, Donkey Republic Holding A/S share capital had a nominal value of 1,546,513.60 DKK, divided into 15,465,136 shares with a nominal value of 0.10 DKK each. Each share carries one vote, thereby the shares are equal to 15,465,136 votes, all with the same rights. Donkey Republic Holding A/S's shares are admitted to trading on NASDAQ First North Growth Market under the symbol "DONKEY" and the ISIN is DK0060817898.

## Share price as of 31.12.2021

7.6 DKK

## Ownership

As of December 31, 2021, Donkey Republic Holding A/S had 699 registered shareholders. The following shareholders state that they own 5% or more of the company's shares/voting rights, at the end of 2021.

- 1) Vækstfonden - 19.74%
- 2) Vækstfonden Growth H7S - 14.97%
- 3) Nordic Eye K/S - 6.39%
- 4) Spintop Ventures - 6.25%



# Road to profitability:

## 2022 - 2024 Expectations

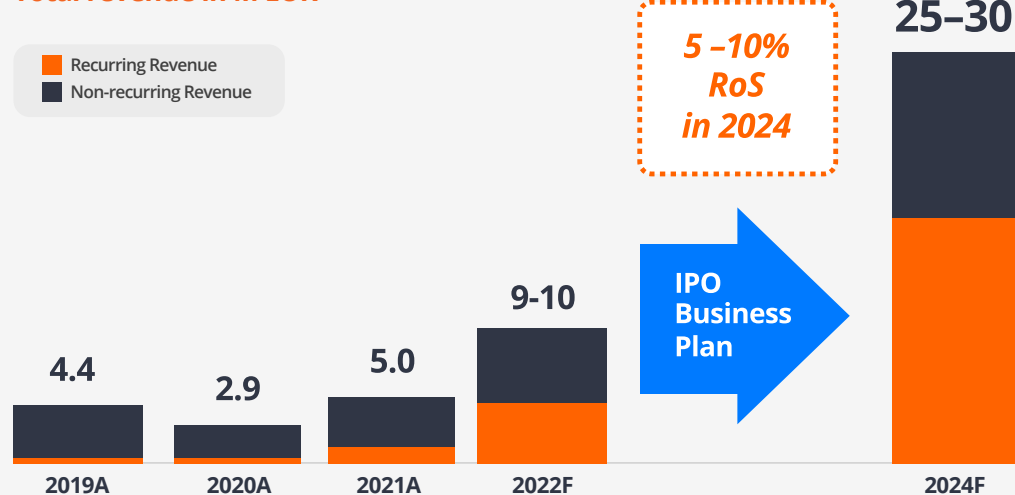
### 2024 business plan

Donkey Republic's revenue growth in 2021 was driven by both increased rider activity and further diversification of its revenue streams. This development as well as the outlook for 2022 is in line with the companies aim to generate 25-30m EUR in revenue by 2024. Also the share of recurring revenue has improved and more importantly contracts are in place to further grow this segment.

This positive overall revenue development in combination with improving operational margin are strong proof points for the company's ambition to become EBITDA positive in 2023 and overall profitable in 2024, as it was communicated during the IPO.

The investment in the organization so far are in line with the 2024 business plan and can be covered by the proceeds of the IPO. Donkey Republic also managed to secure asset backed financing for its fleet expansion and aims to continue activities in this area throughout 2022. With 4,9m EUR of net cash (cash reserves minus debt) as of 31.12.2021, Donkey Republic sees itself in a good position to have sufficient liquidity to achieve the outlined growth path until it becomes cash positive.

Total revenue in M EUR\*



**\*NOTES:**

RoS stands for return on sales and is calculated by EBIT/ Total revenue

Recurring revenue refers to revenue that is based on contracts either with business partners (normal running time of contract is 12 month or longer) or riders (open end contract with one month cancellation period).

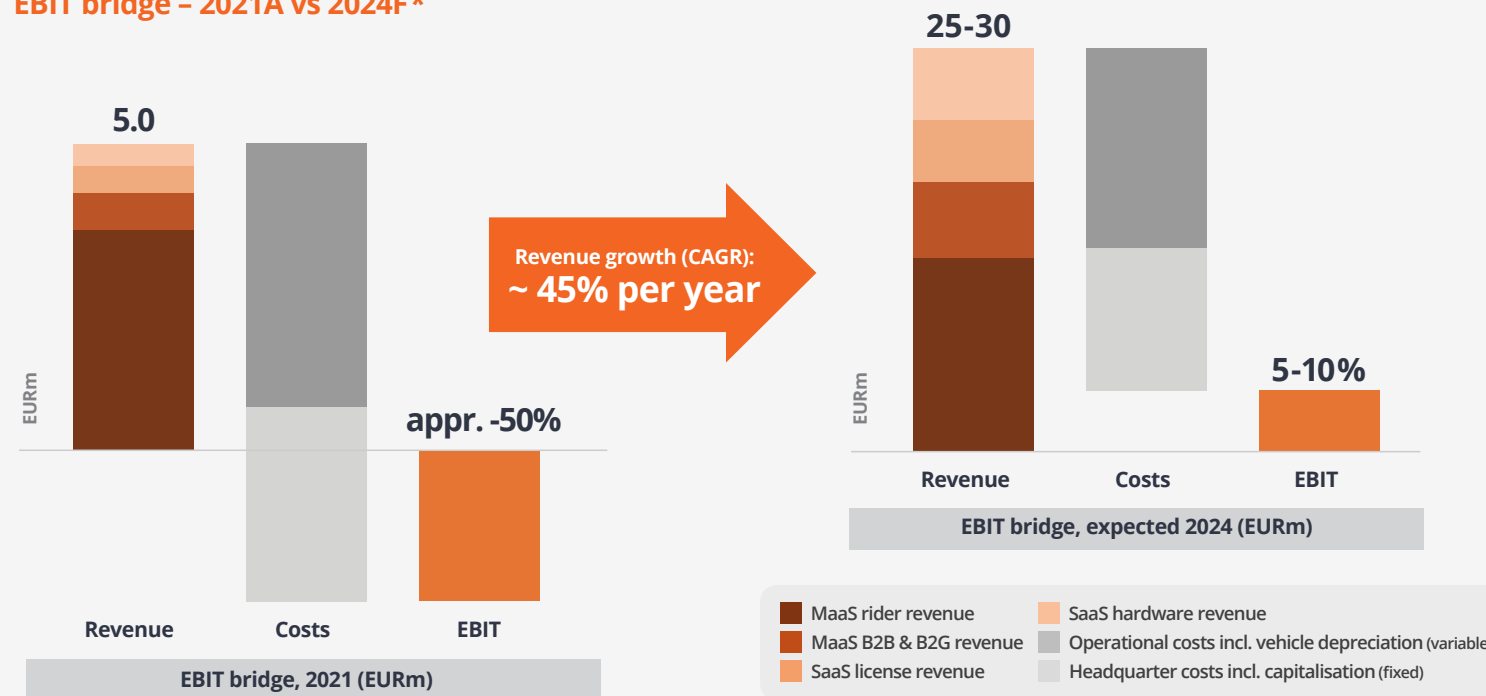
Non-recurring revenue is all revenue that does not qualify as recurring revenue.

Operational cost (incl. depreciation) incl. the cost of sales plus all operation related staff cost (e.g. salary for bike mechanic) and the de preciation of the fleet.

HQ cost (incl. capitalization) incl. all other external expenses plus hq related staff cost, also incl. is capitalization of development costs and the depreciation thereof as well as all other non-fleet related depreciation. In addition to that other operating income is included there as well.

EBIT as shown in the EBIT bridge does not include IPO related cost in 2021, which amounts to EUR 0.5m.

EBIT bridge - 2021A vs 2024F\*



## Guidance for 2022

Donkey Republic saw in the second half of 2021 an increased usage of their bike fleet, esp. by local users, secured large parts of the necessary financing for the fleet expansion in 2022 and signed a contract for the roll out of a large e-bike fleet in Antwerp in 2022.

All these factors are strong drivers behind our guidance for 2022, which aims at a revenue of EUR 9-10m, which is a doubling of 2021 revenue.

- MaaS rider revenue: Further product improvements and marketing campaigns in combination with both the renewal (1K bikes planned to be renewed) and the expansion 8-9K bike will be added) of the fleet, will support the revenue growth.
- MaaS B2G and B2B: The start of the operation in Antwerp (EUR 1.6m ARR) in the summer as well as further expansions in this segment will lead to a significant increase vs. 2021.
- SaaS business: Further sales of bikes to both existing and new partners will both increase revenue from hardware sales and recurring license revenue.

At the same time we do see that high demand for bikes, global supply chain challenges and geopolitical developments put pressure on the timely delivery of our bikes. Our guidance already took a certain delay into account, but recent developments might lead to further unforeseen delays.

### Fulfillment of this guidance depends on the following assumptions:

- Timely delivery of the ordered bikes for 2022.
- No major interruption of global travel, esp. over the summer months.
- Continued ability to obtain new SaaS partners across countries.

Donkey Republic will continue the ramp up of its sales and product development organization in line with the business plan communicated during the IPO. This will enable the company to develop recurring and resilient revenue streams in line with its 2024 targets. Consequently Donkey Republic expects an EBIT at the level of EUR -5.0m to EUR -5.5m.

### Fulfillment of this guidance depends on the following assumptions:

- Ramp up of bike operation in line with bike deliveries.
- Continued investment product development and sales and marketing activities.

Forward-looking statements: Statements about the future expressed in the annual report reflect Donkey Republics current expectations for future events and financial results. The nature of these statements is affected by risk and uncertainties. Therefore, the company's actual results may differ from the expectations expressed in the management report.



# Risk factors

## Industry risk

The micro mobility market is competitive with a multitude of players being active in this market. Some of these players are significantly larger in terms of fleet size. This can become a risk for Donkey Republics growth plans. Donkey Republic has however a strong position in the market based on our long experience with both operating a bike share and the sourcing and development of bikes. In addition to that the good city relations and running contracts in place with businesses and municipalities further strengthen the companies position in the market. Furthermore the business model of running both a MaaS and SaaS operation allows Donkey Republic to come up with flexible solutions in a volatile market environment.

The current global supply chain challenges can also impact especially the delivery timelines for new bikes. This can be further worsened by geopolitical conflicts or a global pandemic. Donkey Republic cannot fully mitigate these risks, but has implemented several control procedures to detect any potential delay as early as possible and has invested in the ramp up of a supply chain organization that can

then quickly find solutions to minimize these potential delays.

Currently there is an increased demand across cities and countries to improve the bike sharing infrastructure and significant amounts of funds are made available for this. There is the risk that this trend stops or dedicated funds are directed to other means. Donkey Republic does not foresee a change of this trend, as it is a vital piece in the green agenda of most of the countries. Donkey Republic however also mitigates this risk by being active in many cities across several countries. Additionally even though public financing is an important part of the company's business plan, other revenue sources especially the revenue from riders directly remains a vital part in the company's revenue mix.

## Operational risk

The operation of a large, enabled and utilized bike fleet can be endangered esp. by reckless rider behavior or vandalism of the bikes. Donkey Republic has several measures in place to reduce this risk. For example the virtual hub concept is incentivising proper bike parking and a sophisticated ticketing system in the app allows the company to quickly fix potential

damages on the bike. But the customer experience team is also actively blocking riders that have shown criminal behavior.

The targeted growth over the coming years as well as the continuous product development can stretch the organizational capacities. In case not sufficient qualified resources are allocated to these activities there is the risk of missing targeted growth and profitability plans. Donkey Republic is therefore putting a high focus on both expanding the team with experts in their fields and to continuously develop the skill set of their current staff. Examples for this are the hiring of local and experienced city managers to ensure successful roll out, tender and sales experts to continue future growth or hardware and software engineers to enable further product developments.

As a software-driven company, Donkey Republic, faces a general cyber security risk where a hacker attack on the company's backend could lead to a data leak or potentially interrupt the operational functions with immediate consequences for the customer relations, revenue, etc. This threat is addressed by a vigilant oversight on our part.

# Corporate Governance





# Company details

## Company

DonkeyRepublic Holding A/S  
Skelbækgade 4 4. th.  
1717 Copenhagen V

CVR No.: 35 67 82 63  
Established: 4 March 2014  
Municipality: Copenhagen  
Financial Year: 1 January - 31 December

## Board of Directors

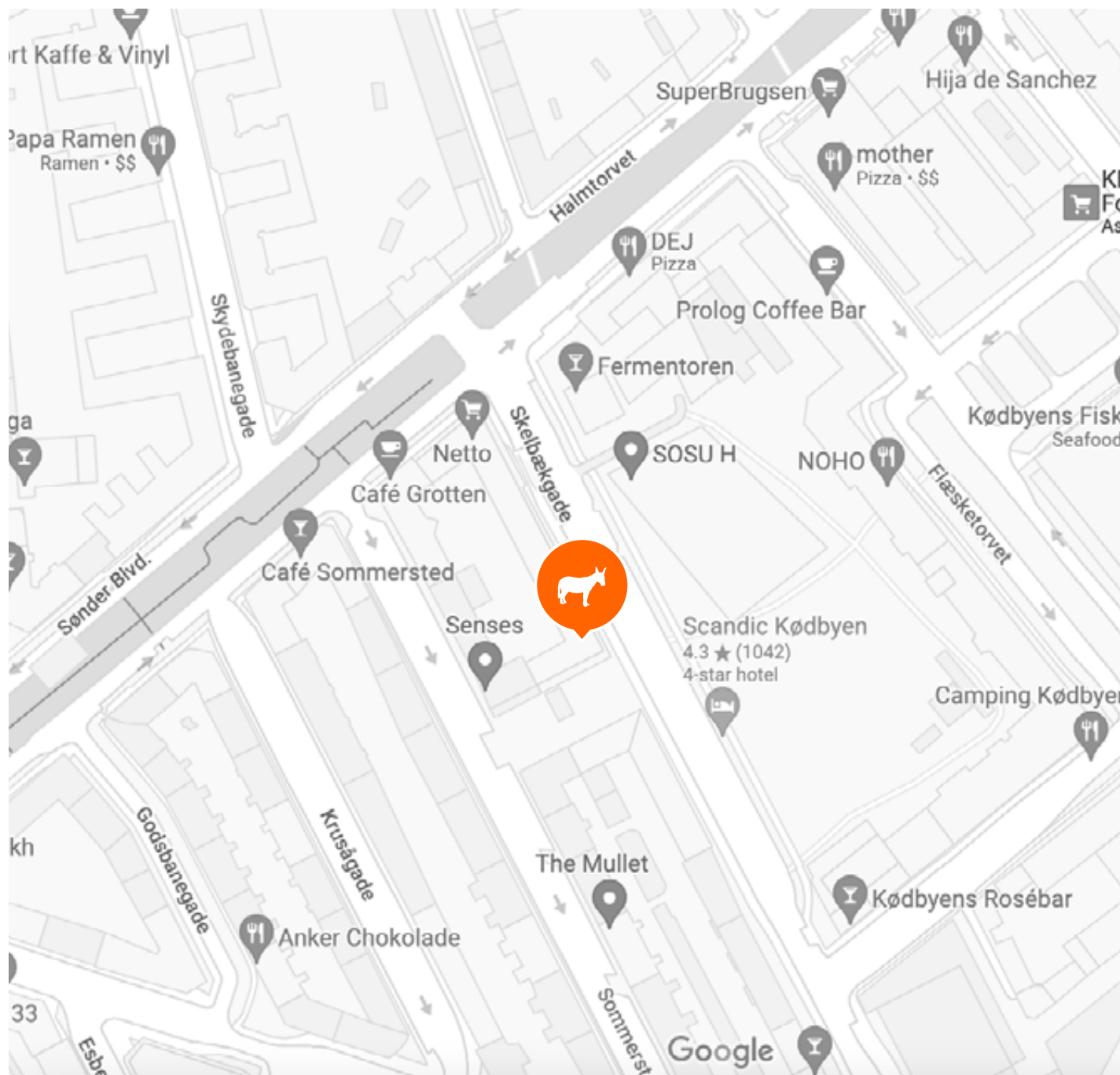
Caroline Søborg Ahlefeldt, Chairman  
Karl Erik Wenngren  
Jens Kramer Mikkelsen  
Laurent Mercat  
Marina Kolesnik  
Jesper Lilledal Holmgaard

## Executive Board

Erdem Ovacik  
Christian Dufft

## Auditor

Deloitte Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
2300 Copenhagen S



# Company details

## Executive management



### Erdem Ovacik, CEO

Co-founder & CEO since 2014

Shares: 596,495

Warrants: 0



### Christian Dufft

CFO since 2019

Shares: 49,750

Warrants: 89,250

## Board of directors



### Caroline Søbørg Ahlefeldt

Chairman since 2019

Shares: 25,000

Warrants: 0

Independency Assessment: independent



### Laurent Mercat

Member since 2021

Shares: 0

Warrants: 0

Independency Assessment: independent



### Jens Kramer Mikkelsen

Member since 2019

Shares: 0

Warrant: 0

Independency Assessment: independent



### Marina Kolesnik

Member since 2021

Share: 0

Warrants: 0

Independency Assessment: independent



### Karl Erik Wengren

Member since 2019

Shares: 0

Warrants: 0

Independency Assessment: dependent



### Jesper Lilledal Holmgaard

Member since 2016

Shares: 0

Warrants: 0

Independency Assessment: dependent

# Statements



# Statement by management

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of DonkeyRepublic Holding A/S for the financial year 1 January - 31 December 2021.

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

In our opinion the Consolidated Financial Statements and the Annual Financial Statements of the Company give a true and fair view of Group's and the Company's assets, liabilities and financial position at

31 December 2021 and of the results of Group's and the Company's operations and cash flows for the financial year 1 January - 31 December 2021.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

We recommend the Annual Report be approved at the Annual General Meeting.

*Copenhagen,*

*21.March 2022*

## Executive Board

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Erdem Ovacik  
Chief Executive Officer

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Christian Dufft  
Chief Financial Officer

## Board of Directors

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Caroline Søbørg Ahlefeldt-Laurvig-Bille  
Chairman

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Karl Erik Wenngren

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Jens Kramer Mikkelsen

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Laurent Mercat

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Marina Kolesnik Jesper

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Lilledal Holmgaard

# Independent auditor's report

## To the Shareholders of DonkeyRepublic Holding A/S

### Opinion

We have audited the consolidated financial statements and the parent financial statements of DonkeyRepublic Holding A/S for the financial year 01.01.2021 - 31.12.2021, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2021 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2021 - 31.12.2021 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 consolidated financial statements and the parent financial

statements" section of this auditor's report. We are independent of the Group 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 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 consolidated financial statements and parent financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determine is necessary to enable the preparation of consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and 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 consolidated financial statements and the parent 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 consolidated financial statements and the parent 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 consolidated financial statements and parent 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 consolidated financial statements and the parent 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 Group's and the Entity's internal control.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the parent 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 Group's and 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 consolidated financial statements and the parent 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 Group and the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent 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, 21.03.2022

### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

### **Claus Jorch Andersen**

State Authorised Public Accountant  
Identification No (MNE) mne33712

# Financial Statements



# Comments on financial statements

## Comments on P&L items

### Revenue

Donkey Republic recorded a revenue of EUR 5.0m which is an increase of EUR 2.1m vs. 2020. An increasing amount of revenue is generated through the sale of services that are generally invoiced ahead of them being provided and for several months in advance. Also Donkey wallet, a prepayment option in the app, is being more used. Donkey Republic only recognizes the revenue for the month where the service was actually provided or when prepaid amounts were actually used to pay for a ride. Because of this the deferred income in 2021 increased to EUR 0.9m from EUR 0.4m in 2020, the majority of that income is expected to become recognized revenue in the course of 2022.

### Cost of sales

Cost of sales increased to EUR 1.5m in 2021 from EUR 1.1m in 2020. This is mostly driven by higher bike usage and further expansion of the network. The cost increased but to a lesser degree than the revenue and its development is in line with the company's business plan.

### Other external expenses

Other external expenses amounted to EUR 1.7m in 2021 which is an increase of EUR 0.6m compared to 2020. The increase is mainly related to investments in the sales and product development organization and is in line with the company's business plan.

### Staff cost

Staff cost stayed with EUR 2.7m relatively stable compared to 2020 (EUR 2.5m), as the first half of the year was still characterized by low bike usage, i.e. less need for bike mechanics and the ramp up of the team esp. in sales and product development happened mostly in the end of the year. The cost development therefore stayed below the company's business plan.

### Other operating expenses

Other operating expenses consist only of cost related to the IPO that happened in May 2021 and amounts to EUR 0.6m.

### Net financial items

The total net financial expense amounted to EUR 0.3m which is on a similar level as in 2020 (EUR 0.4m). Financial expenses consist primarily of interest expenses on loans, bank interest and loss on exchange rate adjustments.

## Comments on Balance sheet items

### Intangible assets

As of December 31, 2021 Donkey Republic had intangible assets of EUR 1.5m, which is an increase of EUR 0.1m vs. the previous year. The main items booked here relate to the development and improvement of the DonkeyRepublic platform and app as well as new bike designs.

### Property, plant and equipment

As of December 31, 2021 tangible assets amounted to EUR 5.9m, which is more

than double of what Donkey Republic had by the end of 2020 (EUR 2.8m). The main driver behind this are downpayments for bike deliveries planned for 2022 worth EUR 3.9m. There is no indication of impairment or uncertainty related to the value of the prepayments. Donkey Republic has a number of internal process and controls to mitigate the risk of impairment including detailed supplier verification test, factory visits and regular status meetings. However, future impact of suppliers being challenged by the current economic uncertainties in supply chain and inflation etc. could entail uncertainties in delivery time etc. Management has very high focus on this and if any potential risk arise management will ensure to mitigate and take action if needed.

The actual fleet remained relatively stable, with its depreciation being the main value driver.

### Inventory

The inventory with a value of 0,5m EUR by December 31, 2021 stayed stable compared to the same period last year. Main components of the inventory are spare parts and bikes used for Donkey Republics own operation and sales to partners.

### Trade receivables

Trade receivables as of December 31, 2021 were EUR 1.7m which is a strong increase vs. EUR 0.4m from the previous year. The main reason for it is that Donkey Republic has not withdrawn the majority of their

receivables from Paypal, due to the friendly interest rate policy of Paypal in regards to deposited funds. Another reason is that several larger deals for services to be provided in 2022 were invoiced in the last quarter of 2021 and expected to be collected during the first quarter of 2022.

### Cash

As of December 31, 2021 Donkey Republic had cash of EUR 11.1m, which is EUR 10.0m more than in the previous period. The increase is due to the IPO in May 2021 as well as the loan received from the Danish Green Investment Fund of EUR 3.3m in December 2021.

### Equity

Equity amounted to EUR 12.7m as of December, 2021, compared to EUR 1.1m in the same period in 2020. The increase is primarily due to the IPO in May 2021.

### Debt

Total debt amounted to EUR 6.2m as of December, 2021 compared to EUR 3.9m in the same period in 2020. The increase is related to some Covid related bridge financing received from Vaekstfonden in the first half of 2021 and the loan received from the Danish Green Investment Fund in December 2021.

### Trade payables

As of December 31 2021 trade payables amounted to 1.0m EUR which is a doubling compared to the same period in the previous year. Reason behind the increase,



is the increase in business and growth activities of Donkey Republic as well as the investment in the extension of the fleet.

### Comments on cash flow items

#### Cash flow from operating activities

The cash flow from operating activities amounted to EUR -2.2m in 2021 compared to EUR -1.9m in the previous year. The improved profitability of the operations was offset by the IPO cost and increase in working capital in 2021.

#### Cash flow from investing activities

The cash flow from investing activities was EUR -4.9m in 2021 compared to EUR -0.7m in the previous year. The main driver behind the strong increase are investments related to bike deliveries for 2022.

#### Cash flows from financing activities

The cash flows from financing activities was EUR +16.5m in 2021 compared to EUR +1.8m in 2020. Mainly the IPO in May 2021 but also financing for the extension of the fleet were drivers behind this development.

### 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.



# Consolidated and parent financial statements



## Income statement 1 January - 31 December

|  | Note | Group             |                   | Parent Company    |                 |
|--|------|-------------------|-------------------|-------------------|-----------------|
|  |      | 2021<br>EUR       | 2020<br>EUR       | 2021<br>EUR       | 2020<br>EUR     |
| <b>NET REVENUE</b>                               |      | <b>5,028,330</b>  | <b>2,909,293</b>  | <b>60,105</b>     | <b>60,068</b>   |
| Cost of sales                                    |      | -995,420          | -1,075,927        | 0                 | 0               |
| Other operating income                           | 1    | 132,181           | 336,435           | 77,463            | 69,147          |
| Other external expenses                          |      | -2,052,167        | -1,148,810        | -341,355          | -153,794        |
| <b>GROSS PROFIT/LOSS</b>                         |      | <b>2,112,924</b>  | <b>1,020,991</b>  | <b>-203,787</b>   | <b>-24,579</b>  |
| Staff costs                                      | 2    | -3,055,423        | -2,532,040        | -45,045           | 0               |
| Depreciation, amortisation and impairment losses | 3    | -1,513,319        | -1,695,823        | -468,529          | -412,186        |
| Other operating expenses                         | 4    | -610,906          | 0                 | -610,906          | 0               |
| <b>OPERATING LOSS</b>                            |      | <b>-3,066,724</b> | <b>-3,206,872</b> | <b>-1,328,267</b> | <b>-436,765</b> |
| Other financial income                           | 5    | 68,979            | 16,651            | 46,580            | 131,038         |
| Other financial expenses                         | 6    | -398,024          | -408,117          | -189,214          | -180,260        |
| <b>LOSS BEFORE TAX</b>                           |      | <b>-3,395,769</b> | <b>-3,598,338</b> | <b>-1,470,901</b> | <b>-485,987</b> |
| Tax on profit/loss for the year                  | 7    | 128,374           | 86,129            | 53,346            | 28,722          |
| <b>LOSS FOR THE YEAR</b>                         | 8    | <b>-3,267,395</b> | <b>-3,512,209</b> | <b>-1,417,555</b> | <b>-457,265</b> |

## Balance sheet at 31 December

| ASSETS   | Note      | Group             |                  | Parent Company    |                   |
|--|-----------|-------------------|------------------|-------------------|-------------------|
|  |           | 2021<br>EUR       | 2020<br>EUR      | 2021<br>EUR       | 2020<br>EUR       |
| Development projects completed                   |           | 1,041,484         | 1,149,983        | 1,132,988         | 1,204,668         |
| Development projects in progress and prepayments |           | 416,522           | 191,788          | 444,272           | 175,430           |
| <b>Intangible assets</b>                         | <b>9</b>  | <b>1,458,006</b>  | <b>1,341,771</b> | <b>1,577,260</b>  | <b>1,380,098</b>  |
| Other plant, machinery tools and equipment       |           | 2,063,795         | 2,843,759        | 0                 | 0                 |
| Leasehold improvements                           |           | 4,362             | 1,827            | 0                 | 0                 |
| Tangible fixed assets in progress and prepayment |           | 3,864,579         | 0                | 0                 | 0                 |
| <b>Property, plant and equipment</b>             | <b>10</b> | <b>5,932,736</b>  | <b>2,845,586</b> | <b>0</b>          | <b>0</b>          |
| Investments in subsidiaries                      |           | 0                 | 0                | 12,795,269        | 8,757,383         |
| Rent deposit and other receivables               |           | 175,903           | 77,336           | 0                 | 0                 |
| <b>Financial non-current assets</b>              | <b>11</b> | <b>175,903</b>    | <b>77,336</b>    | <b>12,795,269</b> | <b>8,757,383</b>  |
| <b>NON-CURRENT ASSETS</b>                        |           | <b>7,566,645</b>  | <b>4,264,693</b> | <b>14,372,529</b> | <b>10,137,481</b> |
| Finished goods and goods for resale              |           | 500,893           | 155,748          | 0                 | 0                 |
| Prepayments                                      |           | 0                 | 390,029          | 0                 | 0                 |
| <b>Inventories</b>                               |           | <b>500,893</b>    | <b>545,777</b>   | <b>0</b>          | <b>0</b>          |
| Trade receivables                                |           | 1,714,342         | 385,524          | 0                 | 185               |
| Receivables from group enterprises               |           | 0                 | 0                | 232,244           | 0                 |
| Other receivables                                |           | 288,687           | 238,899          | 286,186           | 113,026           |
| Corporation tax receivable                       |           | 146,338           | 144,595          | 54,898            | 28,730            |
| Prepayments                                      | <b>12</b> | 90,129            | 0                | 10,396            | 0                 |
| <b>Receivables</b>                               |           | <b>2,239,496</b>  | <b>769,018</b>   | <b>583,724</b>    | <b>141,941</b>    |
| <b>Cash and cash equivalents</b>                 |           | <b>11,091,717</b> | <b>1,012,572</b> | <b>7,290,820</b>  | <b>457,363</b>    |
| <b>CURRENT ASSETS</b>                            |           | <b>13,832,106</b> | <b>2,327,367</b> | <b>7,874,544</b>  | <b>599,304</b>    |
| <b>ASSETS</b>                                    |           | <b>21,398,751</b> | <b>6,592,060</b> | <b>22,247,073</b> | <b>10,736,785</b> |

## Balance sheet at 31 December

| EQUITY AND LIABILITIES                            | Note      | Group             |                  | Parent Company    |                   |
|---|-----------|-------------------|------------------|-------------------|-------------------|
|   |           | 2021<br>EUR       | 2020<br>EUR      | 2021<br>EUR       | 2020<br>EUR       |
| Share capital                                     |           | 207,970           | 40,080           | 207,970           | 40,080            |
| Reserve for development costs                     |           | 1,137,245         | 1,022,506        | 1,230,263         | 1,076,477         |
| Retained earnings                                 |           | 11,326,972        | 12,735           | 19,146,109        | 5,958,622         |
| <b>EQUITY</b>                                     |           | <b>12,672,187</b> | <b>1,075,321</b> | <b>20,584,342</b> | <b>7,075,179</b>  |
| Convertible and interest-bearing debt instruments |           | 0                 | 775,604          | 0                 | 775,604           |
| Debt to other credit institutions                 |           | 4,476,090         | 700,000          | 1,189,010         | 0                 |
| Other non-current liabilities                     |           | 215,385           | 916,630          | 0                 | 0                 |
| Other liabilities                                 |           | 165,841           | 165,773          | 0                 | 0                 |
| <b>Non-current liabilities</b>                    | <b>13</b> | <b>4,857,316</b>  | <b>2,558,007</b> | <b>1,189,010</b>  | <b>775,604</b>    |
| <b>Current portion of non-current liabilities</b> |           | <b>1,322,018</b>  | <b>806,737</b>   | <b>0</b>          | <b>806,737</b>    |
| Bank debt   |           | 7,211             | 0                | 7,211             | 0                 |
| Trade payables                                    |           | 1,027,778         | 527,803          | 22,388            | 13,769            |
| Debt to Group companies                           |           | 0                 | 0                | 340,079           | 1,978,773         |
| Payables to owners and management                 |           | 0                 | 28,761           | 0                 | 28,761            |
| Corporation tax payable                           |           | 8,520             | 0                | 0                 | 0                 |
| Other liabilities                                 |           | 572,388           | 1,185,722        | 2,837             | 0                 |
| Deferred income                                   | <b>14</b> | 931,333           | 409,709          | 101,206           | 57,962            |
| <b>Current liabilities</b>                        |           | <b>3,869,248</b>  | <b>2,958,732</b> | <b>473,721</b>    | <b>2,886,002</b>  |
| <b>LIABILITIES</b>                                |           | <b>8,726,564</b>  | <b>5,516,739</b> | <b>1,662,731</b>  | <b>3,661,606</b>  |
| <b>EQUITY AND LIABILITIES</b>                     |           | <b>21,398,751</b> | <b>6,592,060</b> | <b>22,247,073</b> | <b>10,736,785</b> |
| Contingencies etc.                                | <b>15</b> |                   |                  |                   |                   |
| Charges and securities                            | <b>16</b> |                   |                  |                   |                   |
| Related parties                                   | <b>17</b> |                   |                  |                   |                   |
| Earnings per share                                | <b>18</b> |                   |                  |                   |                   |

## Equity

|                                   | Group          |                               |                   |                   |
|-----------------------------------|----------------|-------------------------------|-------------------|-------------------|
|                                   | Share capital  | Reserve for development costs | Retained earnings | Total             |
| Equity at 1 January 2021          | 40,080         | 1,022,506                     | 12,735            | 1,075,321         |
| Proposed loss allocation          |                |                               | -3,267,395        | -3,267,395        |
| <b>Transactions with owners</b>   |                |                               |                   |                   |
| Capital increase                  | 167,890        |                               | 15,539,403        | 15,707,293        |
| Cost of capital increase          |                |                               | -783,316          | -783,316          |
| <b>Other legal bindings</b>       |                |                               |                   |                   |
| Capitalized development costs     |                | 114,739                       | -114,739          | 0                 |
| Foreign exchange adjustments      |                |                               | -59,716           | -59,716           |
| <b>Equity at 31 December 2021</b> | <b>207,970</b> | <b>1,137,245</b>              | <b>11,326,972</b> | <b>12,672,187</b> |

|                                      | Parent Company |                               |                   |                   |
|--------------------------------------|----------------|-------------------------------|-------------------|-------------------|
|                                      | Share capital  | Reserve for development costs | Retained earnings | Total             |
| Equity at 1 January 2021             | 40,080         | 1,076,477                     | 5,958,622         | 7,075,179         |
| Proposed loss allocation, jf. note 8 |                |                               | -1,417,555        | -1,417,555        |
| <b>Transactions with owners</b>      |                |                               |                   |                   |
| Capital increase                     | 167,890        |                               | 15,539,403        | 15,707,293        |
| Cost of capital increase             |                |                               | -783,316          | -783,316          |
| <b>Other legal bindings</b>          |                |                               |                   |                   |
| Capitalized development costs        |                | 153,786                       | -153,786          | 0                 |
| Foreign exchange adjustments         |                |                               | 2,741             | 2,741             |
| <b>Equity at 31 December 2021</b>    | <b>207,970</b> | <b>1,230,263</b>              | <b>19,146,109</b> | <b>20,584,342</b> |

Contributed capital for the financial year 2021 amounts to 1.248.348 DKK nominally. Share capital is registered in DKK and amounts to 1.546.513 DKK

The division into capital classes has been abolished.

The Parent Company has established a warrant program for its employees. Total committed and available warrants amounts to nominal shares of 222,875. The warrants allow employees the option to purchase shares at a fixed price. The vesting period is different from employee to employee but is generally 48 months. The exercise price is set at either EUR 1.18 per share, EUR 1.84 per share EUR 2.18 per share or EUR 2.45 per share, with the average price being EUR 1.73.

## Cash flow statement 1 January- 31 December

|  | Group             |                   |
|--|-------------------|-------------------|
|  | 2021 EUR          | 2020 EUR          |
| Profit/loss for the year   | -3,267,395        | -3,512,209        |
| Depreciation and amortisation, reversed  | 1,513,319         | 1,695,823         |
| Reversed realization gains   | -1,226            | 0                 |
| Tax on profit/loss, reversed   | -128,374          | -86,129           |
| Non cash adjustment, tax on profit for the period (foreign entities)                     | -2,727            | 0                 |
| Corporation tax paid   | 135,210           | 147,859           |
| Change in inventories  | 45,103            | -250,342          |
| Change in receivables (ex tax)   | -1,468,735        | -235,792          |
| Change in current liabilities (ex bank, tax, instalments payable and overdraft facility) | 379,504           | 388,397           |
| Other cash flows from operating activities   | -27,449           | 289               |
| <b>CASH FLOWS FROM OPERATING ACTIVITY</b>  | <b>-2,822,770</b> | <b>-1,852,104</b> |
| Purchase of intangible assets  | 542,653           | -599,656          |
| Purchase of property, plant and equipment  | -4,172,620        | -636,034          |
| Sale of property, plant and equipment  | 5,916             | 576,124           |
| Purchase of financial assets   | -98,525           | 0                 |
| <b>CASH FLOWS FROM INVESTING ACTIVITY</b>  | <b>-4,807,882</b> | <b>-659,566</b>   |
| Capital increase   | 14,923,977        | 0                 |
| Proceeds from non-current borrowing  | 3,234,595         | 1,785,085         |
| Instalments on loans   | -420,005          | 0                 |
| Other cash flows from financing activities   | -28,770           | 0                 |
| <b>CASH FLOWS FROM FINANCING ACTIVITY</b>  | <b>17,709,797</b> | <b>1,785,085</b>  |
| <b>CHANGE IN CASH AND CASH EQUIVALENTS</b>   | <b>10,079,145</b> | <b>-726,585</b>   |
| Cash and cash equivalents at 1. januar   | 1,012,572         | 1,739,157         |
| <b>CASH AND CASH EQUIVALENTS AT 31. DECEMBER</b>   | <b>11,091,717</b> | <b>1,012,572</b>  |
| Cash and cash equivalents at 31 December comprise:                                       |                   |                   |
| Cash and cash equivalents  | 11,091,717        | 1,012,572         |
| <b>CASH AND CASH EQUIVALENTS, NET DEBT</b>   | <b>11,091,717</b> | <b>1,012,572</b>  |

# Notes

Note

Note

## Other operating expenses

Other operating income is income related to received grants for the Group's development projects.

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|   | Group            |                  | Parent Company |                |          |
|---|------------------|------------------|----------------|----------------|----------|
|   | 2021<br>EUR      | 2020<br>EUR      | 2021<br>EUR    | 2020<br>EUR    |          |
| <b>Staff costs</b>                                      |                  |                  |                |                | <b>2</b> |
| Average number of employees                             | 58               | 60               | 0              | 0              |          |
| Wages and salaries                                      | 3,099,749        | 2,525,834        | 45,045         | 0              |          |
| Pensions  | 19,528           | 140,289          | 0              | 0              |          |
| Social security costs                                   | 145,156          | 57,497           | 0              | 0              |          |
| Other staff costs                                       | 51,274           | 16,463           | 0              | 0              |          |
| Staff costs classified as assets                        | -260,284         | -208,043         | 0              | 0              |          |
|   | <b>3,055,423</b> | <b>2,532,040</b> | <b>45,045</b>  | <b>0</b>       |          |
| Remuneration of Executive Board                         | 223,899          | 136,211          | 0              | 0              |          |
| Remuneration of Board of Directors                      | 43,028           | 0                | 0              | 0              |          |
|   | <b>266,927</b>   | <b>136,211</b>   | <b>0</b>       | <b>0</b>       |          |
| <b>Depreciation, amortisation and impairment losses</b> |                  |                  |                |                | <b>3</b> |
| Development projects completed                          | 1,816            | 1,211            | 0              | 0              |          |
| Leasehold improvements                                  | 1,086,342        | 1,295,810        | 0              | 0              |          |
| Other plants, tools and equipment                       | -1,226           | -3,494           | 0              | 0              |          |
| Realisation profits                                     |                  |                  |                |                |          |
|   | <b>1,513,319</b> | <b>1,695,823</b> | <b>468,529</b> | <b>412,186</b> |          |

## Other operating expenses

Other operating expenses involve IPO costs in relation to the First North notation of the company during the year.

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|                               | Group         |               | Parent Company |                |          |
|-------------------------------|---------------|---------------|----------------|----------------|----------|
|                               | 2021<br>EUR   | 2020<br>EUR   | 2021<br>EUR    | 2020<br>EUR    |          |
| <b>Other financial income</b> |               |               |                |                | <b>5</b> |
| Group enterprises             | 68,979        | 16,651        | 22             | 0              |          |
| Other interest income         |               |               |                |                |          |
|                               | <b>68,979</b> | <b>16,651</b> | <b>46,580</b>  | <b>131,038</b> |          |

|  | Group             |                   | Parent Company    |                 |          |
|--|-------------------|-------------------|-------------------|-----------------|----------|
|  | 2021<br>EUR       | 2020<br>EUR       | 2021<br>EUR       | 2020<br>EUR     |          |
| <b>Other financial expenses</b>              |                   |                   |                   |                 | <b>6</b> |
| Group enterprises                            | 398,024           | 408,117           | 140,335           | 125,007         |          |
| Other interest expenses                      |                   |                   |                   |                 |          |
|  | <b>398,024</b>    | <b>408,117</b>    | <b>189,214</b>    | <b>180,260</b>  |          |
| <b>Tax on profit/loss for the year</b>       |                   |                   |                   |                 | <b>7</b> |
| Calculated tax on taxable income of the year | 138,024           | 143,779           | 54,892            | 28,722          |          |
| Adjustment of tax in previous years          | -8,117            | 0                 | -1,546            | 0               |          |
| Adjustment of deferred tax                   | -1,533            | -57,650           | 0                 | 0               |          |
|  | <b>128,374</b>    | <b>86,129</b>     | <b>53,346</b>     | <b>28,722</b>   |          |
| <b>Proposed distribution of profit</b>       |                   |                   |                   |                 | <b>8</b> |
| Retained earnings                            | -3,267,395        | -3,512,209        | -1,417,555        | -457,265        |          |
|  | <b>-3,267,395</b> | <b>-3,512,209</b> | <b>-1,417,555</b> | <b>-457,265</b> |          |

| Intangible assets                          | Group                          |  | Note |
|--|--------------------------------|--|------|
|  | Development projects completed | Development projects in progress and prepayments | 9    |
|  |                                |  |      |
| Cost at 1 January 2021                     | 2,188,366                      | 160,983  |      |
| Difference                                 | -27,200                        | 14,528   |      |
| Additions                                  | 344,687                        | 241,011  |      |
| <b>Cost at 31 December 2021</b>            | <b>2,505,853</b>               | <b>416,522</b>                                   |      |
| Amortisation at 1 January 2021             | 1,037,951                      | 0  |      |
| Amortisation for the year                  | 426,418                        | 0  |      |
| <b>Amortisation at 31 December 2021</b>    | <b>1,464,369</b>               | <b>0</b>   |      |
| <b>Carrying amount at 31 December 2021</b> | <b>1,041,484</b>               | <b>416,522</b>                                   |      |

The Group's development projects relate to the development and improvement of the DonkeyRepublic platform and app. The platform is an important part in realizing the long-term growth strategy for the Group.

| Intangible assets                          | Parent Company                 |  | Note |
|--|--------------------------------|--|------|
|  | Development projects completed | Development projects in progress and prepayments | 9    |
|  |                                |  |      |
| Cost at 1 January 2021                     | 2,278,702                      | 175,502  |      |
| Additions                                  | 396,402                        | 268,770  |      |
| <b>Cost at 31 December 2021</b>            | <b>2,675,104</b>               | <b>444,272</b>                                   |      |
| Amortisation at 1 January 2021             | 1,073,540                      | 0  |      |
| Amortisation for the year                  | 468,576                        | 0  |      |
| <b>Amortisation at 31 December 2021</b>    | <b>1,542,116</b>               | <b>0</b>   |      |
| <b>Carrying amount at 31 December 2021</b> | <b>1,132,988</b>               | <b>444,272</b>                                   |      |

The Parent Company's development projects relate to the development and improvement of the DonkeyRepublic platform and app. The platform is an important part in realizing the long-term growth strategy for the entity and its subsidiaries.

| Property, plant and equipment                                 | Group                                      |                        |  | Note |
|---|--|------------------------|--|------|
|   | Other plant, machinery tools and equipment | Leasehold improvements | Tangible fixed assets in progress and prepayment | 10   |
|   |  |                        |  |      |
| Cost at 1 January 2021  | 6,027,703                                  | 3,632                  | 0  |      |
| Additions   | 208,795                                    | 4,350                  | 3,864,579  |      |
| Disposals   | -33,719                                    | 0                      | 0  |      |
| <b>Cost at 31 December 2021</b>                               | <b>6,202,779</b>                           | <b>7,982</b>           | <b>3,864,579</b>                                 |      |
| Depreciation and impairment losses at 1 January 2021          | 3,182,873                                  | 1,804                  |  |      |
| Reversal of depreciation of assets disposed of                | -130,300                                   | 0                      |  |      |
| Depreciation for the year                                     | 1,086,411                                  | 1,816                  |  |      |
| <b>Depreciation and impairment losses at 31 December 2021</b> | <b>4,138,984</b>                           | <b>3,620</b>           |  |      |
| <b>Carrying amount at 31 December 2021</b>                    | <b>2,063,795</b>                           | <b>4,362</b>           | <b>3,864,579</b>                                 |      |

Prepayments for tangible assets amounts to EUR 3,865k for 2021, and consists of prepayments made to a number of the groups suppliers of components and bikes. At 31 December 2021 an updated assessment has been made and management has no indications of impairment or uncertainty related to the value of the prepayments. The bikes and components are expected to be delivered throughout the year of 2022. Donkey Republic has a number of internal process and controls to mitigate the risk of impairment including detailed supplier verification test, factory visits and regular status meetings. However, future impact of suppliers being challenged by the current economic uncertainties in supply chain and inflation etc. could entail uncertainties in delivery time etc. Management has very high focus on this and if any potential risk arise management will ensure to mitigate and take action if needed.

| Financial non-current assets               | Group                       |                                    | Note<br>11 |
|--|-----------------------------|------------------------------------|------------|
|  | Investments in subsidiaries | Rent deposit and other receivables |            |
| Cost at 1 January 2021                     | 0                           | 82,236                             |            |
| Additions                                  | 0                           | 93,667                             |            |
| <b>Cost at 31 December 2021</b>            | <b>0</b>                    | <b>175,903</b>                     |            |
| <b>Carrying amount at 31 December 2021</b> | <b>0</b>                    | <b>175,903</b>                     |            |
| Fixed asset investments (continued)        | Parent Company              |                                    |            |
|  | Investments in subsidiaries |                                    |            |
| Cost at 1 January 2021                     | 8,760,977                   |                                    |            |
| Additions                                  | 4,034,292                   |                                    |            |
| <b>Cost at 31 December 2021</b>            | <b>12,795,269</b>           |                                    |            |
| <b>Carrying amount at 31 December 2021</b> | <b>12,795,269</b>           |                                    |            |
| Investments in subsidiaries                |                             |                                    |            |
| Name and domicil                           | Ownership                   |                                    |            |
| DonkeyRepublic Admin ApS, Copenhagen       | 100%                        |                                    |            |
| DonkeyRepublic Bike ApS, Copenhagen        | 100%                        |                                    |            |
| Smart Cycles SLA, Barcelona                | 100%                        |                                    |            |
| DonkeyRepublic NL, Utrecht                 | 100%                        |                                    |            |
| DonkeyRepublic Bike NL, Utrecht            | 100%                        |                                    |            |
| DonkeyRepublic GmbH, Berlin                | 100%                        |                                    |            |
| DonkeyRepublic Hungary, Budapest           | 100%                        |                                    |            |

| Prepayments   | Group                           |                        |                                      |                                 | Note<br>12 |
|---|---------------------------------|------------------------|--------------------------------------|---------------------------------|------------|
| Prepayments relate to costs incurred relating to the subsequent financial year. |                                 |                        |                                      |                                 |            |
| Long-term liabilities   | Group                           |                        |                                      |                                 | 13         |
|   | 31/12 2021<br>total liabilities | Repayment<br>next year | Debt<br>outstanding<br>after 5 years | 31/12 2020<br>total liabilities |            |
| Convertible and interest-bearing debt instruments                               | 0                               | 0                      | 0                                    | 775,604                         |            |
| Debt to other credit institutions   | 5,582,723                       | 1,106,633              | 898,747                              | 1,506,737                       |            |
| Other non-current liabilities   | 430,770                         | 215,385                | 0                                    | 916,630                         |            |
| Other liabilities   | 165,841                         | 0                      | 165,841                              | 165,773                         |            |
|   | <b>6,179,334</b>                | <b>1,322,018</b>       | <b>1,064,588</b>                     | <b>3,364,744</b>                |            |
|   | Parent Company                  |                        |                                      |                                 |            |
|   | 31/12 2021<br>total liabilities | Repayment<br>next year | Debt<br>outstanding<br>after 5 years | 31/12 2020<br>total liabilities |            |
| Convertible and interest-bearing debt instruments                               | 0                               | 0                      | 0                                    | 775,604                         |            |
| Debt to other credit institutions   | 1,189,010                       | 0                      | 71,717                               | 806,737                         |            |
|   | <b>1,189,010</b>                | <b>0</b>               | <b>71,717</b>                        | <b>1,582,341</b>                |            |

**Deferred income**

Deferred income relate to payments received regarding income in subsequent years.

**Contingencies etc.****Contingent assets****Group**

The Group has a tax loss carryforward, which is not recognized in the balance sheet, as it is not assessed that it can be utilized within a period of 3-5 years. The value of the tax loss amounts to EUR ('000) 10,996 per December 31, 2021.

**Parent Company**

The Parent Company has a tax loss carryforward, which is not recognized in the balance sheet, as it is not assessed that it can be utilized within a period of 3-5 years. The value of the tax loss amounts to EUR ('000) 4,373 per December 31, 2021.

**Contingent liabilities****Group**

The Group has entered into rent obligations, which at the balance sheet date amount to EUR ('000) 430 in the notice period, which expires on 30 November 2024.

The Group has entered into leasing agreements with a remaining term of up to 54 months. The leasing contracts have a total residual leasing obligation of EUR ('000) 45.

**Parent Company**

The Parent Company has issued letter of support for its two subsidiaries, DonkeyRepublic Admin ApS and DonkeyRepublic Bike ApS, whereby it has undertaken the obligation to provide the necessary cash and capital to ensure that the subsidiaries will be able to continue operating. Both companies have a positive equity as of 31 December 2021.

**Joint liabilities**

The Danish companies of the group is jointly and severally liable for tax on the group's jointly taxed income and for certain possible withholding taxes such as dividend tax, etc.

Tax payable of the group's jointly taxed income amounts to EUR ('000) 0 at the Balance Sheet date.

**Note**

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**Charges and securities****Group**

15

A floating charge of nominally EUR ('000) 5,023 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 A/S. The book value of assets charged as collateral amounts to EUR ('000) 9,606 for the Group. The assets are charged as collateral against loans from Vækstfonden across the three Companies.

Lastly, 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.

**Parent Company**

A floating charge of nominally EUR ('000) 5,023 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 A/S. The book value of assets charged as collateral amounts to EUR ('000) 1,577 in DonkeyRepublic Holding A/S. The assets are charged as collateral against loans from Vækstfonden across the three Companies.

Lastly, 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.

**Related parties**

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**Transactions with related parties**

The Group did not carry out any material transactions that were not concluded on market conditions. According to section 98c, subsection 7 of the Danish Financial Statements Act information is given only on transactions that were not performed on common market conditions.

|                           | <b>Group</b>    |           |
|---------------------------|-----------------|-----------|
|                           | <b>2021 EUR</b> |           |
| <b>Earnings per share</b> |                 | <b>18</b> |
| Average amount of shares  | 11,717,073      |           |
| Loss for the year         | -3,267,395      |           |
| <b>Earnings per share</b> | <b>-0.28</b>    |           |

As none of the warrants are in the money at the time of the report no dilution effect from warrants is considered.



# Accounting Policies



# Accounting policies

The Annual Report of DonkeyRepublic Holding A/S for 2021 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class C, medium-size enterprises.

The Annual Report is prepared consistently with the accounting principles applied last year. The functional currency of the Parent Company is the Danish krone (DKK). However, due to the Group's international relations, the consolidated financial statements are presented in Euro (EUR).

## 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.

## Consolidated Financial Statements

The Consolidated Financial Statements include the Parent Company DonkeyRepublic Holding A/S and the subsidiaries in which DonkeyRepublic Holding A/S directly or indirectly holds more than 50% of the voting rights or in any other way has a controlling influence. Enterprises in which the Group holds between 20% and 50% of the voting rights and exercises significant, but not controlling influence, are considered associates, see the Group structure.

The Consolidated Financial Statements consolidate the Financial Statements of the Parent Company and the subsidiaries by combining uniform accounts items. Intercompany income and expenses, shareholdings, intercompany accounts and dividend, and realised and unrealised gains and losses arising from transactions between the consolidated enterprises are fully eliminated in the consolidation.

Investments in subsidiary enterprises are set off by the proportional share of the subsidiaries' fair value of net assets and liabilities at the acquisition date.

## Income statement

### Net revenue

Revenue from the sale of manufactured goods, goods for resale and lease of rental bikes is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue from the sale of services is 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.

### Other operating income

Other operating income includes items of a secondary nature in relation to the Group's and the Company's activities. In addition, profit from sale of intangible and tangible fixed assets as well as business interruption and conflict compensations are included. Compensations are recognised when the income is deemed to be realisable.

### Other operating expenses

Other operating expenses include items of a secondary nature in relation to the Group's and the Company's activities. Losses from sale of intangible and tangible fixed assets are also included.

### Cost of sales

Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

### 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.

**Staff costs**

Staff costs comprise wages and salaries, including holiday pay and pensions, and other costs of social security etc., for the Group and the Parent Company's employees.

**Income from investments in subsidiaries**

Dividend from subsidiaries is recognised in the financial year in which the dividend is declared. In connection with transfers, potential profits are recognised when the economic rights related to the sold equity interests are transferred, however, at the earliest when the profit has been realised or is regarded as realisable. Moreover, realised losses other than impairments are included where identified.

**Depreciation, amortisation and impairment losses**

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

**Financial income and expenses**

Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from securities, debt and transactions in foreign currencies, as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised by the amounts that relate to the financial year. Interest income and expenses are calculated on amortised cost prices.

**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****Intangible fixed assets**

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where

the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 5 years.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

**Tangible fixed assets**

Plant and machinery, and 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:

|                                     | Useful life | Residual value |
|-------------------------------------|-------------|----------------|
| Other plant, fixtures and equipment | 3-5 years   | 0 %            |
| Leasehold improvements              | 5 years     | 0 %            |

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.

**Fixed asset investments**

Equity investments in subsidiaries are measured at cost. If the cost exceeds the net

realisable value, this is written down to the lower value.

Deposits include rental deposits which are recognised and measured at cost. Deposits are not depreciated.

Financial fixed assets include also other equity interests that are not expected to be disposed of. These are measured at cost because the equity interests are unlisted.

Other receivables are measured at amortised cost which usually corresponds to the nominal amount. The amount is written down to meet expected losses.

### **Impairment of fixed assets**

The carrying amount of intangible fixed and tangible assets together with fixed assets, which are not measured at fair value, are assessed annually for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the recoverable amount.

The recoverable amount is calculated at the higher of the capital value and the sales value less expected costs of a sale. The capital value is determined as the Company's share in the current value of the net cash flows which the subsidiary is expected to generate through its activities and from sale of assets after the end of their useful lives. A discount rate is used which reflects the risk-free market rate and the owners' minimum return on interest requirements for similar assets. The growth rate in the terminal period is determined in accordance with the standards within the industry.

### **Inventories**

Inventories are measured at cost using the FIFO-principle. If the net realisable amount is lower than cost, the inventories are written down to the lower amount.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct payroll cost and other direct and other indirect production costs include indirect materials and payroll and maintenance and depreciation of the machines, factory buildings and equipment used in the production process, the cost of factory administration and management and capitalised development costs relating to the products.

The net realisable value of inventories is stated at the expected sales price less direct completion costs and costs incurred to execute the sale and is determined with due regard to marketability, obsolescence and development in expected sales price of the inventories.

### **Receivables**

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

### **Accruals, assets**

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

### **Tax payable and deferred tax**

Current tax liabilities and receivable current tax are recognised in the Balance Sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

The Company is subject to joint taxation with Danish Group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the tax-on-account scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the amount at which the asset is expected to be used within a reasonable number of years, either by setoff against tax on future earnings or by setoff 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 under the legislation in force on the Balance Sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

### **Liabilities**

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less transaction costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the loan period.

The amortised cost of current liabilities corresponds usually to the nominal value.

**Accruals, liabilities**

Accruals recognised as liabilities include payments received regarding income in subsequent years.

**Cash flow statement**

With reference to Section 86(4) of the Danish Financial Statements Act, the Company has not prepared a cash flow statement. A cash flow statement has been prepared for the Group.

The cash flow statement shows the Group's cash flows for the year for operating activities, investing activities and financing activities in the year, the change in cash and cash equivalents of the year and cash and cash equivalents at beginning and end of the year.

Cash flows from operating activities:

Cash flows from operating activities are computed as the results for the year adjusted for non-cash operating items, changes in net working capital and corporation tax paid.

Cash flows from investing activities:

Cash flows from investing activities include payments in connection with purchase and sale of intangible and tangible fixed asset and fixed asset investments.

Cash flows from financing activities:

Cash flows from financing activities include changes in the size or composition of share capital and related costs, and borrowings and repayment of interest-bearing debt and payment of dividend to shareholders.

Cash and cash equivalents:

Cash and cash equivalents include cash in hand.

# Every Ride Counts

