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# Accell Danmark ApS

Emil Neckelmanns Vej 6
5220 Odense SØ
CVR No. 32570763

# Annual report 2024

The Annual General Meeting adopted the annual report on 07.07.2025

**Riku-Pekka Mikkonen**
Chairman of the General Meeting

# Contents

# Entity details

**Entity**

Accell Danmark ApS
Emil Neckelmanns Vej 6
5220 Odense SØ

Business Registration No.: 32570763
Registered office: Odense
Financial year: 01.01.2024 - 31.12.2024

**Executive Board**

Riku-Pekka Mikkonen

**Auditors**

Deloitte Statsautoriseret Revisionspartnerselskab
Tværkajen 5
P. O. Box 10
5100 Odense

# Statement by Management on the annual report

The Executive Board has today considered and approved the annual report of Accell Danmark ApS for the financial year 01.01.2024 - 31.12.2024.

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

In my 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 31.12.2024 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2024 - 31.12.2024.

I believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

I recommend the annual report for adoption at the Annual General Meeting.

Odense, 07.07.2025

**Executive Board**

**Riku-Pekka Mikkonen**

# Independent auditor's report

**To the shareholders of Accell Danmark ApS**

## Opinion

We have audited the consolidated financial statements and the parent financial statements of Accell Danmark ApS for the financial year 01.01.2024 - 31.12.2024, 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 31.12.2024 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2024 - 31.12.2024 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.

## Material uncertainty related to going concern

We should draw attention to the information contained in in note 1 to the financial statements, which shows that the Accell NL Group has undergone a recapitalisation, which has resulted in a restructuring of the Accell NL Group's debt.

The ability of the Accell NL Group and the company to continue as a going concern depends on the timing and extent of the market recovery and successful execution of the Transformation Programme and, in case of a liquidity shortfall, its ability to implement the liquidity levers, negotiate a waiver for the covenant breach, or obtain and agree any additional super senior debt financing required, as well as whether the shareholders choose to exercise their cure rights.

As a result the Accell NL Group have identified a material uncertainty in the Accell NL Group's accounts. Notwithstanding these uncertainties, the going concern assumption has been applied in the Accell NL Group's and the company financial statements.

In preparing the financial statements, management has assumed that the necessary capital structure has been achieved and has therefore prepared the financial statements on a going concern basis. As stated in note 1, this indicates that there is an uncertainty that may cast doubt on the company's ability to continue as a going concern. Our opinion has not been modified for this matter.

### Management's responsibilities for the consolidated financial statements and the parent 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 determines 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 consolidated financial statements and the parent 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- 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.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements and the parent financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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 by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Odense, 07.07.2025

**Deloitte**
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

**Heino Hyllested Tholsgaard**
State Authorised Public Accountant
Identification No (MNE) mne34511

# Management commentary

## Financial highlights

| | 2024 EUR'000 | 2023 EUR'000 | 2022 EUR'000 | 2021 EUR'000 | 2020 EUR'000 |
|---|---|---|---|---|---|
| **Key figures** | | | | | |
| Revenue | 65,062 | 59,411 | 74,288 | 67,608 | 19,324 |
| Gross profit/loss | 2,044 | 4,945 | 7,617 | 8,699 | (863) |
| Operating profit/loss | (6,269) | (2,746) | 320 | 1,878 | (2,000) |
| Net financials | (3,664) | (4,204) | (1,571) | (1,816) | (329) |
| Profit/loss for the year | (10,065) | (7,736) | (956) | (228) | (2,412) |
| Balance sheet total | 36,712 | 44,251 | 54,047 | 84,503 | 37,642 |
| Investments in property, plant and equipment | 1,185 | 743 | 435 | 664 | 174 |
| Equity | (2,397) | (7,281) | 490 | 742 | 857 |
| Cash flows from operating activities | (11,095) | (25) | 7,621 | (869) | 0 |
| Cash flows from investing activities | (96) | (37) | (184) | (188) | 0 |
| Cash flows from financing activities | 14,019 | (835) | (4,547) | (2,627) | 0 |
| Average number of employees | 103 | 102 | 110 | 97 | 13 |
| | | | | | |
| **Ratios** | | | | | |
| Gross margin (%) | 3.14 | 8.32 | 10.25 | 12.87 | (4.47) |
| Net margin (%) | (15.47) | (13.02) | (1.29) | (0.34) | (12.48) |
| Equity ratio (%) | (6.53) | (16.45) | 0.91 | 0.88 | 2.28 |

Do to changes of the annual report where the company make the consolidated financial statement, there is a non -comparability in the financial higlights.

The financial year 2024-2021 show the financial highlight of the consolidated Group. According to the Annual Accounts Act §128, stk. 4, we have omitted from including main and key figures for 2020. on group level. Please be aware that it is the parent company's key figures that have been used for 2020.

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

**Gross margin (%):**

$$\frac{\text{Gross profit/loss} * 100}{\text{Revenue}}$$

**Net margin (%):**
Profit/loss for the year * 100
Revenue

**Equity ratio (%):**
Equity * 100
Balance sheet total

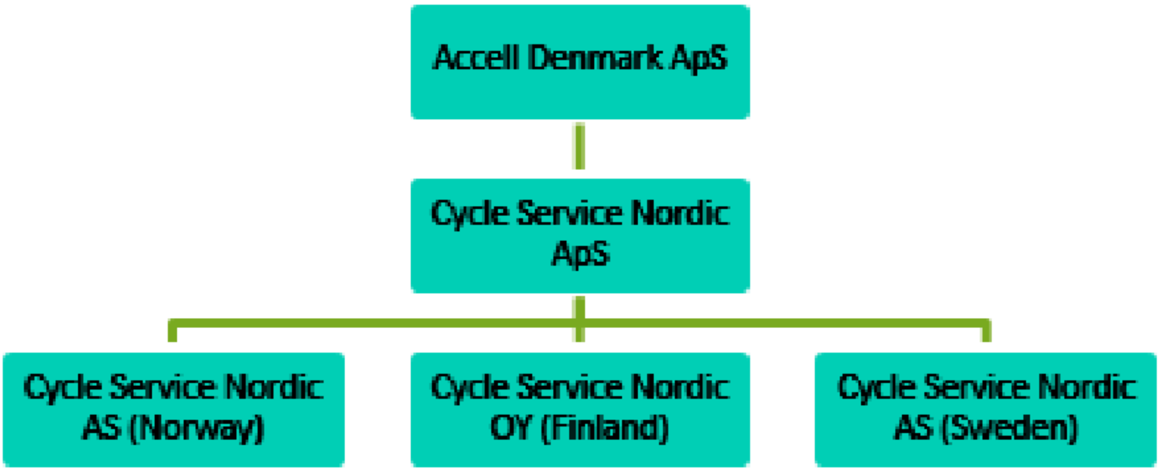
## Primary activities

As in previous years, the primary activities of the Group and the parent company are import, sale, marketing and technical maintenance of bicycles and spare parts.

***Business model***

The Accell Danmark Group, including Cycle Service Nordic ApS, is a distributor of bicycles and parts and accessories in the Nordics focusing on bikes in Denmark and parts and accessories in all 4 Nordic countries.

The Group is headquartered in Denmark, where the regional warehousing for parts and accessories is also located, and the Group has local presence with sales and technical service staff across the Nordics in Norway, Finland and Sweden.




With approx. 3,000 Nordic B2B customers Accell Danmark and Cycle Service Nordic is a known and respected business partner all over the Nordics. Acting as a backup to other Group companies elsewhere in Europe, some limited sales occur to countries outside of the Nordics, but still within Europe.

The Group distributes own bicycle brands and up to 50 quality parts and accessories brands from business partners across the globe, with production facilities in Far-east and Europe.

The Group has around 100 permanent employees and in Cycle Service Nordic a dedicated group of approx. 40 students that work part time – young and talented colleagues that work alongside their studies and that we commonly refer to as our Dream Team due to the skills and flexibility they add to our business.

***Policies***

The Accell Denmark Group relies to a large extend on the well-defined structures and implemented standards that the overarching Accell Group defines and implements.

This includes our comprehensive Group Code of Conduct which address topics like environment and sustainability, protection of human rights, social matters and anti-corruption, to mention some.

The Code of Conduct contains the majority of our policies, but at regional and national level we do from time-to-time supplement with local policies.

We make the Code of Conduct available to all employees and expect them to adhere to our policies and rules. We encourage everyone to speak up if they are in doubt of our Group or local company standards and expectations, or if they notice something suspicious. Either to reach out to their manager or a colleague, or use our Accell Speak Up whistle-blower channels.

In 2023 launched a common Supplier Code of Conduct across the Accell Group, which will be implemented going forward and address the topics included in the reporting, and more.

### Development in activities and finances

The parent and the group continue to invest in a strong local setup in the Nordic region in order to become a One -Stop-Shopping supplier with local presence in all four Nordic countries.

Furthermore, we refer to note 1 for going concern.

The parent and subsidiary has lost more than 50% of its equity this year, and is thereby covered by §119 of the Companies Act.

The parent and subsidiary will hold an extraordinary general meeting no later than 6 months after the finding, where a plan will be drawn up for how to re-establish the equity.

### Profit/loss for the year in relation to expected developments

The result of 2024 is (10,065,452) EUR compared to 2023 the result was (7,735,994) EUR.

This year's loss if not considered sufficient, and the negative development is linked to a continuing focus on clearing activities of potential future obsolete stock, leading to extraordinary costs from one time sell offs.

The loss is also impacted by the new business segment of Bikes Sweden, where the market is still under a lot of pressure with large inventory positions in the whole supply chain and market.

The increase in financial costs in previous years is related to the overstocking during 2022-2023, and the financial costs are still high in 2024.

The parent and the group anticipated a loss in 2024 in the range 3.3 – 4.7 million EUR considering only the parts and accessories business in all Nordic countries and bike business in Denmark. The loss is higher than expected and is considered unsatisfactory.

### Uncertainty relating to recognition and measurement

We refer to note 3 and 14, for further information about the uncertainty relating to recognition and measurement.

### Outlook

During 2024 the parent and the Group has had a continued focus on getting stock levels and the trade work capital back to a "normal" level after the COVID-19 pandemic.

In 2025 the Group expect to focus on clearing obsolete and excessive stock which is expected to have a negative result due to sales with positiv but lower margin.

The parts and accessories market are close to normalized in 2025, but the market for bikes is still under a lot of pressure.

The parent and Group expect to realize a turnover level close to 2024, but due to the ongoing work on reducing obsolete and excessive stock and the still pressurized market for bikes, the Group expect a negative result due to sales with positiv but lower margin, furtheremore expensenses and the interest rate on debt will have an impact on the negative result which is expected in the range 3,3-4,7 million EUR.
The turnover in the first 5 months of 2025 has been a bit higher than expectations for parts and accessories sales. Bike sales has been slightly behind compared to the beginning of last year. Over all the prognosis for the upcoming season remains positive.

## Statutory report on corporate social responsibility

***Business Model***

We refer to "Business model" under "Primary activities.

***Policies***

The Accell Denmark Group relies to a large extend on the well-defined structures and implemented standards that the overarching Accell Group defines and implements.

This includes our comprehensive Group Code of Conduct which address topics like environment and sustainability, protection of human rights, social matters and anti-corruption, to mention some.

The Code of Conduct contains the majority of our policies, but at regional and national level we do from time-to-time supplement with local policies.

We make the Code of Conduct available to all employees and expect them to adhere to our policies and rules. We encourage everyone to speak up if they are in doubt of our Group or local company standards and expectations, or if they notice something suspicious. Either to reach out to their manager or a colleague or use our Accell Speak Up whistle-blower channels.

In 2023 launched a common Supplier Code of Conduct across the Accell Group, which will be implemented going forward and address the topics included in the reporting, and more.

***Environment and sustainability***

In Cycle Service Nordic a cross-functional CSR Team is in place to make sure that optimizations and efficiencies are both identified and implemented. This has resulted in reductions in heat, electricity as well as increased sorting of waste, which all have a positive impact on our environment and the climate. In 2024 we have had a continuing focus on our implemented sorting of waste in the office and in the warehouse. This includes sorting plastic, metal, food, waste and more. We have also implemented a new way of charging our machines in the warehouse to put least pressure on the electricity network.

Our main risk on this topic relates to the environmental and climate footprint outside of our own operations, and as natural development we're going to increase our focus on this issue in 2025 and beyond, e.g. by implementing a Supplier Code of Conduct as mentioned above. We have already started collecting e.g. $CO_2$ data from some suppliers, and plan to increase these efforts going forward.

We're going to continue our efforts to minimize our impact by optimizing and reusing packaging, selecting the most responsible transportation options, shifting company cars to electrical models, charging electrical truck at optimal times and reducing plastics among other things.

***Human rights***

Respecting human rights and obeying to applicable law and high ethical standards is critical to us.

Our ambition is to support and promote internationally recognized human rights and to avoid any involvement in human rights violations throughout our operations and value chain.

The key principles of our approach to human rights include:

- Respect for human dignity, equality, and non-discrimination.

- A safe and respectful working environment.

- Rejection of forced labour, child labour and any form of exploitation.

- Responsible and ethical business conduct across the supply chain.

Within our own operations, we are confident that we comply with applicable laws and uphold the standards set out in the Accell Group's Code of Conduct. The Code is made available to all employees and is an integral part of how we work.

We consider that the greatest risk of human rights violations lies in our supply chain. While we have not identified any violations, we remain committed to addressing this risk. In 2023, a common Supplier Code of Conduct was introduced across the Accell Group to support responsible conduct among suppliers.

Although we have not yet formalized specific processes for implementing or monitoring the Supplier Code of Conduct, we expect this to develop over time in line with Group-level initiatives and evolving expectations.

At present, we rely on our existing policies and internal awareness to manage human rights risks, and we will continue to assess the need for further actions as the area evolves.

***Social matters***

Maintaining a positive and safe working environment is essential to us. We strive to ensure that all employees experience inclusion, diversity, and engagement in their daily work.

Our latest employee engagement survey was conducted in 2023, where the results showed a high overall satisfaction level, with strong participation and positive benchmarking compared to relevant peers within the Accell Group. Although no new survey has been carried out since then, we consider the outcome from 2023 to still be valid and reflective of the current working environment.

We have not recorded any work environment violations or formal complaints in the reporting year.

Internally, a dedicated team continues to focus on employee safety and well-being. This includes learning from incidents, reducing the risk of workplace accidents, and maintaining awareness of mental health. While we do not currently see stress as a significant risk area, we remain attentive to early signals and aim to support well-being through ongoing dialogue and local initiatives.

On a quarterly basis, various HR and safety-related metrics are reported to the Accell Group, and our department managers remain accountable through regular implementation reviews.

In 2025 and the coming years, we plan to maintain our current efforts and assess the possibility of reintroducing structured feedback through employee surveys or other engagement tools, depending on relevance and Group initiatives. We will continue to include employee well-being as part of our broader strategy.

***Anti-corruption***
Our policy includes to avoid all sorts of corrupt behaviour, and we ensure that people in relevant functions, such as commercial and procurement, are well trained on a regular basis to understand what to be aware of and what to avoid in the normal course of business.
We have recorded 0 incidents in the past year as a result of this policy.

We consider the risk of corruption in our business to be non-significant and recorded 0 incidents in the past year.

Going forward, we will maintain our existing approach and focus on this matter and optimize where relevant.

### Statutory report on data ethics policy
Working responsibly and ethically with data is already an important task for us. And while we do not have a stand -alone data ethics policy as defined by the Danish Business Authority, we do have the same topics incorporated in our existing structures of policies and training, linked up with data protection/GDPR as well as cyber security topics. It is important for us both due to our protection of employee data, as well as in relation to marketing and sales activities to manage both business partner and consumer data in the right way.

### Events after the balance sheet date
No events occurred after the balance sheet date that would require adjustment or disclosure in this annual report.

However, the broader global environment continues to be marked by significant uncertainty due to ongoing geopolitical tensions, economic volatility, and other macro-level developments. These factors may impact future conditions and should be considered when assessing the outlook for 2025.

We refer to note 1 for additional information regarding recapitalisation.

# Consolidated income statement for 2024

| | Notes | 2024<br>EUR | 2023<br>EUR |
|---|---|---|---|
| Revenue | 4 | 65,062,456 | 59,410,948 |
| Other operating income | | 1,656,227 | 1,709,949 |
| Cost of sales | | (59,669,524) | (51,212,167) |
| Other external expenses | 5 | (5,005,377) | (4,963,259) |
| **Gross profit/loss** | | **2,043,782** | **4,945,471** |
| | | | |
| Staff costs | 6 | (7,230,676) | (6,421,915) |
| Depreciation, amortisation and impairment losses | | (1,081,856) | (1,269,374) |
| **Operating profit/loss** | | **(6,268,750)** | **(2,745,818)** |
| | | | |
| Other financial income | 7 | 330,178 | 361,182 |
| Other financial expenses | 8 | (3,993,693) | (4,565,476) |
| **Profit/loss before tax** | | **(9,932,265)** | **(6,950,112)** |
| | | | |
| Tax on profit/loss for the year | 9 | (133,187) | (785,882) |
| **Profit/loss for the year** | 10 | **(10,065,452)** | **(7,735,994)** |

# Consolidated balance sheet at 31.12.2024

## Assets

| | Notes | 2024 EUR | 2023 EUR |
|---|---|---|---|
| Acquired intangible assets | | 430,495 | 593,268 |
| Goodwill | | 0 | 0 |
| **Intangible assets** | 11 | **430,495** | **593,268** |
| Land and buildings | | 2,619,965 | 2,351,420 |
| Other fixtures and fittings, tools and equipment | | 627,346 | 665,096 |
| Leasehold improvements | | 50,229 | 31,466 |
| **Property, plant and equipment** | 12 | **3,297,540** | **3,047,982** |
| Other receivables | | 302,036 | 254,264 |
| Deferred tax | 14 | 72,359 | 89,129 |
| **Financial assets** | 13 | **374,395** | **343,393** |
| **Fixed assets** | | **4,102,430** | **3,984,643** |
| Manufactured goods and goods for resale | | 12,047,887 | 20,709,539 |
| **Inventories** | | **12,047,887** | **20,709,539** |
| Trade receivables | | 9,983,089 | 9,000,803 |
| Receivables from group enterprises | | 6,198,922 | 9,040,492 |
| Other receivables | | 542,021 | 533,017 |
| Tax receivable | | 7,907 | 4,052 |
| Prepayments | 15 | 342,694 | 319,187 |
| **Receivables** | | **17,074,633** | **18,897,551** |
| **Cash** | | **3,486,585** | **658,881** |
| **Current assets** | | **32,609,105** | **40,265,971** |
| **Assets** | | **36,711,535** | **44,250,614** |

## Equity and liabilities

| | Notes | 2024 EUR | 2023 EUR |
|---|---|---|---|
| Contributed capital | 16 | 30,174 | 16,767 |
| Translation reserve | | (141,236) | (90,451) |
| Retained earnings | | (2,285,745) | (7,206,891) |
| **Equity** | | **(2,396,807)** | **(7,280,575)** |
| Deferred tax | 14 | 179,091 | 138,343 |
| Other provisions | 17 | 383,143 | 427,876 |
| **Provisions** | | **562,234** | **566,219** |
| Lease liabilities | | 2,591,386 | 2,312,387 |
| **Non-current liabilities other than provisions** | 18 | **2,591,386** | **2,312,387** |
| Current portion of non-current liabilities other than provisions | 18 | 749,719 | 698,210 |
| Trade payables | | 1,168,268 | 3,746,432 |
| Payables to group enterprises | | 31,921,623 | 42,011,131 |
| Tax payable | | 48,268 | 25,892 |
| Other payables | | 2,049,102 | 2,153,982 |
| Deferred income | 19 | 17,742 | 16,936 |
| **Current liabilities other than provisions** | | **35,954,722** | **48,652,583** |
| **Liabilities other than provisions** | | **38,546,108** | **50,964,970** |
| **Equity and liabilities** | | **36,711,535** | **44,250,614** |

| | |
|---|---|
| Material uncertainty related to going concern | 1 |
| Events after the balance sheet date | 2 |
| Uncertainty relating to recognition and measurement | 3 |
| Contingent assets | 21 |
| Contingent liabilities | 22 |
| Assets charged and collateral | 23 |
| Transactions with related parties | 24 |
| Group relations | 25 |
| Subsidiaries | 26 |

# Consolidated statement of changes in equity for 2024

| | Contributed capital EUR | Share premium EUR | Translation reserve EUR | Retained earnings EUR | Total EUR |
|---|---|---|---|---|---|
| Equity beginning of year | 16,767 | 0 | (90,451) | (7,206,891) | (7,280,575) |
| Increase of capital | 13,407 | 14,980,561 | 0 | 0 | 14,993,968 |
| Exchange rate adjustments | 0 | 6,037 | (50,785) | 0 | (44,748) |
| Transfer to reserves | 0 | (14,986,598) | 0 | 14,986,598 | 0 |
| Profit/loss for the year | 0 | 0 | 0 | (10,065,452) | (10,065,452) |
| **Equity end of year** | **30,174** | **0** | **(141,236)** | **(2,285,745)** | **(2,396,807)** |

The parent and subsidiary has lost more than 50% of its equity this year, and is thereby covered by §119 of the Companies Act.

The parent and subsidiary will hold an extraordinary general meeting no later than 6 months after the finding, where a plan will be drawn up for how to re-establish the equity.

# Consolidated cash flow statement for 2024

| | Notes | 2024<br>EUR | 2023<br>EUR |
|---|---|---|---|
| Operating profit/loss | | (6,268,750) | (2,745,818) |
| Amortisation, depreciation and impairment losses | | 1,081,856 | 1,269,374 |
| Other provisions | | (44,733) | 0 |
| Working capital changes | 20 | (2,330,157) | 5,492,150 |
| Unrealized exchange rate adjustments | | (39,412) | 0 |
| **Cash flow from ordinary operating activities** | | **(7,601,196)** | **4,015,706** |
| Financial income received | | 330,178 | 361,182 |
| Financial expenses paid | | (3,766,525) | (4,347,492) |
| Taxes refunded/(paid) | | (57,148) | (54,281) |
| **Cash flows from operating activities** | | **(11,094,691)** | **(24,885)** |
| Acquisition etc. of property, plant and equipment | | (51,288) | (19,218) |
| Sale of property, plant and equipment | | 3,351 | 0 |
| Acquisition etc. of Deposit | | (48,516) | (17,351) |
| **Cash flows from investing activities** | | **(96,453)** | **(36,569)** |
| **Free cash flows generated from operations and investments before financing** | | **(11,191,144)** | **(61,454)** |
| Repayment of lease liabilities | | (975,120) | (835,065) |
| Cash capital increase | | 14,993,968 | 0 |
| **Cash flows from financing activities** | | **14,018,848** | **(835,065)** |
| **Increase/decrease in cash and cash equivalents** | | **2,827,704** | **(896,519)** |
| Cash and cash equivalents beginning of year | | 658,881 | 1,555,400 |
| **Cash and cash equivalents end of year** | | **3,486,585** | **658,881** |
| Cash and cash equivalents at year-end are composed of: | | | |
| Cash | | 3,486,585 | 658,881 |
| **Cash and cash equivalents end of year** | | **3,486,585** | **658,881** |

# Notes to consolidated financial statements

### 1 Material uncertainty related to going concern

Accell Danmark ApS Group is a wholly owned subsidiary of Accell Group BV ("Accell", "the Group"). Accell operates a "cashpool" across its subsidiaries, and, as such, Accell Danmark ApS Group is reliant on Accell for its liquidity.

As announced on 12th February 2025, following agreement with its financial stakeholders, Accell has implemented a recapitalisation which restructured the Group's balance sheet and provided long term funding for the business. The key elements of the recapitalisation were:

- a reduction of the consolidated group debt by approximately €600 million, or around 40% of the total debt, from approximately €1.4 billion to approximately €800 million in the operating group;
- additional cash funding to the business of approximately €235 million; and
- an extension of the Group's recapitalised debt to 2030.

The Group's forecast includes assumptions around a market recovery in terms of gross margins in 2025 and the timing and extent of cost savings as a result of the execution of the Transformation Programme. However, the timing and extent of the market recovery is outside of the Group's control. As a result, the market recovery may not materialize, may take longer than forecast to materialize or the market may not recover to forecast levels, which would impact the level of liquidity available to the Group. In addition, the timing and extent of the benefits of the Transformation Programme may take longer than forecast to materialize or may not achieve the forecast levels.

Following the recapitalization of the Group, the Group has the capacity to seek additional debt financing to support liquidity without requiring additional consents from its lenders. The Group does not have any formal commitment from any lender to provide such a facility as at this date.

The ability of the Group to continue as a going concern depends on the timing and extent of the market recovery and successful execution of the Transformation Programme and, in case of a liquidity shortfall, its ability to implement the liquidity levers, negotiate a waiver for the covenant breach, or obtain and agree any additional super senior debt financing required, as well as whether the shareholders choose to exercise their cure rights.

As a result the Group's directors have identified a material uncertainty in the Group's accounts. Notwithstanding these uncertainties, the going concern assumption has been applied in the Group's financial statements.

As a consequence of the material uncertainty in the Group's accounts and the group-wide operation of the "cash-pool", there is also a material uncertainty in Accell Danmark ApS Group's ability to continue as a going concern. Notwithstanding these uncertainties, the going concern assumption has been applied in Accell Danmark ApS Group's financial statements.

### 2 Events after the balance sheet date

No events occurred after the balance sheet date that would require adjustment or disclosure in this annual report.

However, the broader global environment continues to be marked by significant uncertainty due to ongoing geopolitical tensions, economic volatility, and other macro-level developments. These factors may impact future conditions and should be considered when assessing the outlook for 2025.

We refer to note 1 for additional information regarding recapitalisation.

### 3 Uncertainty relating to recognition and measurement

Refer to note 14 for further explanation.

### 4 Revenue

| | 2024<br>EUR | 2023<br>EUR |
|---|---|---|
| Denmark | 31,769,128 | 31,814,853 |
| United Kingdom | 0 | 705,754 |
| Netherland | 135,447 | 37,715 |
| Germany | 164,471 | 1,766,717 |
| Spain | 541,788 | 1,083,014 |
| Sweden | 16,372,143 | 9,891,404 |
| Norway | 7,730,147 | 6,752,126 |
| Finland | 7,328,644 | 6,473,447 |
| Other | 1,020,688 | 885,918 |
| **Total revenue by geographical market** | **65,062,456** | **59,410,948** |
| Cycles | 22,977,175 | 17,957,386 |
| Cycle parts | 42,085,281 | 41,453,562 |
| **Total revenue by activity** | **65,062,456** | **59,410,948** |

### 5 Fees to the auditor appointed by the Annual General Meeting

| | 2024<br>EUR | 2023<br>EUR |
|---|---|---|
| Statutory audit services | 51,816 | 49,349 |
| Other assurance engagements | 1,443 | 0 |
| Tax services | 23,015 | 84,728 |
| Other services | 57,194 | 49,079 |
| | **133,468** | **183,156** |

In the statutory audit services, there is fees from other than Deloitte in 24 there was 11,781 EUR, and in 23 there was 14,401 EUR

## 6 Staff costs

| | 2024<br>EUR | 2023<br>EUR |
|---|---|---|
| Wages and salaries | 6,150,479 | 5,541,167 |
| Pension costs | 637,863 | 607,543 |
| Other social security costs | 442,334 | 273,205 |
| | **7,230,676** | **6,421,915** |

| | | |
|---|---|---|
| Average number of full-time employees | 103 | 102 |

Remuneration to the management is not disclosed in accordance with section 98b of the Danish Financial Statements Act. 3.

## 7 Other financial income

| | 2024<br>EUR | 2023<br>EUR |
|---|---|---|
| Financial income from group enterprises | 292,666 | 280,335 |
| Other interest income | 20,242 | 75,130 |
| Other financial income | 17,270 | 5,717 |
| | **330,178** | **361,182** |

## 8 Other financial expenses

| | 2024<br>EUR | 2023<br>EUR |
|---|---|---|
| Financial expenses from group enterprises | 3,729,488 | 4,243,809 |
| Other interest expenses | 222,044 | 219,876 |
| Other financial expenses | 42,161 | 101,791 |
| | **3,993,693** | **4,565,476** |

## 9 Tax on profit/loss for the year

| | 2024<br>EUR | 2023<br>EUR |
|---|---|---|
| Current tax | 76,143 | 55,473 |
| Change in deferred tax | 57,518 | 734,434 |
| Adjustment concerning previous years | (474) | (4,025) |
| | **133,187** | **785,882** |

## 10 Proposed distribution of profit/loss

| | 2024<br>EUR | 2023<br>EUR |
|---|---|---|
| Retained earnings | (10,065,452) | (7,735,994) |
| | **(10,065,452)** | **(7,735,994)** |

## 11 Intangible assets

| | Acquired intangible assets EUR | Goodwill EUR |
|---|---|---|
| Cost beginning of year | 1,280,204 | 1,332,057 |
| Exchange rate adjustments | (4,031) | 0 |
| **Cost end of year** | **1,276,173** | **1,332,057** |
| Amortisation and impairment losses beginning of year | (686,936) | (1,332,057) |
| Exchange rate adjustments | 1,801 | 0 |
| Amortisation for the year | (160,543) | 0 |
| **Amortisation and impairment losses end of year** | **(845,678)** | **(1,332,057)** |
| **Carrying amount end of year** | **430,495** | **0** |

## 12 Property, plant and equipment

| | Land and buildings EUR | Other fixtures and fittings, tools and equipment EUR | Leasehold improvements EUR |
|---|---|---|---|
| Cost beginning of year | 4,697,450 | 1,813,007 | 596,708 |
| Exchange rate adjustments | (3,532) | (1,153) | (1,880) |
| Additions | 878,512 | 258,050 | 48,024 |
| Disposals | (227,613) | (341,943) | 0 |
| **Cost end of year** | **5,344,817** | **1,727,961** | **642,852** |
| Depreciation and impairment losses beginning of year | (2,346,030) | (1,147,911) | (565,242) |
| Exchange rate adjustments | 2,051 | 623 | 1,529 |
| Depreciation for the year | (572,062) | (320,341) | (28,910) |
| Reversal regarding disposals | 191,189 | 367,014 | 0 |
| **Depreciation and impairment losses end of year** | **(2,724,852)** | **(1,100,615)** | **(592,623)** |
| **Carrying amount end of year** | **2,619,965** | **627,346** | **50,229** |
| Recognised assets not owned by Entity | 2,619,965 | 498,230 | 0 |

## 13 Financial assets

| | Other receivables EUR | Deferred tax EUR |
|---|---|---|
| Cost beginning of year | 254,264 | 89,129 |
| Exchange rate adjustments | (744) | 0 |
| Additions | 48,516 | 0 |
| Disposals | 0 | (16,770) |
| **Cost end of year** | **302,036** | **72,359** |
| **Carrying amount end of year** | **302,036** | **72,359** |

## 14 Deferred tax

| **Changes during the year** | 2024 EUR | 2023 EUR |
|---|---|---|
| Beginning of year | (49,214) | 685,220 |
| Recognised in the income statement | (57,518) | (734,434) |
| **End of year** | **(106,732)** | **(49,214)** |

| **Deferred tax has been recognised in the balance sheet as follows** | 2024 EUR | 2023 EUR |
|---|---|---|
| Deferred tax assets | 72,359 | 89,129 |
| Deferred tax liabilities | (179,091) | (138,343) |
| | **(106,732)** | **(49,214)** |

**Deferred tax assets**

The deferred tax assets are included in the accounts based on the presented budgets. There has been a major write-down of deferred tax assets in 2023 as a result of the presented budgets. The tax asset recorded in the balance sheet corresponds to the expected result that will be used within 3-5 years.

## 15 Prepayments

Prepayments consists of prepaid costs.

## 16 Contributed capital

| | Number | Par value EUR | Nominal value EUR |
|---|---|---|---|
| Contributed Capital | 16,767 | 1 | 16,767 |
| Capital Increase | 13,407 | 1 | 13,407 |
| | **30,174** | | **30,174** |

## 17 Other provisions

Other provisions consist of the company's guarantee provisions

## 18 Non-current liabilities other than provisions

| | Due within 12 months 2024 EUR | Due within 12 months 2023 EUR | Due after more than 12 months 2024 EUR | Outstanding after 5 years 2024 EUR |
|---|---|---|---|---|
| Lease liabilities | 749,719 | 698,210 | 2,591,386 | 401,419 |
| | **749,719** | **698,210** | **2,591,386** | **401,419** |

## 19 Deferred income

Deferred income contains contributions that are not recognised as income, until the recognition criteria are met.

## 20 Changes in working capital

| | 2024 EUR | 2023 EUR |
|---|---|---|
| Increase/decrease in inventories | 8,661,652 | 9,217,969 |
| Increase/decrease in receivables | 1,826,773 | (1,771,659) |
| Increase/decrease in trade payables etc. | (12,771,746) | (2,007,137) |
| Other changes | (46,836) | 52,977 |
| | **(2,330,157)** | **5,492,150** |

## 21 Contingent assets

There is a tax loss for carryforwards of 21.785 T.EUR that has not been capitalized

## 22 Contingent liabilities

The parent participates as the administration company for the Danish companies in a Danish joint taxation arrangement with Cycle Service Nordic ApS. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities.

## 23 Assets charged and collateral

Bank debt in the Cycle Service Nordic companies is secured on a charge receivables of a nominal amount of EUR 1,005,361.

Receivables comprises in the Cycle Service Nordic companies to EUR 11,688,193 at 31.12.2024.

## 24 Transactions with related parties

Transactions with related parties are only disclosed if they have not been in accordance with the arm´s length principle. All transactions have been on arm´s length conditions.

## 25 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
Sprint Luxco S.C.A., 2, rue Edward Steichen, L-2540, Luxembourg

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Accell Danmark ApS., Tobaksgården 11, 8700 Horsens, Danmark.

Copies of the consolidated financial statements of Sprint Luxco S.C.A. may be ordered at the following address: Sprint Luxco S.C.A., 2, rue Edward Steichen, L-2540, Luxembourg

Copies of the consolidated financial statements of Accell Danmark ApS. may be ordered at the following address: Accell Danmark ApS., Tobaksgården 11, 8700 Horsens, Danmark.

## 26 Subsidiaries

| | Registered in | Corporate form | Ownership % | Equity EUR |
|---|---|---|---|---|
| Cycle Service Nordic ApS | Denmark | ApS | 100.00 | (1,804,302) |
| Cycle Service Nordic AS | Norway | OY | 100.00 | 772,321 |
| Cycle Service Nordic OY | Finland | AS | 100.00 | 379,876 |
| Cycle Service Nordic AB | Sweden | AB | 100.00 | 442,486 |

# Parent income statement for 2024

| | Notes | 2024<br>EUR | 2023<br>EUR |
|---|---|---|---|
| Revenue | 3 | 16,688,570 | 17,957,386 |
| Other operating income | | 1,560,705 | 1,519,051 |
| Cost of sales | | (15,298,315) | (16,335,587) |
| Other external expenses | | (1,532,118) | (1,521,653) |
| **Gross profit/loss** | | **1,418,842** | **1,619,197** |
| | | | |
| Staff costs | 4 | (783,606) | (973,525) |
| Depreciation, amortisation and impairment losses | | (89,937) | (91,335) |
| **Operating profit/loss** | | **545,299** | **554,337** |
| | | | |
| Other financial income | 5 | 140,174 | 250,102 |
| Impairment losses on financial assets | | (8,146,295) | (8,012,083) |
| Other financial expenses | 6 | (836,645) | (1,109,341) |
| **Profit/loss before tax** | | **(8,297,467)** | **(8,316,985)** |
| | | | |
| Tax on profit/loss for the year | 7 | (16,770) | 0 |
| **Profit/loss for the year** | 8 | **(8,314,237)** | **(8,316,985)** |

# Parent balance sheet at 31.12.2024

## Assets

| | Notes | 2024<br>EUR | 2023<br>EUR |
|---|---|---|---|
| Goodwill | | 0 | 0 |
| **Intangible assets** | 9 | **0** | **0** |
| | | | |
| Land and buildings | | 0 | 15,187 |
| Other fixtures and fittings, tools and equipment | | 71,459 | 115,446 |
| **Property, plant and equipment** | 10 | **71,459** | **130,633** |
| | | | |
| Investments in group enterprises | | 0 | 1,146,295 |
| Deferred tax | 12 | 72,359 | 89,129 |
| **Financial assets** | 11 | **72,359** | **1,235,424** |
| | | | |
| **Fixed assets** | | **143,818** | **1,366,057** |
| | | | |
| Trade receivables | | 4,514,895 | 4,409,423 |
| Receivables from group enterprises | | 78,693 | 1,354,963 |
| Other receivables | | 59,620 | 19,261 |
| **Receivables** | | **4,653,208** | **5,783,647** |
| | | | |
| **Cash** | | **121,417** | **115,578** |
| | | | |
| **Current assets** | | **4,774,625** | **5,899,225** |
| | | | |
| **Assets** | | **4,918,443** | **7,265,282** |

## Equity and liabilities

| | Notes | 2024 EUR | 2023 EUR |
|---|---|---|---|
| Contributed capital | | 30,174 | 16,767 |
| Retained earnings | | (624,981) | (7,297,342) |
| **Equity** | | **(594,807)** | **(7,280,575)** |
| | | | |
| Other provisions | 13 | 325,564 | 427,876 |
| **Provisions** | | **325,564** | **427,876** |
| | | | |
| Lease liabilities | | 28,645 | 60,747 |
| **Non-current liabilities other than provisions** | 14 | **28,645** | **60,747** |
| | | | |
| Current portion of non-current liabilities other than provisions | 14 | 46,137 | 75,674 |
| Trade payables | | 210,617 | 55,362 |
| Payables to group enterprises | | 4,470,621 | 13,466,541 |
| Other payables | | 431,666 | 459,657 |
| **Current liabilities other than provisions** | | **5,159,041** | **14,057,234** |
| | | | |
| **Liabilities other than provisions** | | **5,187,686** | **14,117,981** |
| | | | |
| **Equity and liabilities** | | **4,918,443** | **7,265,282** |
| | | | |
| Material uncertainty related to going concern | 1 | | |
| Events after the balance sheet date | 2 | | |
| Contingent assets | 15 | | |
| Contingent liabilities | 16 | | |
| Related parties with controlling interest | 17 | | |
| Transactions with related parties | 18 | | |

# Parent statement of changes in equity for 2024

| | Contributed capital EUR | Share premium EUR | Retained earnings EUR | Total EUR |
|---|---|---|---|---|
| Equity beginning of year | 16,767 | 0 | (7,297,342) | (7,280,575) |
| Increase of capital | 13,407 | 14,980,561 | 0 | 14,993,968 |
| Exchange rate adjustments | 0 | 6,037 | 0 | 6,037 |
| Transfer to reserves | 0 | (14,986,598) | 14,986,598 | 0 |
| Profit/loss for the year | 0 | 0 | (8,314,237) | (8,314,237) |
| **Equity end of year** | **30,174** | **0** | **(624,981)** | **(594,807)** |

The company has lost more than 50% of its equity this year, and is thereby covered by §119 of the Companies Act.

The company will hold an extraordinary general meeting no later than 6 months after the finding, where a plan will be drawn up for how to re-establish the equity.

# Notes to parent financial statements

### 1 Material uncertainty related to going concern

Accell Danmark ApS is a wholly owned subsidiary of Accell Group BV ("Accell", "the Group"). Accell operates a "cashpool" across its subsidiaries, and, as such, Accell Danmark ApS is reliant on Accell for its liquidity.

As announced on 12th February 2025, following agreement with its financial stakeholders, Accell has implemented a recapitalisation which restructured the Group's balance sheet and provided long term funding for the business. The key elements of the recapitalisation were:

- a reduction of the consolidated group debt by approximately €600 million, or around 40% of the total debt, from approximately €1.4 billion to approximately €800 million in the operating group;
- additional cash funding to the business of approximately €235 million; and
- an extension of the Group's recapitalised debt to 2030.

The Group's forecast includes assumptions around a market recovery in terms of gross margins in 2025 and the timing and extent of cost savings as a result of the execution of the Transformation Programme. However, the timing and extent of the market recovery is outside of the Group's control. As a result, the market recovery may not materialize, may take longer than forecast to materialize or the market may not recover to forecast levels, which would impact the level of liquidity available to the Group. In addition, the timing and extent of the benefits of the Transformation Programme may take longer than forecast to materialize or may not achieve the forecast levels.

Following the recapitalization of the Group, the Group has the capacity to seek additional debt financing to support liquidity without requiring additional consents from its lenders. The Group does not have any formal commitment from any lender to provide such a facility as at this date.

The ability of the Group to continue as a going concern depends on the timing and extent of the market recovery and successful execution of the Transformation Programme and, in case of a liquidity shortfall, its ability to implement the liquidity levers, negotiate a waiver for the covenant breach, or obtain and agree any additional super senior debt financing required, as well as whether the shareholders choose to exercise their cure rights.

As a result the Group's directors have identified a material uncertainty in the Group's accounts. Notwithstanding these uncertainties, the going concern assumption has been applied in the Group's financial statements.

As a consequence of the material uncertainty in the Group's accounts and the group-wide operation of the "cash-pool", there is also a material uncertainty in Accell Danmark ApS's ability to continue as a going concern. Notwithstanding these uncertainties, the going concern assumption has been applied in Accell Danmark ApS's financial statements.

## 2 Events after the balance sheet date

No events occurred after the balance sheet date that would require adjustment or disclosure in this annual report.

However, the broader global environment continues to be marked by significant uncertainty due to ongoing geopolitical tensions, economic volatility, and other macro-level developments. These factors may impact future conditions and should be considered when assessing the outlook for 2025.

We refer to note 1 for additional information regarding recapitalisation.

## 3 Revenue

| | 2024<br>EUR | 2023<br>EUR |
|---|---|---|
| Cycles | 16,688,570 | 17,957,386 |
| **Total revenue by geographical market** | **16,688,570** | **17,957,386** |
| Denmark | 16,555,541 | 17,957,386 |
| Sweden | 133,029 | 0 |
| **Total revenue by activity** | **16,688,570** | **17,957,386** |

## 4 Staff costs

| | 2024<br>EUR | 2023<br>EUR |
|---|---|---|
| Wages and salaries | 701,699 | 886,380 |
| Pension costs | 68,420 | 71,906 |
| Other social security costs | 13,487 | 15,239 |
| | **783,606** | **973,525** |
| Average number of full-time employees | 11 | 13 |

Remuneration to the management is not disclosed in accordance with section 98b of the Danish Financial Statements Act. 3.

## 5 Other financial income

| | 2024<br>EUR | 2023<br>EUR |
|---|---|---|
| Financial income from group enterprises | 118,297 | 175,594 |
| Other interest income | 16,534 | 74,487 |
| Other financial income | 5,343 | 21 |
| | **140,174** | **250,102** |

## 6 Other financial expenses

| | 2024 EUR | 2023 EUR |
|---|---|---|
| Financial expenses from group enterprises | 811,706 | 1,007,991 |
| Other financial expenses | 24,939 | 101,350 |
| | **836,645** | **1,109,341** |

## 7 Tax on profit/loss for the year

| | 2024 EUR | 2023 EUR |
|---|---|---|
| Change in deferred tax | 16,770 | 0 |
| | **16,770** | **0** |

## 8 Proposed distribution of profit and loss

| | 2024 EUR | 2023 EUR |
|---|---|---|
| Retained earnings | (8,314,237) | (8,316,985) |
| | **(8,314,237)** | **(8,316,985)** |

## 9 Intangible assets

| | Goodwill EUR |
|---|---|
| Cost beginning of year | 315,057 |
| **Cost end of year** | **315,057** |
| Amortisation and impairment losses beginning of year | (315,057) |
| **Amortisation and impairment losses end of year** | **(315,057)** |
| **Carrying amount end of year** | **0** |

## 10 Property, plant and equipment

| | Land and buildings EUR | Other fixtures and fittings, tools and equipment EUR |
|---|---|---|
| Cost beginning of year | 153,710 | 187,688 |
| Additions | 0 | 37,455 |
| Disposals | (153,710) | (74,020) |
| **Cost end of year** | **0** | **151,123** |
| Depreciation and impairment losses beginning of year | (138,523) | (72,242) |
| Depreciation for the year | (15,187) | (60,648) |
| Reversal regarding disposals | 153,710 | 53,226 |
| **Depreciation and impairment losses end of year** | **0** | **(79,664)** |
| **Carrying amount end of year** | **0** | **71,459** |
| Recognised assets not owned by entity | 15,187 | 115,446 |

## 11 Financial assets

| | Investments in group enterprises EUR | Deferred tax EUR |
|---|---|---|
| Cost beginning of year | 9,158,378 | 89,129 |
| Exchange rate adjustments | 2,815 | 0 |
| Additions | 6,997,185 | 0 |
| Disposals | 0 | (16,770) |
| **Cost end of year** | **16,158,378** | **72,359** |
| Impairment losses beginning of year | (8,012,083) | 0 |
| Impairment losses for the year | (8,146,295) | 0 |
| **Impairment losses end of year** | **(16,158,378)** | **0** |
| **Carrying amount end of year** | **0** | **72,359** |

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

As a result of the subsidiary's negative result for the year, investments in group enterprises have been written down to zero due to a negative equity.

## 12 Deferred tax

| Changes during the year | 2024 EUR | 2023 EUR |
|---|---|---|
| Beginning of year | 89,129 | 89,129 |
| Recognised in the income statement | (16,770) | 0 |
| **End of year** | **72,359** | **89,129** |

**Deferred tax assets**
Based on budgets, management expects to be able to utilize tax assets within a 3-5 year period.

## 13 Other provisions

Other provisions consist of the company's guarantee provisions

## 14 Non-current liabilities other than provisions

| | Due within 12 months 2024 EUR | Due within 12 months 2023 EUR | Due after more than 12 months 2024 EUR | Outstanding after 5 years 2024 EUR |
|---|---|---|---|---|
| Lease liabilities | 46,137 | 75,674 | 28,645 | '0 |
| | **46,137** | **75,674** | **28,645** | **0** |

## 15 Contingent assets

There is a tax loss for carryforwards of 739 T.EUR that has not been capitalized

## 16 Contingent liabilities

The Company has no assets charged nor any recourse guarantee commitments at 31 December 2022.

The Entity participates as the administration company in a Danish joint taxation arrangement with Cycle Service Nordic ApS. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities.

## 17 Related parties with controlling interest

Related parties with controlling interest wholly owns the shares of the Entity and thus has control over the Entity:

Accell Nederland B.V., Industriweg 4, 8444 AR Heerenveen, Netherland
Accell Group B.V., Industrieweg 4, 8444 AR Heerenveen, Netherland
Accell Group Holding B.V., Spicalaan 39, 2132 JG Hoofddorp, Netherland
Sprint Holdco B.V., Spicalaan 39, 2132 JG Hoofddorp, Netherland
Sprint Midco B.V., Spicalaan 39, 2132 JG Hoofddorp, Netherland
Sprint IntermediateCo B.V., Spicalaan 39, 2132 JG Hoofddorp, Netherland
Sprint TopCo B.V., Spicalaan 39, 2132 JG Hoofddorp, Netherland
Sprint Luxco S.C.A., 2, rue Edward Steichen, L-2540, Luxembourg
Sprint LuxCo GP S.à r.l., 2, rue Edward Steichen, L-2540, Luxembourg
KKR Sprint Aggregator L.P., 152928 Canada Inc.,199, Bay Street, Suite 5300, Toronto, Ontario M5L 1B9, Canada

For group relations we refere to note 25 in the consolidated notes.

### 18 Transactions with related parties

Transactions with related parties are only disclosed if they have not been in accordance with the arm´s length principle. All transactions have been on arm´s length conditions.

# Accounting policies

## Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

The accounting policies applied to these consolidated financial statements and parent financial statements are consistent with those applied last year.

## 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 comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.  Enterprises in which the Group, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling influence, are regarded as associates.

## Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in Management's proposal for the distribution of net profit/loss and equity, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the takeover date, with net assets having been calculated at fair value.

## Income statement

### Revenue

Revenue from the sale of manufactured goods is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts.

### Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including internal fees profit from the sale of intangible assets and property, plant and equipment, and salary refunds .

### Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for normal inventory writedowns.

### 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 salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

### Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to intangible assets comprise depreciation, amortisation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets.

### Other financial income

Other financial income comprises dividends etc. received on interest income, including interest income on receivables from group enterprises.

### Impairment losses on financial assets

Impairment losses on financial assets comprises impairment losses on financial assets which are not measured at fair value on a current basis.

### Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, foreign currency transactions, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

### 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

**Goodwill**
Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. Useful life is determined based on an assessment of whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful lives are reassessed on an annual basis. The amortisation periods used are 10 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

**Acquired intangible assets**
Acquired intangible assets comprise customer directory.

Acquired intangible assets acquired are measured at cost less accumulated amortisation.

Acquired intangible assets are amortised on a straight-line basis over their remaining duration.

Depreciation is made on the basis of a useful lifetime of 7 years.

Acquired intangible assets are written down to the lower of recoverable amount and carrying amount.

**Property, plant and equipment**
Land and buildings, plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

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. and indirect costs of materials, components, subsuppliers and labour costs. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

Interest expenses on loans for the financing of the manufacture of property, plant and equipment are included in cost if they relate to the manufacturing period. All other finance costs are recognised in the income statement.

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 |
|---|---|
| Buildings | '3-10 |
| Other fixtures and fittings, tools and equipment | '2-7 |
| Leasehold improvements | 5 |

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

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.

**Lease assets**
On initial recognition, lease assets are measured at the amount of the initial measurement of the lease liabilities, any lease payments made before the commencement date less any lease incentives received, and any initial direct costs incurred by the lessee.

An estimate of costs to be incurred by the lessee in dismantling and removing the lease assets, or restoring the underlying assets, are recognised as a separate provision. The costs are added to the cost of the lease assets unless the liability is incurred to produce inventories in which case the costs are recognised in the cost of the manufactured goods. Subsequently, lease assets are measured at cost less accumulated depreciation and impairment losses.

Lease assets are depreciated over the lower of the lease term and the useful life of the underlying assets. If the lease transfers the ownership of the lease assets by the end of the lease term or if the exercise of a purchase option is expected, the lease assets are depreciated over their useful life. Depreciation begins at the commencement date.

Lease assets are written down to the lower of recoverable amount and carrying amount
Lease assets are adjusted upon remeasurement of the lease liabilities; see above in the lease liability section.

Lease assets are recognised as fixed assets within the asset item in which the underlying assets of the lease would be recognised if the Entity owned them.

**Investments in group enterprises**
Investments in group enterprises are measured at cost. Investments are written down to the lower of recoverable amount and carrying amount.

**Receivables**
Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

**Deferred tax**
Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the taxbase is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either asa set-off against deferred tax liabilities or as net tax assets.

**Inventories**
Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

**Tax payable or receivable**
Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

**Prepayments**
Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

**Cash**
Cash comprises cash in hand and bank deposits.

**Other provisions**
Other provisions comprise anticipated costs of non-recourse guarantee commitments, and returns.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Non-recourse guarantee commitments comprise commitments to remedy defects and deficiencies within the guarantee period.

**Lease liabilities**
On initial recognition, lease liabilities are measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Entity's incremental borrowing rate shall be used. Lease payments included in the measurement of the lease liability comprise the following payments:

- Fixed payments less any lease incentives provided by the lessor to the lessee.
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- Amounts expected to be payable under residual value guarantees.
- The exercise price of a purchase option if it is reasonably certain to exercise that option.
- Payments of penalties for terminating the lease if the lease term reflects the lessee exercising an option to terminate the lease.

On subsequent measurement, lease liabilities are adjusted for accrued interest and repayments made, calculated by the effective interest rate method.

Lease liabilities are remeasured and the corresponding lease assets are similarly adjusted when:
- There is a change in the lease term, e.g. as a result of a change in the assessment of whether an option to extend or to purchase will be exercised. Remeasurement takes place by discounting the revised lease payments using a discount rate revised at the time of changing the lease.

- There is a change in lease payments resulting from a change in an index or a rate, or in the amounts expected to be payable under a residual value guarantee. Remeasurement takes place by discounting the revised lease payments using the original discount rate. However, a revised discount rate is used if the change reflects a change in the floating interest rate.

- There is a lease modification that is not accounted for as a separate lease. Remeasurement takes place by discounting the revised lease payments using a revised discount rate.
If the remeasurement results in the reduction of a lease liability exceeding the carrying amount of the corresponding lease asset, the excess amount is recognised in the income statement.

**Other financial liabilities**
Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

**Deferred income**
Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

## Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes, and financial income, financial expenses and income tax paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, repayments of interest-bearing debt, including lease liabilities, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk.