Autodoc SE, Berlin

(Until 15 November 2022: Autodoc AG)

Consolidated financial statements for the financial year 2022

2. Consolidated financial statements for the financial year 2022

2.1. Consolidated statement of comprehensive income

EUR 000	Refer to	2022	2021
Sales revenue	(1.)	1,127,070	1,036,394
Cost of sales	(2.)	(637,426)	(588,610)
Gross profit		**489,644**	**447,784**
Distribution expenses	(2.), (3.)	(319,468)	(279,895)
Administrative expenses	(2.), (3.)	(158,045)	(182,277)
Other operating income	(4.)	15,254	10,416
Other operating expenses	(4.)	(19,606)	(16,260)
Operating results		**7,779**	**(20,232)**
Finance cost		(1,113)	(828)
Finance income		447	2,876
Financial result	(5.)	**(666)**	**2,048**
Income before tax		**7,113**	**(18,184)**
Income tax	(6.)	(22,026)	(32,550)
Consolidated loss for the financial year		**(14,913)**	**(50,734)**
attributable to shareholders of the parent company		(14,913)	(51,055)
attributable to non-controlling interests		—	321
Other result which may be recognised in the statement of profit and loss in subsequent periods			
Currency translation from foreign operations		(1,434)	(12)
Other comprehensive result		**(1,434)**	**(12)**
Overall result for the period		**(16,347)**	**(50,746)**
attributable to shareholders of the parent company		(16,347)	(51,067)
attributable to non-controlling interests		—	321

2.2. Consolidated statement of financial position

EUR 000	Refer to	31/12/2022	31/12/2021*
Assets			
Non-current assets		**47,967**	**34,506**
Intangible assets	(7.)	1,478	1,452
Property, plant and equipment	(8.)	14,909	11,652
Right-of-use assets	(9.)	24,577	12,261
Financial assets	(10.)	4,805	8,589
Non-financial assets		83	11
Deferred tax assets	(6.)	2,115	541
Current assets		**221,263**	**223,073**
Inventories and advance payments	(11.)	78,689	81,005
Trade receivables	(10.) (12.)	1,643	1,512
Other financial assets	(10.)	82,640	57,575
Non-financial assets	(13.)	8,566	5,736
Income tax receivables		2,868	1,301
Cash and cash equivalents	(10.) (14.)	46,857	75,944
Total assets		**269,230**	**257,579**
Equity and liabilities			
Equity	(15.)	**59,365**	**114,502**
Subscribed capital		2,625	42,625
Revenue reserves		(129,445)	(50,594)
Other equity components		186,185	122,471
Equity attributable to shareholders of the parent company		**59,365**	**114,502**
Non-current liabilities		**22,521**	**10,226**
Lease liabilities	(16.)	19,135	5,863
Other financial liabilities	(16.)	2,068	3,081
Provisions	(17.)	1,261	1,212
Deferred tax liabilities	(6.)	57	70
Current liabilities		**187,344**	**132,851**
Trade payables	(16.) (18.)	60,571	41,862
Lease liabilities	(16.)	4,767	6,591
Other financial liabilities	(16.)	53,546	13,439
Provisions	(17.)	17,714	16,066
Non-financial liabilities	(19.)	40,413	26,052
Income tax liabilities		10,333	28,841
Total equity and liabilities		**269,230**	**257,579**

*Adapted presentation (see 2.5.1. (G))

2.3. Consolidated statement of changes in equity

EUR 000	Refer to	Equity attributable to shareholders of the parent company: Sub-scribed capital	Revenue reserves	Other equity compo-nents	Total	Non-controlling interests	Equity
Balance on 1 Jan 2021		**25**	**73,061**	**(225)**	**72,861**	**428**	**73,289**
Consolidated loss for the financial year		—	(51,055)	—	(51,055)	321	(50,734)
Other comprehensive result		—	—	(12)	(12)	—	(12)
Overall result for the period		**—**	**(51,055)**	**(12)**	**(51,067)**	**321**	**(50,746)**
Transactions with non-controlling interests		—	—	(452)	(452)	(749)	(1,201)
Share-based payments		—	—	123,160	123,160	—	123,160
Dividend payments		—	(30,000)	—	(30,000)	—	(30,000)
Capital increases		42,600	(42,600)	—	—	—	—
Balance on 31 Dec 2021	**(15.)**	**42,625**	**(50,594)**	**122,471**	**114,502**	**—**	**114,502**
Balance on 1 Jan 2022		**42,625**	**(50,594)**	**122,471**	**114,502**	**—**	**114,502**
Consolidated loss for the financial year		—	(14,913)	—	(14,913)	—	(14,913)
Other comprehensive result		—	—	(1,434)	(1,434)	—	(1,434)
Overall result for the period		**—**	**(14,913)**	**(1,434)**	**(16,347)**	**—**	**(16,347)**
Share-based payments		—	—	65,148	65,148	—	65,148
Dividend payments		—	(63,938)	—	(63,938)	—	(63,938)
Capital reduction		(40,000)	—	—	(40,000)	—	(40,000)
Balance on 31 Dec 2022	**(15.)**	**2,625**	**(129,445)**	**186,185**	**59,365**	**—**	**59,365**

2.4. Consolidated statement of cash flow

EUR 000	Refer to	2022	2021
Income before tax		**7,113**	**(18,184)**
Depreciation and impairment of property, plant and equipment	(8.)	2,794	2,118
Amortisation and impairment of intangible assets	(7.)	481	373
Depreciation and impairment of right-of-use assets	(9.)	6,573	6,503
Non-cash expenses for share-based payments	(2.)(d)	65,148	123,160
Other non-cash income and expenses		(478)	(2,668)
Gain on disposal of property, plant and equipment		292	—
Finance income	(5.)	(319)	(476)
Finance costs	(5.)	890	737
Change in provisions	(17.)	1,697	7,541
Gross cash flow		**84,191**	**119,104**
Changes in trade receivables and other assets		(19,352)	(15,866)
Changes in inventories and advance payments		2,320	(35,131)
Changes in trade payables and other liabilities		34,957	5,581
Income tax paid	(6.)	(43,657)	(23,315)
Cash flow from operating activities		**58,459**	**50,373**
Acquisition of property, plant and equipment	(8.)	(6,589)	(3,462)
Cash paid for investments in intangible assets	(7.)	(526)	(476)
Payments received from loans granted	(10.)	4,291	12,495
Loans granted	(10.)	(10,031)	(6,103)
Cash flow (used in) / from investing activities		**(12,855)**	**2,454**
Acquisition of non-controlling interests		—	(1,378)
Repayment of lease liabilities	(16.)	(7,889)	(7,160)
Repayment of investment loans		(1,051)	(1,071)
Repayment of loans		—	(203)
Dividends paid to shareholders of the parent company	(15.)	(63,938)	(30,000)
Dividends paid to non-controlling interests classified as financial liabilities		—	(3)
Cash flow used in financing activities		**(72,878)**	**(39,815)**
Net change in cash and cash equivalents		(27,274)	13,012
Effect of foreign exchange differences		(1,813)	(12)
Cash and cash equivalents as of 1 January		75,944	62,944
Cash and cash equivalents as of 31 December		**46,857**	**75,944**

2.5. Notes to the consolidated financial statements

2.5.1 Basis for preparation of the consolidated financial statements

(A.) Information on the Group

The consolidated financial statements of Autodoc SE and its subsidiaries (afterwards also referred to collectively as 'Autodoc' or 'Group') for the financial year from 1 January to 31 December 2022, were released for publication on 10 May 2023 by resolution of the Management Board.

The Group's parent company, Autodoc SE, has its registered office at Josef-Orlopp-Straße 55 in 10365 Berlin. It has been entered in the Commercial Register at Charlottenburg Local Court (Berlin) since 16 November 2022 under HRB 247677 B (until 15 November 2022 HRB 233377 B).

In the extraordinary general meeting of 7 November 2022, the transformation of Autodoc SE into a European company (SE - Societas Europaea) was resolved. The resolution became effective upon registration in the commercial register on 16 November 2022 and thus the transformation changing the legal form of Autodoc AG into Autodoc SE was accomplished.

The financial year of Autodoc SE and all subsidiaries is the calendar year.

The Autodoc Group specialises in the automotive aftermarket in online trading in spare parts for vehicles. In 2022, Autodoc continued to offer an extensive range of spare parts for vehicles, consumables and accessories in its online shops in 27 European countries. Since it was founded in 2008, Autodoc has developed into an international group of companies with subsidiaries in several countries. The main operational activities are directed by Autodoc SE in Berlin. Information on the Group's structure is contained in the section 'Principles of consolidation and basis of consolidation'. Information about other related parties of the Group is contained in note (23.).

(B.) Basis of preparation of the consolidated financial statements

The consolidated financial statements of the Group as at 31 December 2022 were prepared in accordance with the provisions of the International Financial Reporting Standards ('IFRS') valid on the reporting date of the International Accounting Standards Board ('IASB') as recognised by the European Union and additionally in compliance with the provisions of commercial law under section 315e(1) HGB.

The consolidated financial statements were compiled using the cost of acquisition principle. The consolidated financial statements are prepared in euros, the functional currency of the parent company. Unless otherwise stated, all values in the text are presented in millions of euros (EUR million) to one decimal place, and in the tables in full thousands of euros (EUR 000), rounded in accordance with commercial practice. Due to rounding, it is possible that individual figures do not add up exactly to the totals shown and that percentages shown do not exactly reflect the absolute values.

The cost of sales (function of expense) method is applied in the consolidated statement of comprehensive income.

The consolidated financial statements are compiled on the assumption that the Group will continue as a going concern.

Autodoc SE compiles the consolidated financial statements in accordance with IFRS for the smallest groups of companies and submits them together with its annual financial statements prepared under principles of German commercial law for publication in the Business Register.

The subsidiary Ridex GmbH, Berlin, makes use of the exemption provisions of section 264(3) HGB and waives publication of the annual financial statements for the 2022 financial year, among others. As in the previous year, there is a profit transfer agreement between Ridex GmbH and Autodoc SE, which also includes a loss absorption clause. For the subsidiary Autodoc Operations

SE & Co. KG, Berlin, the exemptions of section 264b HGB will be used for the financial year 2022 and disclosure will be waived, among others.

The annual financial statements of Autodoc SE are included in the consolidated financial statements of Autodoc Holding GmbH & Co. KG, Berlin. Autodoc Holding GmbH & Co. KG, Berlin,compile the consolidated financial statements for the largest basis of companies. These are also submitted to the Business Register for publication.

(C.) Applied accounting policies

(a) Effect of standards applied for the first time or amended standards

For the financial statements as at 31 December 2022, Autodoc initially applied the following standards, which are effective for financial years beginning on or after 1 January 2022. The Group did not adopt any other standard or interpretation or amendment early that has been issued but is not yet in force.

Standard/interpretation		Adoption by EU Commission	Effect
IAS 37 (amendment)	Definition of unavoidable costs in IAS 37.68A and IAS 37.69 (onerous contract)	yes	none
IFRS 1 (amendment)	Simplification in transitioning to IFRS for subsidiaries or assumption of group carrying amounts	yes	none
IAS 16 (amendment)	Sales proceeds for property, plant and equipment in the test phase	yes	none
IFRS 3 (amendment)	Update of references to the new framework	yes	none
IAS 41 (amendment)	Discount rate for biological assets	yes	none
IFRS 9 (amendment)	Fees for debt rescheduling or new treatment of a liability/receivable	yes	none

Autodoc prepared the consolidated financial statements using the significant accounting policies presented in the following section.

(b) Standards issued but not yet effective

At the date of adoption of these consolidated financial statements, the following IFRS standards were already adopted by the IASB. However, use is not yet mandatory, and they have not been applied by Autodoc.

New or amended standards		Applicable for Autodoc from
IFRS 17	Insurance contracts	1 January 2023
IAS 1	(Amendment) presentation of financial statements: classification of liabilities as current or non-current	1 January 2023
IAS 1 (amendment)	Presentation of financial statements and IFRS Practice Statement 2: Disclosure of accounting policies	1 January 2023
IAS 8 (amendment)	Accounting policies, changes in estimates and errors: Definition of estimates	1 January 2023
IAS 12 (amendment)	Income taxes: deferred taxes related to assets and liabilities arising from a single transaction	1 January 2023
IFRS 17 (amendment)	Initial application of IFRS 17 and IFRS 9	1 January 2023

Autodoc does not expect the adoption of these standards to have a material impact on the presentation of its net assets, financial position, and results of operations.

(D.) Principal accounting policies

(a) Sales revenue

General

The Group is mainly active in e-commerce andgenerates its revenue by selling products over the internet. Autodoc SE is the customers' sole contractual partner. Sales from direct deliveries (drop shipping) to end customers and business partners are recognised when control of the goods or services is transferred to the customer.

Control is transferred at the time of delivery or direct handover of the goods to the customer.

The amount of sales is equal to the amount of the consideration to which Autodoc SE is expected to have a claim. Since Autodoc SE acts in the capacity of principal in the context of sales agreements, sales are recognised gross.

In determining the transaction price, Autodoc SE considers variable forms of consideration or the existence of non-cash consideration.

The usual 'order-to-cash' cycle requires prepayment by the customer before the goods are transferred. This results in liabilities from customer contracts which are typically reversed on delivery, thereby producing revenue.

Autodoc SE examines whether any additional obligations arise from the contract that would result in separate performance obligations to which a portion of the transaction price would have to allocated (e.g. customer bonus points).

The Autodoc Group's sales revenue represents revenue from contracts with customers as defined by IFRS 15. Autodoc makes use of the exemption and waives making the disclosures concerning performance obligations still to be fulfilled since these are components of a contract with an expected original term of one year or less.

Variable consideration from rights of return

If contractual consideration includes a variable component, the Group determines the amount of consideration to which it will be entitled in exchange for the transfer of goods to the customer. The variable consideration is estimated at the beginning of the contract and may only be included in the transaction price to the extent that its addition is highly probable. All contracts from online purchase contracts give customers a statutory right to return within a period of 14 days. Autodoc offers its customers a 200 days' extended right of to return for a separate fee, which is taken into account in determining the variable consideration.

Given the large number of contracts with similar characteristics, Autodoc uses the expected value method to estimate variable consideration. Subsequently, return rates based on values from past experience are used to determine the variable consideration amount to be included in determining the transaction price. Information relating to the significant estimates and assumptions connected to the estimation of variable consideration for returns is included in note (E.).

Right-of-return assets

Right-of-return assets are recognised for the right to recover the goods expected to be returned by customers via a corresponding adjustment to cost of sales. The asset is measured at the previous carrying amount of inventories, less any expected costs for recovering the products and potential impairment. The Group adjusts the carrying amount of the asset if the expectations as to quantity or additional value loss of the returned goods change.

Refund obligations are recognised for the obligation to refund some or all of the consideration received or receivable from the customer. The refund obligations arise from customers' right of return under the German Distance Selling Act (Fernabsatzgesetz – FernAbsG). This liability is recognised at the amount Autodoc expects to have to refund to the customer. The Group adjusts its estimates of repayment obligations and changes to the transaction prices at the end of each reporting period according to the development of return rates. The refund liability is recognised as a reduction of sales.

AUTODOC PLUS membership

The AUTODOC PLUS membership programme was launched in 2020 and offers registered members special offers and benefits. The benefits vary between four packages, which can be booked for one or twelve months. Autodoc fulfils the performance obligation for the subscription over time and recognises sales accordingly in relation to the timeperiod.

Trade receivables

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e., the due date for payment of the consideration only depends on the passing of time). IFRS requires recognition of a loss allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss and for contract assets. However, Autodoc minimises the risk of uncollectable amounts by requesting prepayments from customers, which makes a forward-looking expected credit loss approach unnecessary. The rates for loss allowances are based on the number of days past due (see note (D.) (j)).

Liabilities from contracts with customers

A liability from a customer contract is recognised if the customer makes payment before Autodoc transfers the goods or services to the customer. Liabilities from customer liabilities are recognised as sales as soon as the Group has performed its contractual obligations (i.e., as soon as it transfers control of the owed goods or services to the customer).

(b) Share-based payments

Autodoc Holding GmbH & Co. KG, the sole shareholder of Autodoc SE has concluded contracts with selected employees of the Group concerning shared-based payments. These have a direct impact on the accounting of share-based payments on the level of Autodoc SE. The accounting principles are discussed below.

Share-based payment agreements (‘SBPs’) between employees of the Autodoc Group and Autodoc Holding GmbH & Co. KG

In the first half of 2021, Autodoc Holding GmbH & Co. KG as the sole shareholder of Autodoc SE concluded a bonus agreement with a director (‘SBP 1’). Under the agreement, the employee is to receive virtual shares amounting to a maximum of 0.5% of the share capital of Autodoc SE and is entitled to payment in cash.

In December 2021, Autodoc Holding GmbH & Co. KG concluded bonus agreements with five further employees of the Autodoc Group (‘SBP 2’). The five employees occupy executive and other key positions and are of great importance to the company’s success. The five agreements are identical in content and were signed at the same time. Under the agreements, the employees are to receive virtual shares amounting to a maximum of 5.0% of the share capital of Autodoc SE and are entitled to payment in cash.

No new agreements were concluded in the 2022 financial year.

For both types of agreement (SBP 1 and SBP 2) payment is only made to the extent that the shares are vested. The virtual shares vest immediately in the event of liquidation, a merger by exchange, contribution or merger, the sale of significant assets, or the sale of more than 20% of the shares in Autodoc SE. In the event of an IPO, however, the virtual shares will vest pro rata temporis until vested.

Since the value of the virtual shares granted under SBP 1 and SBP 2 is directly dependent on the performance of the shares in Autodoc SE, and the bonus is directly linked to the Group employees' employment, the agreements are classified as share-based payments and recognised as such in the consolidated financial statements.

The payment obligations resulting from the agreements are to be made exclusively by Autodoc Holding GmbH & Co. KG, meaning that no cash outflow occurs to Autodoc SE. Therefore, the SPB plans are recognised under the rules for equity settled plans, i.e. an expense is to be recognised in the consolidated financial statements amounting to the fair value on the date they were granted with a corresponding increase in equity. The expense is recognised over the vesting period in which the shares granted vest. The vesting period begins when the contract is signed, and runs for a further 36 months from a contractually determined starting point, such as an IPO or the sale of more than 20% of shares.

In 2022, management's assessment of the exit strategy changed due to the current market conditions. Correspondingly, the expense was recognised for this new scenario according to an updated vesting profile. The assessment will be re-examined in the coming periods and adjusted as needed.

Long-term incentive scheme

The members of the executive board of Autodoc SE are entitled to long-term variable remuneration as part of a long-term incentive scheme ('LTI'). The LTI provides for the grant of an allocation amount in each calendar year from the date of an IPO, which is converted into a number of virtual shares. 30% of the virtual shares are granted as retention share units ('RSUs'), and 70% as performance share units ('PSUs'). The allocation amount is converted into virtual shares at the contractually agreed 60 tradingday average price at the beginning of the calendar year.

The virtual shares have a vesting period of three years from the grant date of the three annual tranches (at the beginning of calendar year each), after which the virtual shares can be settled either in cash or in shares at the discretion of Autodoc SE. In the case of the first tranche (IPO tranche), the allocation will be made pro rata and 50 trading days after the IPO.

With the exception of the vesting period, which depends on the term of the executive board service contracts, the RSUs are not subject to any further conditions. The PSUs, on the other hand, are only paid out or settled in shares if a salest, EBITDA,,andtotal shareholder return target are met during the vesting period. The targets are set at the beginning of each vesting period.

The LTI agreements are classified as share-based payments. The LTI is recognised as expense at the amount of the grant date fair value under the rules for an equity settled plan, i.e., they are offset against equity.

No changes were made to the existing LTIs in the 2022 financial year. Neither have any new LTI expenses accrued. Furthermore, in the previous year share-based payments from LTIs were completely reversed through profit and loss since based on the adjusted exit scenario since potentially vestable shares could not be vested during the employment period.

(c) Income taxes

Current income taxes

Current tax assets and liabilities are measured at the amount expected to be refunded from or paid to the tax authorities. Calculation of the amount is based on the tax rates and tax laws applicable as at the reporting date sheet date in the countries in which the Group operates and generates taxable income.

Management periodically assesses individual tax matterso see whether the applicable tax regulations require interpretation and examines whether it is likely that the tax authorities will accept uncertain tax treatments

Autodoc measures its income tax assets and liabilities based on the most likely amount or the expected amount, depending on which method provides a better prediction of the uncertain amount.

Deferred taxes

Deferred tax is recognised using the balance sheet liability method on temporary differences between the carrying amount of an asset or liability and its tax value on the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, with the exception of:

- Deferred tax liabilities from the initial recognition of goodwill or of an asset or a liability from a transaction that is not a business combination, that at the time of the transaction affects neither the profit or loss for the period under German GAAP or the taxable profit, and that results from right-of-use assets from leases, and
- Deferred tax liabilities from taxable temporary differences in connection with long-term equity investments in subsidiaries, associates, and shares in joint agreements, if the temporal course of reversal of the temporary differences can be managed, and it is likely that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available, against which the deductible temporary differences and the unused tax losses and unused tax credits can be used, with the exception of:

- Deferred tax assets from deductible temporary differences that result from the initial recognition of goodwill or of an asset or a liability from a transaction that is not a business combination, that at the time of the transaction affects neither the profit or loss for the period under German GAAP or the taxable profit and that is not a result of lease liabilities, and
- Deferred tax assets from deductible temporary differences in connection with long-term equity investments in subsidiaries, associates, and shares in joint agreements, if it is likely that the temporary differences will not reverse in the foreseeable future or no taxable profit will be available, against which the temporary differences could be applied.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the asset is realised or the liability settled, based on tax rates (and tax laws) that apply or have been enacted as of the reporting date.

Deferred tax assets and liabilities are only balanced if the Group has a legally enforceable right to offset current refund claims against current tax liabilities, and the deferred tax assets and liabilities relate to income taxes levied by the same tax authority either on the same taxable entity or different taxable entities, which intend either to settle the current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(d) Currency translation

The consolidated financial statements are prepared in Euros, the parent company's functional currency. The Group determines the functional currency for each entity. The items included in the financial statements of each entity are measured using this functional currency.

Foreign currency transactions

Foreign currency transactions are translated by Group entities at the date at which the transaction can be initially recognised in the functional currency at the prevailing spot rate. Monetary assets and liabilities in a foreign currency are translated at each reporting date at the middle spot rate into the functional currency. Differences arising from processing or translating monetary items are recognised through profit and loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated at the exchange rate on the date of the original transaction.

Translation of financial statements in foreign currencies within the Group

For consolidation in the consolidated financial statements, the assets and liabilities of foreign operations are translated into euros at the rate of exchange on the reporting date. Income and expenses are translated at an average exchange rate. Translation differences resulting from this are recognised under other profit and loss. On the disposal of a foreign operation, the amount of other comprehensive income relating to that foreign operation is reclassified in the income statement.

The exchange rates of significant currencies of non-euro countries used in compiling the consolidated financial statements were as follows:

		Closing rate		Average rate	
Currency, 1 EUR =	**ISO code**	**2022**	**2021**	**2022**	**2021**
Polish zloty	PLN	4.6808	4.5969	4.6832	4.6137
Ukrainian hryvnia	UAH	38.9510	31.0298	37.1529	30.7509
Moldovan leu	MDL	20.3792	20.1852	20.4729	20.0632
Russian rouble	RUB	75.6553	85.3004	69.6299	83.4913
Czech crown	CZK	24.1160	24.8580	24.2695	25.2456

(e) Classification of statement of financial position into current and non-current assets and liabilities

The Group classifies its statement of financial position items into current and non-current assets and liabilities. As a general rule, the asset and liability items are deemed current if an inflow or outflow of the amounts concerned is expected within twelve months.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(f) Intangible assets

Intangible assets not acquired by way of a business combination are measured on initial recognition at acquisition cost. In subsequent periods, intangible assets are measured at their acquisition cost less accumulated amortisation and accumulated impairment loses. The requirements for capitalisation of internally generated intangible assets are not met at Autodoc. Therefore, the related expenditure is reported in the income statement in the period in which it was incurred.

Intangible assets with a limited useful life are amortised over their economic useful life and checked for any impairment whenever indications exist that the intangible fixed asset may be impaired. The term and method of amortisation are checked by the end of each reporting period at the least. The changes to the term or method or amortisation necessary due to changes to the expected useful life or expected use of the future economic benefit of the asset are treated as changes to estimates. Expenses from amortisation and impairments to intangible assets with a limited useful life are presented in the income statement under functional costs.

An intangible asset is derecognised either upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from the derecognition of an item of intangible assets are determined as the difference between net disposal proceeds and the carrying amount of the asset, and recognised in the income statement in the period in which the asset was derecognised.

The Group possesses patents and licences. Patents were generally granted for ten years by the competent patent office with the option of renewal at the end of this period. Licences for the use of intellectual property are granted for periods between two to ten years per licence. Both patents and licences are amortised over the expected length of their operational use or, at most, over their useful lives..

(g) Property, plant, and equipment

Assets under construction are recognised at cost less accumulated impairment losses. Property, plant and equipment are recognised at cost less accumulated scheduled depreciation and accumulated impairment losses. Cost includes the cost of replacing a part of an item of property, plant and equipment as well as the borrowing costs for long-term construction projects if they fulfil the criteria for recognition.

Servicing and maintenance costs are recognised immediately through profit and loss. The present value of the expected costs for removing and restoring an asset after use is included in the cost of the asset if the recognition criteria for a provision are met.

Further information on provisions can be found in notes (E.) and (17.).

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets:

- Buildings (leasehold improvements) 2 to 10 years (previous year: 2 to 10 years)
- Technical equipment and machinery 5 to 15 years (previous year: 5 to 15 years)
- Other operating and office equipment 1 to 20 years (previous year: 1 to 20 years).

The length of the depreciation period did not change from the previous year. No reassessment of useful lives was made and was not necessary.

Depreciation on property, plant and equipment is recognised in the statement of comprehensive income under functional costs.

An item of property, plant and equipment is derecognised either on disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from their use or disposal. The gains or losses arising from the derecognition of an asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset, and recognised in the statement of comprehensive income in the period in which the asset was derecognised.

The residual values, useful lives, and methods of depreciation of property, plant and equipment are reviewed at the end of each financial year and prospectively adjusted as appropriate.

(h) Leases

Contracts are assessed at inception to determine whether they represent a lease agreement or contain a lease. This is the case when the contract conveys the right to control the use of an identified asset for a period of time in exchange for a fee.

With the exception of short-term leases and leases for low-value assets, Autodoc recognises the assets and liabilities arising from concluding leases in the statement of financial position. Lease liabilities are recognised for the obligation to make lease payments. Right-of-use assets are recognised for the right to use the underlying assets. Autodoc acts as a lessee only. Autodoc recognises the lease payments for short-term leases and leases of low-value assets as a current expense under functional costs in the income statement.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease i.e., the date on which the underlying asset is available for use. Right-of-use assets reported separately in the consolidated statement of financial position are measured at cost, less accumulated depreciation and impairment losses.

The cost of right-of-use assets include the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

When contracts are modified or estimates are adjusted, and lease liabilities are reassessed with respect to exercising or not exercising renewal or termination options, the carrying amount of the right-of-use asset is adjusted by the amount by which the lease liability has increased or decreased.

Some of the Group's lease arrangements contain obligations to dismantle and remove the object of the lease, to restore the site on which it is located, or to put the underlying asset into a certain condition. Costs associated with these obligations are attributed to right-of-use assets. In return, Autodoc recognises provisions for these obligations.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life of the assets, as follows:

- Buildings (office buildings and warehouses) — 1 to 10 years (previous year: 1 to 8 years)
- Technical equipment and machinery — 3 to 10 years (previous year: 3 to 10 years)
- Other operating and office equipment — 3 to 9 years (previous year: 1 to 9 years).

The change in depreciation period compared to the previous year is related to the conclusion of new contracts and the reassessment of the useful life of lease agreements.

If ownership of the leased asset is expected to transfer to Autodoc, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to an impairment test if there are any indications of potential value impairment (see also 'Impairment of non-financial assets').

Lease liabilities

Lease liabilities are recognised at the present value of the lease payments to be made during the lease term at the lease start date. Highly probable extension and termination periods are taken into account in determining the amount.

Lease payments include fixed payments (including in-substance fixed payments) less any lease incentives to be received as well as variable index-dependent lease payments.

In calculating the present value of lease payments, Autodoc uses the incremental borrowing rate of the relevant lessee at the lease commencement date because the interest rate the lease is based in is not readily determinable. After the commencement date, the lease liabilities increase by the compounding of interest and decrease by the lease payments made. In addition, the lease liabilities are reassessed as necessary, e.g., if there are changes to lease payments due to a change to an index or a change in the assessment with respect to exercising an option.

The Group's lease liabilities are shown separately in the statement of financial position (see note (16.)).

Short-term lease agreements and lease agreements for low-value assets

Short-term leases (leases with a term of up to 12 months from the commencement date with no purchase option) and leases for low-value assets are recognised at Autodoc immediately through profit and loss. The latter also concerns lease agreements for office and technical equipment.

(i) Impairment of non-financial assets

The Group assesses at each reporting date whether there is any indication that an asset may potentially be impaired. If such indications exist, or if an annual impairment test for an asset is required without such an indication, the Group estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of the fair value of a subject of valuation less costs of disposal or its value in use. The subject of valuation may be an asset or a cash-generating unit (CGU). The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time-value of money and the risks specific to the asset. Autodoc determines the recoverable amount in its form as value in use.

As at 31 December 2022, the Autodoc Group did not report goodwill or intangible assets with an indefinite useful life. As at 31 December 2022, there were no indications of potential impairments. Accordingly, a review of the impairment of non-current non-financial assets was not necessary.

(j) Financial instruments

Fair value measurement

A financial instrument is every contract that gives rise to a financial asset at one entity and a financial liability or equity instrument at another entity.

The fair value is the price that was received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. Fair value measurement is based on the assumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.
- the principal or most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would apply when pricing the asset or liability, assuming that the market participants are acting in their economic best interests.

The Group applies valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable input factors

All assets and liabilities for which fair value is measured or reported in the annual financial statements are categorised into the following fair value hierarchy, based on the lowest level input that is significant for measurement of fair value as a whole:

- level 1: quoted prices in (unadjusted) in active markets for identical assets or liabilities
- level 2: valuation techniques for which the input of the lowest level is significant to the measurement of fair value is directly or indirectly observable

- level 3: valuation techniques for which the lowest level that is significant to measurement of fair value is not observable on the market

To fulfil its duties to disclose fair values, the Group has determined classes of assets and liabilities based on their nature, characteristics, and risks and the levels of the fair measurement hierarchy explained above.

Financial assets

At Autodoc, financial assets are classified on initial recognition as amortised cost. Regular reviews are carried out if a different classification is necessary, i.e., at fair value through equity under other results or at fair value through profit and loss. This review is performed according to the features of the contractual cash flow and the purpose of use of the financial instrument connected to it in the Group's business model.

At Autodoc, measurement after recognition is conducted at amortised cost.

Financial assets measured at amortised cost are measured in subsequent periods using the effective interest method (EIM). For expected credit losses, Autodoc recognises loss allowances under other operating expenses.

The financial assets measured at amortised cost mainly include cash, trade receivables, loans, receivables from supplier bonuses and receivables from payment service providers.

A financial asset is derecognised when the contractual rights with respect to cash flows from the financial asset have expired.

Impairment of trade receivables and other financial assets measured at amortised cost

Due to transitioning to a prepayment system (note (D.(a)), trade receivables do not present a significant risk to Autodoc. Consequently, expected credit loss is determined using a simplified model: Trade receivables are written down to 50% if the contractual payments are between six and twelve months past due. If they are more than twelve months past due, the full amount is written off.

Due to the manageable number of other financial assets measured at amortised cost, expected credit losses are recorded individually. Indications of an increase in a borrower's credit default risk are reviewed regularly. A debt allowance or loss is assumed where internal or external indicators suggest that it is unlikely that Autodoc will receive the outstanding contractual payments or will not receive them in full. A financial asset is derecognised when there is no longer any reasonable expectation of recovering the contractual cash flow.

Financial liabilities

The Group's financial liabilities include trade payables, loans and borrowings, including bank overdrafts and other financial liabilities.

All financial liabilities are measured at fair value at initial recognition, in the case of loans, bonds and liabilities, net of directly attributable transaction costs.

For measurement after recognition, financial liabilities at Autodoc are measured at amortised cost.

A financial liability is derecognised when it is discharged or cancelled or has expired.

(k) Inventories

Inventories are measured individually at the lower of cost or net realisable value.

The cost of goods is composed of the purchase price and the direct costs (freight, duty, packaging).

Net realisable value is the estimated selling price proceeds in the ordinary course of business, less estimated selling costs.

(l) Other current assets and liabilities

Other current assets and liabilities are measured at cost less any impairment. They are subsequently derecognised once settled.

(m) Cash and cash equivalents

Cash in the statement of financial position comprises bank balances and cash-in-hand, which are readily convertible into cash, and only subject to insignificant risks of change in value. The consolidated statement of cash flow shows the reasons for the change in cash and cash equivalents in the reporting period.

(n) Provisions

Provisions are formed if the Group has a current (legal or actual) obligation resulting from a past event, the outflow of resources with an economic benefit to fulfil the obligation is probable, and the amount of the obligation can be reliably estimated. If the Group expects some or all of a provision to be reimbursed, (e.g., for an insurance contract), the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense related to forming a provision is presented in the income statement net of any reimbursements.

If the effect of the time-value of money is significant for non-current provisions with a term longer than one year, the amounts required to settle them are discounted at a current pre-tax rate that reflects the risks specific to the liability. Autodoc recognises expenses from the discounting of provisions under financial cost.

Provisions for revenue deductions

Provisions for revenue deductions relate to situations in which a customer receives credit (after sales have been realised) for poor product quality, defective products, delayed shipment, or other reasons, to ensure customer satisfaction and retention. In these cases, the goods are not returned. The provision is measured based on the amount to be refunded, which is estimated based on past experience. The provision is recognised as a reduction of sales.

Warranty provisions

Provisions for warranties are formed at the date of purchase of the product or performance of the service to the customer. Measurement is based on values derived from past experience. The estimation of warranty costs is reviewed annually and also takes into account the potential liability of suppliers.

Provisions for legal disputes

Provisions are formed for obligations arising from current or expected lawsuits in which Autodoc is either the claimant or the defendant. For expected legal disputes, provisions are only formed, however, if the issue in contention already existed on the reporting date and the future cash outflow can be reliably estimated. Furthermore, it must be highly probable on the date when the financial statements are prepared, that the case involving the Group entity will lead to a cash outflow.

Provisions for other taxes

Provisions for other taxes mainly include withholding tax, VAT, and excise tax that has been charged but not yet paid. These obligations therefore have an economic cause before the reporting date, and it can seriously be expected that they will be claimed. The provisions are measured according to prudent business judgement and the best possible estimates.

(E.) Significant accounting judgements, estimates, and assumptions

In compiling the Group's consolidated financial statements, management must make judgements, estimates and assumptions that affect reported income, expenses, assets, and liabilities, as well as the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a significant adjustment to the carrying amount of the assets or liabilities concerned in future periods.

Other disclosures on risks and uncertainties to which the Group is exposed are included in the sections:

- Capital management note (25.)
- Financial instruments risk management and policy note (21.)
- Disclosures on sensibility analyses note (21.)

The judgements and estimates by management given below related to the application of accounting policies had the most effect on the figures in the consolidated financial statements:

(a) Share-based payments

Contracts concerning share-based payments with settlement by equity instruments between employees of Autodoc SE and Autodoc Holding GmbH & Co. KG

To determine the enterprise value when measuring the fair value of the share-based payment agreements SBP 1 and SBP 2 at the time of granting, Autodoc applies the discounted cash flow (DCF) model. The weighted average capital costs are determined on the basis of a comparable peer group, consisting of car parts dealers who run offline or online shops. To further narrow the peer group, only companies with an online distribution channel for their car parts were taken into account. The detailed planning phase is eight years, of which five years are based on the business plan approved by the Autodoc Management Board, while a convergence phase of three years of declining sales growth rates was derived to achieve a transition to a steady state. A sustainable growth rate of 1% was applied to the final value. The bandwidth of the equity value derived by DCF valuation lies within the bandwidth of equity value derived by trading multiples.

The fair value of the share-based payment agreement was determined using a Monte Carlo simulation and the following parameters.

	SBP 1	SBP 2
Weighted average share price in EUR	92.7	133.1
Unlevered price volatility	43.7 %	38.3 %
Dividend yield	0.0 %	0.0 %
Risk-free interest rate	(0.8) %	(0.6) %
Exercise price per share in EUR	1.0	1.0
Exercise duration in years	3.6	4.7

The unlevered price volatility was determined based on the median of a peer group of nine comparable companies listed at US and European stock exchanges. No other criteria were used in the measurement.

(b) Determining the term of lease contracts with a renewal and termination option – Autodoc as lessee

Autodoc determines the lease term as the non-cancellable term of the lease in conjunction with any options to extend or terminate the lease if the exercise or non-exercise of these options is reasonably assured.

The Group has several lease agreements that include extension and termination options. In evaluating whether an extension or termination option is reasonably assured, the Group applies judgement. This means that it takes all the relevant factors that create an economic incentive to exercise the option either to renew or terminate into account. After the commencement date, Autodoc reassesses the term of the lease if a significant event or change in circumstances occurs that is within its control and that affects the likelihood of exercising or not exercising the option to renew or terminate (e.g., the construction of significant tenant fixtures or significant customisation to the leased object). For information on potential future rental payments for periods after the date to exercise options to extend or terminate not included in the lease term, please see note (20.) (b).

(c) Obligations from refunds and revenue deductions

Refund liabilities and provisions for revenue deductions cover the estimated financial outflows due to the expected exercise of rights of return. In both cases, the amounts reflect the expected future obligation based on past experience observed at Autodoc under these circumstances, which includes an evaluation by management concerning the appropriateness of the obligation calculated.

(d) Revenue recognition - Estimation of variable consideration for returns

Autodoc estimates the variable consideration that is included in the transaction price for the sale of products with a right of return. For this, Autodoc uses a statistical model to predict returns rates based on past experience. These rates are applied to determine the expected value of the variable consideration.

All significant changes in historical comparison to the values based on experience have an effect on the expected measurement parameters. The Group constantly updates its assessment of expected returns and adjusts refund liabilities accordingly. Estimates of expected returns are susceptible to changes in circumstances. Therefore, the actual return rate may differ in future from expectations based on past experience.

(e) Leasing - estimation of the incremental borrowing rate

Since the interest rate on which leases are based cannot be readily determined, to measure lease liabilities Autodoc applies the incremental borrowing rate of the relevant lessee. The incremental borrowing rate is the interest rate that the Group entity concerned as lessee would have to pay to borrow the funds over a similar term with a similar security that would be necessary to acquire an asset of similar value to the right-of-use asset in a similar economic environment. The Group estimates the incremental borrowing rate using observable inputs (such as market interest rates) if they are available and must make certain entity-specific estimates concerning the assumed credit rating.

(f) Inventories - trade receivables - loans to related companies

Impairments on inventories, trade receivables, loans to related parties and other financial assets were estimated to the best of management's knowledge based on current events and circumstances, although deviations may occur between the estimated and actual results (also see notes (10.), (11.) and (12.)).

(g) Supplier bonuses

The Group has concluded procurement contracts with third party suppliers, which include various volume-based rebates, known as supplier bonuses. At the end of the year, a portion of these bonuses is estimated based on contract data and purchase volumes.

Even if the differences between the estimated rebates and those actually received were small in the past, larger differences resulting from changed conditions cannot be ruled out for the future.

(h) Provision for excise and transaction taxes

Certain excise tax and transaction tax returns for previous years may be contested by local authorities due to incomplete or late information. Autodoc has accounted for these risks by forming an appropriate provision. The risk was estimated as well as possible on the basis of comparable cases. Nevertheless, deviations between the estimated and actual results may occur.

(i) Climate change and decarbonisation

Management is monitoring the potential impact of climate change and decarbonisation by means of risk management. As at the date to which the financial statements were compiled, no potential impact on accounting and measurement was identified that could be traced back to these two factors.

(F.) Basis of consolidation

(a) Principles of consolidation

The consolidated financial statements include the financial statements of Autodoc SE and its subsidiaries as at 31 December 2022. Subsidiaries are to be included in the consolidated financial statements if they are directly or indirectly controlled by Autodoc SE. Control exists when the parent company is exposed to variable returns from its involvement with the investee or has rights to them and has the capacity to influence these returns through its power over the investee.

Holding a majority of the voting rights generally results in control. To support this assumption, and in case a majority of the voting rights or similar rights in an investee does not exist, whether control over an investee may be derived from other rights is considered in the assessment. All the relevant facts and circumstances are examined, including:

- the contractual arrangement(s) with the other holders of voting rights of the investee
- rights from other contractual arrangements
- (potential) voting rights.

The potential for influencing an investee is reassessed if facts and circumstances indicate that changes to one or more of the three elements of control have taken place.

Consolidation of a subsidiary begins at the date on which the Group acquires control over the subsidiary, and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary are recognised in the consolidated financial statements from the date on which the Group acquires control over the subsidiary until the date on which control ends.

Profit or loss and all components of other comprehensive income are attributed to the shareholders of the Group's parent company and to the non-controlling interests. Subsidiaries' accounting principles are adjusted to the standardised Group accounting policies of Autodoc as necessary. All internal assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are fully eliminated on consolidation.

A change in the ownership interest of a subsidiary without loss of control is recognised as an equity transaction by recognising the difference between the price for the acquisition or sale of shares in a subsidiary and the net assets attributable to the shares under consolidated equity.

If Autodoc loses control over a subsidiary, the related assets (including goodwill), liabilities, non-controlling interest and other reclassifiable components of equity are derecognised, while the resulting gain or loss is recognised in in the consolidated statement of comprehensive income. Any remaining interest is recognised at fair value and carried forward under the applicable rules.

(b) Scope of consolidation

The following subsidiaries are included in the consolidated financial statements of Autodoc SE:

Name	Principal business activity	Principal place of business	Equity share in % 2022	2021
Ridex GmbH[1]	Own brand services	Berlin, Germany	100.0	100.0
Autodoc Logistics Sp. z o.o.	Logistics services	Szczecin, Poland	100.0	100.0
LLC Autodoc Ukraine	IT services, customer services, marketing	Odessa, Ukraine	100.0	100.0
ATD Technologies SRL	IT services, customer services	Chisinau, Moldova	100.0	100.0
Wemax Group GmbH & Co. KG[3]	Website operating services	Berlin, Germany	100.0	100.0
Partio GmbH & Co. KG[3]	Website operating services	Berlin, Germany	100.0	100.0
Partex Global GmbH[3]	Website operating services	Berlin, Germany	100.0	100.0
Autodoc Operations AG & Co. KG	Warehousing, customer care, order picking and packing	Berlin, Germany	100.0	100.0
Autodoc Operations Beteiligung GmbH	Limited partner of Autodoc Operations AG & Co. KG	Berlin, Germany	100.0	100.0
OOO Foresight[2]	Own brand services	Novosibirsk, Russia	100.0	100.0
Autodoc France SAS	Management, IT, trading services	Paris, France	100.0	100.0
Autodoc Logistics Czech s.r.o.	Logistics services	Prague, Czech Republic	100.0	100.0
ATD PORTUGAL, UNIPESSOAL LDA	IT services, customer services, marketing	Lisbon, Portugal	100.0	0.0

[1] Indirect interest of 0.1% via Partex Global GmbH, Berlin
[2] Indirect interest of 100% via Ridex GmbH
[3] Control without share in voting rights or on contractual basis (2020)

(c) Significant changes to the basis of consolidation in the financial year

Transactions with non-controlling interest and acquisition of shares in structured entities.

In contrast to the previous year, there were no transactions with non-controlling interest in the 2022 financial year. The shares of the minority shareholders were fully acquired in the previous year, and the corresponding share of equity was also derecognised. For a detailed description of the transactions with non-controlling interest, please see the consolidated financial statements for the financial year 2021.

Formation of new companies

Autodoc SE (at that date in the form of an AG) founded a subsidiary in Portugal as a limited liability company, registered in Lisbon. ATD PORTUGAL, UNIPESSOAL LDA was registered for tax on 19 July 2022. Its share capital is EUR 50,000. The company's main activities are IT services, customer care and marketing.

No new companies or changed to the basis of consolidation were made in the financial year, and no substantial transaction costs were incurred.

(d) The holding company

Since 10 December 2015, the shares in Autodoc SE, the parent company of the Autodoc Group, have been held by three shareholders. On 27 November 2020, the shareholders transferred their shares in the form of a contribution in kind to the newly founded 100% shareholder Autodoc Holding GmbH & Co. KG, Berlin. Autodoc Holding GmbH & Co. KG is therefore the ultimate controlling party of Autodoc.

100% of the shares in the new holding company are held by the shareholders who formerly had interests in Autodoc, who thereby continue to be 100% indirect shareholders of Autodoc. The new holding company had no business activities in the 2022 financial year.

(G.) Changes to presentation and adjustment of comparable period

The presentation of the consolidated statement of financial position was adjusted in these consolidated financial statements. The following changes were made to these financial statements and the comparable period was adjusted, with the goal of achieving a more compact and clearer structure and giving a better overview of the statement of financial position.

- Renaming:
  - Other assets as non-financial assets
  - Other liabilities as non-financial liabilities
- Reclassifying of right-of-return assets amounting to EUR 1.6 million under non-financial assets
- Within current liabilities, the components of the items under liabilities from customer contracts (EUR 18.7 million) were redistributed as follows:
  - Reclassification of customers with credit balances (EUR 6.1 million) and repayment obligations (EUR 3.6 million) under financial liabilities (note (16.)).
  - Reclassification of payments received amounting to EUR 12.7 million under non-financial liabilities (note (19.)).
- Within current liabilities, the item of repayment obligations (EUR 3.6 million) was reclassified under other financial liabilities (note (16.)).

In addition to the above-mentioned extensive adjustment to the consolidated statement of financial position, adjustments of a significantly smaller scale were made to the consolidated statement of comprehensive income. The disclosures for the period of the previous year were discussed in the disclosures in the notes to the financial statements according to a new presentation.

The following overview presents the changes to the relevant statement of financial position items.

EUR 000	31/12/2022	31/12/2021 Adjusted presentation	31/12/2021 Original presentation	Difference adjusted v. original presentation
Assets				
Non-current assets	**47,967**	**34,506**	**34,506**	**—**
Current assets	**221,263**	**223,073**	**223,073**	**—**
Inventories and advance payments	78,689	81,005	81,005	—
Right-of-return assets	—	—	1,584	1,584
Trade receivables	1,643	1,512	1,512	—
Other financial assets	82,640	57,575	57,575	—
Non-financial assets	8,566	5,736	4,152	(1,584)
Income tax receivables	2,868	1,301	1,301	—
Cash and cash equivalent	46,857	75,944	75,944	—
Total assets	**269,230**	**257,579**	**257,579**	**—**
Equity and Liabilities				
Equity	**59,365**	**114,502**	**114,502**	**—**
Non-current liabilities	**22,521**	**10,226**	**10,226**	**—**
Current liabilities	**187,345**	**132,851**	**132,851**	**—**
Trade payables	60,571	41,862	41,862	—
Lease liabilities	4,767	6,591	6,591	—
Other financial liabilities	53,546	13,439	3,767	(9,672)
Liabilities from contracts with customers	—	—	18,713	18,713
Refund liabilities	—	—	3,618	3,618
Non-financial liabilities	40,414	26,052	13,393	(12,659)
Provisions	17,714	16,066	16,066	—
Income tax liabilities	10,333	28,841	28,841	—
Total equity and liabilities	**269,230**	**257,579**	**257,579**	**—**

2.5.2 Notes to the statement of comprehensive income

(1.) Sales revenue

(a) Regional distribution of sales revenue

EUR 000	2022	2021
France	284,657	244,678
Germany	254,110	228,734
Scandinavia	140,072	143,137
Spain/Portugal	84,673	83,258
Italy	79,195	74,184
Rest of Europe	284,363	262,403
	1,127,070	**1,036,394**

The table show the Group’s sales revenue according to the five most important sales markets in descending order as well as sales in the rest of Europe. The increase in sales of 8.7% year-on-year is due both to prices and growth. Growth was also fostered with the aid of selected marketing activities by Autodoc.

(b) Trade receivables and liabilities from contracts with customers

EUR 000	Refer to	2022	2021
Trade receivables	(12.)	1,643	1,512
Liabilities from contracts with customers		20,578	18,713
of which payments received (presentation under non-financial liabilities)	(19.)	15,204	12,658
of which customers with credit balances (presentation under other financial liabilities)	(16.)	5,373	6,055

Liabilities from contracts with customers mainly include prepayments for the delivery of products that were ordered by customers. The amounts presented as at year-end relate to performance obligations that are fulfilled in the following year. Payments received and customers with credit balances are presented separately from financial year 2022 for the sake of clarity. Customers with credit balances are primarily customer credits that are offset against future orders or that can be paid out on request.

(c) Right-of-return assets and refund liabilities

EUR 000	Refer to	2022	2021
Right-of-return assets (presentation under non-financial liabilities)	(13.)	2,057	1,584
Refund liabilities (presentation under other financial liabilities)	(16.)	4,088	3,618

Right-of-return assets and refund liabilities arise solely from customers’ rights to return goods. Refund liabilities reflect the amount of consideration expected to be refunded from sales of goods where the right of return has not yet expired.

(2.) Cost of sales, distribution and administrative expenses, and share-based payments

(a) Cost of sales

EUR 000	2022	2021
Costs for inventories recognised	620,247	569,581
Freight costs and customs for deliveries received	17,179	19,012
Other costs of sales	—	17
	637,426	**588,610**

(b) Distribution expenses

EUR 000	2022	2021
Fulfilment expenses	139,899	134,397
Marketing expenses	95,842	83,182
Personnel expenses	70,443	54,192
Depreciation, amortisation and impairment	6,008	6,080
Other distribution expenses	7,276	2,044
	319,468	**279,895**

The costs for fulfilling orders mainly include shipping costs, packing costs, direct labour costs, costs for contractors and external fees for payment processing.

Marketing expenses include costs for digital advertising, which is provided by external service providers. These costs are mainly determined by ‘traffic’ costs, which were EUR 87.9 million in 2022 and EUR 79.5 million in 2021.

The increase in other distribution expenses can be primarily traced back to the temporary outsourcing of customer services and increased expenses for customer service projects.

(c) Administrative expenses

EUR 000	2022	2021
Personnel expenses	114,729	144,321
Wages, salaries and social security contributions	49,582	21,161
Share-based payments (non-cash)	65,148	123,160
Advisory and audit fees	15,136	18,766
Depreciation and amortisation	3,841	2,841
Licenses	9,978	6,643
Other administrative expenses	14,361	9,707
	158,045	**182,277**

Personnel expenses from Share-based payments are explained in the following section.

The increase in wages, salaries, bonuses and social security contributions substantially results from the development of personnel and the significant adjustment to salaries at the beginning of 2022.

In addition, the rise in other administrative expenses is primarily due to the expansion of internal administrative and IT structures in 2022.

(d) Share-based payments

The fair value of the share-based payment agreements determined on the grant date to be recognised under other capital reserves over the vesting period totals EUR 330.8 million (previous year: EUR 306.8 million). The adjustment in 2022 was made based on the changes to expectations regarding exercising the committed virtual shares.

In the current reporting period, no new virtual shares were granted. As at 31 December 2022, a total of 80,296 shares were vested. The forfeited shares from SBP 1 result from the early withdrawal of the beneficiary. Since the shares from the LTI scheme cannot be vested due to changed assumptions concerning vesting, these shares are also deemed forfeited.

	2022	2021*	2021
Current value of agreements (EUR 000)	**330,810**	**306,750**	**306,750**
SPB 1	310,900	286,530	286,530
SPB 2	19,910	19,910	19,910
LTI	—	310	310
Shares granted (no-par)	**—**	**145,938**	**2,369,935**
SPB 1	—	13,230	214,830
SPB 2	—	132,576	2,152,775
LTI	—	132	2,330
Shares vested (no-par)	**23,958**	**56,338**	**914,818**
SPB 1	2,481	3,308	53,708
SPB 2	21,477	53,030	861,110
LTI	—	—	—
Shares forfeited (no-par)	**6,464**	**—**	**—**
SPB 1	4,134	—	—
SPB 2	—	—	—
LTI	2,330	—	—

*Adjusted taking account of the capital reduction

Due to the capital reduction in the financial year, the number of virtual shares granted has been reduced proportionally without affecting the value of the shares granted. For better comparison, the presentation of the granted and vested shares in the previous year was based on the current composition of share capital.

(3.) Personnel expenses, depreciation and amortisation

EUR 000	2022	2021
Wages and salaries	102,584	64,547
Social security contributions and post-employment costs	17,440	10,806
Share-based payments (non-cash)	65,148	123,160
	185,172	**198,513**

The increase in personnel expenses results on the one hand from the increase in the average number of employees by 22.9% to 3,791. In addition, significantly more high-level management and skilled staff were hired for administrative divisions. Furthermore, a significant adjustment of salaries took place at the beginning of 2022, which contributed significantly to the increase in personnel expenses per employee.

The expenses for pensions amounted to EUR 10,000 (previous year: EUR 11,000).

The expenses on planned depreciation incurred in the 2022 financial year amounted to EUR 9.8 million (prior year: EUR 9.0 million).

(4.) Other operating income and expenses

(a) Other operating income

EUR 000	2022	2021
Income from currency translation	13,375	5,536
Refunds from insurance companies	585	1,553
Income from the reversal of provisions	302	1,127
Other income	992	2,200
	15,254	**10,416**

The higher income from currency translation is due to greater fluctuations in exchange rates, which also led to an increase in expenses on currency translation and which compensated for each other.

(b) Other operating expenses

The following overview outlines Autodoc's other operating expenses:

EUR 000	2022	2021
Expenses due to currency translation	14,888	6,239
Operating tax expenses	2,600	5,899
Other operating expenses	2,118	4,122
	19,606	**16,260**

As of 2022, expenses for personnel recruitment acquisition are reported under other administrative expenses. Accordingly, expenses of EUR million from operating expenses were reclassified under administrative costs (note (2.)c).

The increased expenses from currency translation are due to greater fluctuations in exchange rates, which also led to an increase in income from currency translation, thus compensating for each other.

(5.) Financial result

(a) Finance costs

EUR 000	2022	2021
Interest from lease liabilities	809	389
Interest expenses for financial liabilities from investments	81	100
Profit/loss portions attributable to non-controlling interest	—	45
Other financial expenses	223	294
	1,113	**828**

The increase in interest from lease liabilities in 2022 is due to the opening of the new 'M40' warehouse in Poland, which will be rented for 10 years from July 2022.

(b) Finance income

EUR 000	2022	2021
Income from the reversal of loss allowances (loans)	—	2,400
Interest income from loans	319	476
Other financial income	128	—
	447	**2,876**

Loans to the related party Zoobio GmbH amounting to EUR 2.4 million were written off in 2020 as they were considered irrecoverable. In the 2021 financial year, the assessment of a loan as bad debt had to be revised as Autodoc received new information relating to the debtor's intention to repay the loan receivable in the short term. Income from reversals of loss allowance were reported accordingly under financial income in 2021. The loan was repaid in full in the 2022 financial year.

(6.) Income taxes

a) Overview of current and deferred expenses and income from income taxes

Income tax expenses and income for the 2022 and 2021 financial years are broken down as follows:

EUR 000	2022	2021
Current income taxes	**23,609**	**31,805**
relating to the current year	23,834	29,374
relating to the previous year	(225)	2,431
Deferred income taxes	**(1,583)**	**745**
from temporary differences	(1,594)	676
from tax loss carryforwards	11	69
Income tax expenses	**22,026**	**32,550**

b) Reconciliation of expected income tax expense with recognised income tax expense

The reconciliation of expected tax expense with recognised tax expense is shown below:

EUR 000	2022	2021
Profit before tax	**7,114**	**(18,184)**
Expected income taxes (30.175%)	2,146	(5,487)
Different tax rates in foreign countries	(708)	(621)
Share-based payments with equity settlement	19,658	37,163
Non-deductible expenses	(76)	210
Permanent differences	90	(4)
Activities in a free economic zone in Moldova	—	(45)
Income taxes outside accounting period	(224)	1,457
Taxation differences specific to legal form	—	11
Non-recognition of deferred tax assets	—	31
Deferred taxes outside accounting period	627	—
Foreign taxes	733	—
Miscellaneous	(220)	(165)
Effective income taxes	**22,026**	**32,550**
Effective income tax rate	309.7 %	(179.0) %

The parent company's tax rate of 30.175% (for the 2021 and 2022 reporting periods) was used as the expected tax rate. The expected tax rate is composed of corporate income tax at 15.825%, including the solidarity surcharge at 5.5%, together with a trade tax rate of 14.35%.

The significantly different effective tax rate of 309.7% (previous year: -179.0%) in this financial year is primarily due to the special effect of expenses for share-based payments that are non-deductible for tax purposes. Adjusted to account for this special effect, the effective income tax rate would be 30.48% (previous year: 31.01%).

c) Breakdown of taxes paid in the consolidated statement of cash flow

The payment of EUR 43.7 million shown in the consolidated statement of cash flow is composed of tax prepayments for the current financial year of EUR 26.7 million and tax payments for the previous year of EUR 16.9 million.

d) Deferred taxes

Deferred tax assets and liabilities were as follows:

EUR 000	2022	2021
Deferred tax assets	**8,231**	**19,327**
Property, plant and equipment	714	336
Financial assets	112	906
Inventories and advance payments	1,575	8,334
Trade receivables	580	4,824
Liabilities from lease contracts	4,049	2,992
Financial liabilities	192	647
Provisions	349	1,276
Trade payables	29	—
Non-financial liabilities	630	—
Tax loss carryforwards	1	12
Deferred tax liabilities	**(6,173)**	**(18,856)**
Right-of-use assets	(5,249)	(4,389)
Trade receivables	(18)	—
Financial liabilities	(158)	—
Provisions	(749)	—
Non-financial liabilities	1	(9,992)
Trade payables	—	(4,475)
Recorded in the statement of financial position as follows:		
Deferred tax assets	2,115	541
Deferred tax liabilities	(57)	(70)

All movements of deferred tax balances were recognised in the income statement. Deferred tax assets were recorded for subsidiaries that made a loss in the current or a previous period as it is likely that sufficient taxable profits i will be available in the future exceeding the losses from the reversal of the deductible temporary differences. Deferred tax assets relating to tax loss carryforwards amount to EUR 1 thousand in the financial year (2020: EUR 80 thousand).

Deferred tax assets of EUR 149 thousand (2021: EUR 31 thousand) were not recognised for taxable temporary differences in connection with shares in subsidiaries since Autodoc is able to control the timing of the reversal of the temporary differences, and the temporary differences are unlikely to reverse in the foreseeable future. Payments of dividends to the shareholders of the parent company do not have any consequences for the company's income tax liability.

2.5.3 Notes to the consolidated statement of financial position

(7.) Intangible assets

The development of intangible assets is presented as follows:

EUR 000	Software	Brands, patents, domains	Prepayments	Total
Acquisition/production costs				
Balance on 1 January 2021	**1,416**	**267**	**—**	**1,683**
Additions	449	27	—	476
Foreign currency translation	20	2	—	22
Balance on 31 December 2021	**1,885**	**296**	**—**	**2,181**
Additions	482	—	44	526
Reclassification	33	—	(33)	—
Foreign currency translation	(29)	—	1	(28)
Balance on 31 December 2022	**2,371**	**296**	**12**	**2,679**
Amortisation and impairment				
Balance on 1 January 2021	**(325)**	**(9)**	**—**	**(334)**
Additions	(345)	(28)	—	(373)
Foreign currency translation	(21)	(1)	—	(22)
Balance on 31 December 2021	**(691)**	**(38)**	**—**	**(729)**
Additions	(453)	(28)	—	(481)
Foreign currency translation	9	—	—	9
Balance on 31 December 2022	**(1,135)**	**(66)**	**—**	**(1,201)**
Net carrying amount				
Balance on 31 December 2021	**1,194**	**258**	**—**	**1,452**
Balance on 31 December 2022	**1,236**	**230**	**12**	**1,478**

As in the previous year, no development costs were capitalised in the 2022 financial year.

(8.) Property, plant and equipment

The development of property, plant and equipment is presented below:

EUR 000	Buildings	Technical equipment and machinery	Other operating and office equipment	Prepayments and assets under construction	Total
Acquisition/production costs					
Balance on 1 Jan 2021	**897**	**7,834**	**3,493**	**555**	**12,779**
Additions	38	186	1,638	1,600	3,462
Disposals	—	—	(24)	—	(24)
Reclassifications	—	255	432	(562)	125
Additions to the basis of consolidation	—	—	1	—	1
Foreign currency translation	(5)	(51)	32	27	3
Balance on 31 Dec 2021	**930**	**8,224**	**5,572**	**1,620**	**16,346**
Additions	1,722	711	1,566	2,590	6,589
Disposals	—	(57)	(283)	(236)	(576)
Reclassifications	—	—	2,023	(1,199)	824
Foreign currency translation	(12)	(170)	(450)	(89)	(721)
Balance on 31 Dec 2022	**2,640**	**8,708**	**8,428**	**2,686**	**22,462**
Depreciations and impairment					
Balance on 1 Jan 2021	**(173)**	**(302)**	**(2,121)**	**—**	**(2,596)**
Additions	(180)	(765)	(1,173)	—	(2,118)
Disposals	—	—	10	—	10
Foreign currency translation	—	1	9	—	10
Balance on 31 Dec 2021	**(353)**	**(1,066)**	**(3,275)**	**—**	**(4,694)**
Additions	(195)	(887)	(1,625)	—	(2,707)
Disposals	—	26	216	—	242
Reclassifications	—	—	(498)	—	(498)
Impairment	—	—	—	(87)	(87)
Foreign currency translation	4	22	161	4	191
Balance on 31 Dec 2022	**(544)**	**(1,905)**	**(5,021)**	**(83)**	**(7,553)**
Net carrying amounts					
Balance on 31 Dec 2021	**577**	**7,158**	**2,297**	**1,620**	**11,652**
Balance on 31 Dec 2022	**2,096**	**6,804**	**3,407**	**2,603**	**14,909**

In 2022, Autodoc invested EUR 1.7 million in the expansion of the ‘M40’ warehouse that was leased in July and made prepayments of EUR 0.8 million for a storage system. In addition, Autodoc paid EUR 1.4 million for equipping the new ‘C27’ warehouse in the Czech Republic, which was commissioned in 2023.

All the above reclassifications result from right-of-use assets that were transferred to fixed assets.

(9.) Right-of-use assets

The carrying amounts of the right-of-use assets and movements during the reporting period are shown below.

EUR 000	Buildings	Technical equipment and machinery	Other operating and office equipment	Total
Balance on 1 January 2021	**14,436**	**2,122**	**1,571**	**18,129**
Additions	1,867	1,208	360	3,435
Remeasurements	(2,416)	(177)	10	(2,583)
Disposals	(58)	—	(103)	(161)
Depreciation expense	(5,113)	(635)	(755)	(6,503)
Reclassification	—	(125)	—	(125)
Foreign currency translation	48	(15)	36	69
Balance on 31 December 2021	**8,764**	**2,378**	**1,119**	**12,261**
Additions	14,058	3,053	—	17,111
Remeasurements	2,186	6	20	2,212
Disposals	(302)	—	—	(302)
Depreciation	(5,278)	(840)	(455)	(6,573)
Reclassification	—	—	(327)	(327)
Foreign currency translation	205	33	(43)	195
Balance on 31 December 2022	**19,633**	**4,630**	**314**	**24,577**

Additions under buildings and technical equipment and machinery in the financial year 2022 primarily result from the commissioning of the new ‘M40’ warehouse in Szczecin, Poland. The ‘remeasurements’ line mainly represents the extension to the lease agreement for two warehouses in Berlin.

All the above reclassifications result from right-of-use assets that were transferred into fixed assets.

(10.) Financial assets

Financial assets and liabilities are measured by the Group at amortised cost after recognition.

(a) Overview

The following overview shows the financial assets.

EUR 000	31/12/2022	31/12/2021*
Non-current financial assets	**4,805**	**8,590**
Loans to shareholders and other related parties	3,483	6,178
Security deposits	1,322	2,412
Trade receivables	**1,643**	**1,512**
Cash and cash equivalents	**46,857**	**75,944**
Other current financial assets	**82,640**	**57,575**
Loans to shareholders and other related parties	10,765	3,654
Receivables from supplier bonuses	63,345	49,556
Receivables from payment services	2,017	2,634
Security deposits	1,666	89
Transfer of funds	4,264	1,642
Other financial assets	583	—
Total financial assets	**135,945**	**143,621**

*Adapted presentation (see 2.5.1. (G))

In 2022, Autodoc granted a short-term loan of EUR 10.0 million to a related party (previous year: EUR 6.1 million). Please see note (23.) for further information on loans to related parties. The increase in bonus receivables results from the fact that, unlike the previous year, many supplier bonuses were not yet settled by the reporting date.

In 2022, the presentation of financial assets in the notes to the financial statements was adjusted so that they are now classified s current and non-current.. This is designed to provide a better overview and comparison of the individual items.

(b) Allowance for expected credit losses

The table below shows the change in allowance for expected credit losses from trade receivables.

EUR 000	2022	2021
Balance on 1 January	**(605)**	**(379)**
Addition	(10)	(227)
Consumption	455	—
Reversal	—	—
Balance on 31 December	**(160)**	**(605)**

The table below shows the change in allowance for expected credit losses on other financial assets.

EUR 000	2022	2021
Balance on 1 January	**—**	**(2,400)**
Addition	(296)	—
Consumption	—	—
Reversal	—	2,400
Balance on 31 December	**(296)**	**—**

(11.) Inventories and advance payments

The inventories and prepayments are shown below.

EUR 000	31/12/2022	31/12/2021
Goods	75,326	73,681
Prepayments	3,363	7,324
	78,689	**81,005**

From the valuation of inventories at net realisable value an expense of EUR 443 thousand was recorded in the 2022 financial year (previous year: EUR 40 thousand).This is recorded in the cost of sales.

(12.) Trade receivables

EUR 000	31/12/2022	31/12/2021
Receivables from customers	536	1,148
Allowance for expected credit losses	(160)	(605)
Receivables from related parties	1,267	969
	1,643	**1,512**

Trade receivables are non-interest-bearing and due for payment as soon as the delivery has been made and the customer has not paid for the goods in advance.

(13.) Non-financial assets

EUR 000	31/12/2022	31/12/2021*
Receivables from VAT refunds	2,751	2,052
Right-of-return assets	2,057	1,584
Miscellaneous	3,758	2,100
	8,566	**5,736**

*Adapted presentation (see 2.5.1. (G))

As of the 2022 financial year , right-of-return assets are reported under non-financial assets. The figures for the previous year were adjusted accordingly. Other non-financial assets include prepayments and other deferred items. All the non-financial assets are current.

(14.) Cash and cash equivalents

Bank balances do not bear interest. For the purpose of the cash flow statement, cash and cash equivalents include bank balances and cash-in-hand, as reported in the consolidated statement of financial position.

Cash and cash equivalents are comprised of the categories in the following table. The demand deposits shown were originally due within three months.

EUR 000	31/12/2022	31/12/2021
Cash	1	2
Bank balances	39,493	75,942
Demand deposits	7,363	—
	46,857	**75,944**

(15.) Equity

(a) Subscribed capital

On 31 December 2022, the share capital amounted to EUR 2,625,000.00 (previous year: EUR 42,625,000.00) and was shown in the statement of financial position at par value.

At the extraordinary general meeting on 28 September 2022, a resolution was passed to restructure and reduce the share capital. The amendment to the Articles of Association relating to the division of the share capital into 2,625,000 no-par value shares took effect upon registration in the commercial register on 14 October 2022. The capital reduction to a share capital of EUR 2,625,000.00 was implemented upon registration in the commercial register on 19 October 2022.

An amount of EUR 40. million resulting from the capital reduction was reclassified under other financial liabilities (see note (16.)).

As of 31 December 2022, the share capital amounts to EUR 2,625,000.00 and is divided into 2,625,000 no-par value registered shares. The arithmetical value per no-par value share is therefore EUR 1.00.

(b) Revenue reserves

In 2021, Autodoc SE (then AG) made an allocation of EUR 3.4 million to the statutory reserve in accordance with section 150(2) of the Stock Corporations Act (Aktiengesetz - AktG) . The statutory reserve is a component of revenue reserves and contains the legally prescribed amount that was transferred from Autodoc SE’s net income for the financial year. The reserve is subject to the statutory dividend distribution restriction. The amount in the statutory reserve remained unchanged in the 2022 financial year.

(c) Other equity components

The other equity components are broken down as follows:

EUR 000	31/12/2022	31/12/2021
Reserve from currency translation	(1,670)	(237)
Reserve from share-based payments	188,307	123,160
Other capital reserves	(452)	(452)
	186,185	**122,471**

The reserve from currency translation includes the accumulated other income/loss from the currency translation of the financial statements of foreign subsidiaries. The reserve from share-based payments includes the accumulated amount of expected compensation in the form of equity instruments.

(d) Distributions

In the financial year 2022, distributions of EUR 63.9 million (previous year: EUR 30.0 million) were agreed at shareholders’ meetings and subsequently made by the parent company, formerly Autodoc AG.

(e) Proposal for the distribution of profits

The Management Board proposes to pay the distributable portion of net income of Autodoc SE for the financial year as at 31 December 2022 in the amount of EUR 48.8 million to the shareholder in the form of a dividend, and to carry forward the remaining amount to new accounts. On 11 February 2023, an instalment of the distribution amounting to EUR 23.0 million was paid. See also the comments in the report on post-reporting date events (note (30.)).

(16.) Financial liabilities

Financial liabilities are composed of lease and other interest-bearing as well as non-interest-bearing financial liabilities.

(a) Overview

EUR 000	31/12/2022	31/12/2021*
Non-current financial assets	**21,203**	**8,944**
Lease liabilities	19,135	5,863
Other financial liabilities (interest-bearing)	2,068	3,081
Trade payables	**60,571**	**41,862**
Other current financial liabilities	**58,313**	**61,892**
Lease liabilities	4,767	6,591
Other financial liabilities (interest-bearing)	1,013	991
Other financial liabilities (non-interest-bearing)	52,533	12,448
From customers with credit balances	5,373	6,055
From refund liabilities	4,088	3,618
From payroll liabilities	2,962	2,670
From liabilities to shareholders	40,000	—
Other	110	105
Total financial liabilities	**140,087**	**112,698**

*Adapted presentation (see 2.5.1. (G))

Financial liabilities are evaluated at amortised cost.

Lease liabilities are initially measured at the present value of the lease payments to be made during the term of the contracts. They are discounted using the lessee's incremental borrowing rate.

Other interest-bearing financial liabilities mainly include a loan that was taken out to finance the acquisition of non-current assets.

The liability from equity reduction amounting to EUR 40.0 million is presented under liabilities to shareholders (see note (15.)).

In 2022, the presentation of financial liabilities in the notes to the financial statements was adjusted so that they are now broken down into current and non-current liabilities. This is intended to provide a better overview and comparison of the individual items.

(b) Interest-bearing financial liabilities

Interest-bearing financial liabilities are categorised by maturity:

EUR 000	Effective int. rate (%)	Maturity	31/12/2022	31/12/2021
Lease liabilities	0.55-9.28	Within one year	4,767	6,591
Other interest-bearing financial liabilities	1.90	Within one year	1,013	991
Current interest-bearing liabilities			**5,780**	**7,582**
Lease liabilities	0.55-9.28	Between 2024 and 2032	19,135	5,863
Other interest-bearing financial liabilities	1.90	Between 2024 and 2025	2,068	3,081
Non-current interest-bearing liabilities			**21,203**	**8,944**
			26,983	**16,526**

On 31 December 2022, Autodoc had credit lines and guarantees available in the short-term amounting to EUR 11.0 million (31 December 2021: EUR 16.0 million). At year-end 2022 and 2021, an amount of EUR 3.6 million (EUR 0.6 million) was drawn down for guarantees.

(c) Changes in liabilities from financing activities

The following table shows the carrying amounts of interest-bearing financial liabilities and changes to them during the reporting period. Autodoc classifies interest paid as a cash flow from financing activities.

EUR 000	Lease liabilities	Other interest-bearing liabilities	Total
Balance on 1 January 2021	**18,734**	**5,043**	**23,777**
Additions	3,236	—	3,236
Remeasurements	(2,583)	—	(2,583)
Disposals	(162)	—	(162)
Compounding	389	100	489
Repayment	(7,160)	(1,071)	(8,231)
Balance on 31 December 2021	**12,454**	**4,072**	**16,526**
Current portion	6,591	991	7,582
Additions	16,687	—	16,687
Remeasurements	2,149	—	2,149
Disposals	(350)	—	(350)
Compounding	809	79	888
Repayment	(7,889)	(1,051)	(8,940)
Foreign currency translation	42	(19)	23
Balance on 31 December 2022	**23,902**	**3,081**	**26,983**
Current portion	4,767	1,013	5,780

In the 2022 financial year , Autodoc opened a new warehouse in Poland and an office in Portugal, which led to significant additions in the financial year. The remeasurements in 2022 are mainly attributable to the extension of the leases for the warehouses in Berlin.

(17.) Provisions

The development of provisions is shown below.

EUR 000	Provision for revenue deductions	Provision for other taxes	Personnel-related provisions	Provision for legal disputes	Other provisions	Total
Balance on 1 January 2021	**3,487**	**4,485**	**—**	**476**	**1,290**	**9,738**
Addition	6,448	4,797	—	148	153	11,546
Reversals	—	(1,059)	—	—	(68)	(1,127)
Utilisation	(2,358)	(426)	—	(51)	(88)	(2,923)
Interest	—		—	—	14	14
Foreign currency translation	—	30	—	—	—	30
Balance on 31 December 2021	**7,577**	**7,827**	**—**	**573**	**1,301**	**17,278**
Current portion	7,577	7,827		573	89	16,066
Balance on 1 January 2022	**7,577**	**7,827**	**—**	**573**	**1,301**	**17,278**
Addition	2,710	2,049	2,577	5,050	900	13,286
Reversals	(4,457)	(3,223)	—	—	(25)	(7,705)
Utilisation	(3,120)	(650)	—	—	(38)	(3,808)
Interest	—	—	—	—	10	10
Foreign currency translation	—	(70)	—	—	(16)	(86)
Balance on 31 December 2022	**2,710**	**5,933**	**2,577**	**5,623**	**2,132**	**18,975**
Current portion	2,710	5,933	2,577	5,622	873	17,714

The presentation of provisions was adjusted in 2022. The item ‘Other provisions’ in the previous year only included provisions for other taxes. In 2022, a new item was introduced for this, while the provisions for warranty, retention obligation and site restoration obligations were reclassified under other provisions.

(a) Provision for revenue deductions

Provisions are made for cases where customers receive credit for poor quality, product defects, late delivery and various other reasons. In these cases, the goods are not returned. Provisions reflect the expected future cash outflows based on past experiences. The decline in 2022 is attributable to the lower revenue deduction rate.

(b) Provisions for other taxes

The provision for interest payments from intra-Community acquisitions in Poland to be subsequently reported amounting to EUR 2.3 million was reversed as of 31 December 2022.

After the assessment of excise duties in Poland was completed, the Polish excise duty to be reported in 2021 was paid in the amount of EUR 0.9 million. For further probable additional liability to excise duties, the provision was increased from EUR 3.9 million to EUR 5.6 million.

(c) Personnel-related provisions

Personnel-related provisions include provisions for payroll tax liabilities from subsequently reported matters related to payroll tax amounting to EUR 1.8 million, for which a tax audit is currently being carried out. In addition, a provision for a severance payment of EUR 0.7 million was made in 2022.

(d) Provision for legal disputes

The provision for legal disputes contains expected recourse from four lawsuits. For the most part, the proceedings include a dispute with a former member of the Management Board and a dispute with a supplier, as well as smaller actions for injunctive relief.

(e) Other provisions

Other provisions consist of the following:

EUR 000	31/12/2022	31/12/2021
Warranty	717	52
Retention obligation	653	656
Site restoration obligation	762	593
	2,132	**1,301**

The provision for retention obligations is due to the legal obligation to retain documents.

The provision for site restoration and removal obligations is mainly attributable to structural changes to rented office and warehouse spaces.

(18.) Trade payables

Trade payables of EUR 60.6 million (2021: EUR 41.9 million) were mainly caused by the purchase of goods from own and third-party brands. The following different payment terms exist: For its own brands, Autodoc generally pays between 10% to 30% at the start of production and 70% of the billing amount before shipment. For third party brands, roughly 80% is due within 0 and to 60 days. Prepayments are deducted from inventories separately (see note (11.)).

(19.) Non-financial liabilities

EUR 000	31/12/2022	31/12/2021*
Prepayments received	15,204	12,658
Personnel-related liabilities	11,089	5,854
Accrual for outstanding supplier invoices	8,875	4,937
VAT liabilities	4,642	313
Other current liabilities	603	2,290
	40,413	**26,052**

*Adapted presentation (see 2.5.1. (G))

From the 2022 financial year , payments received on account of orders are reported under non-financial assets. The figures for the previous period were adjusted accordingly.

Personnel-related liabilities essentially refer to outstanding leave, overtime and other personnel costs.

2.5.4 Other notes

(20.) Leases

The Group has lease agreements in place for various offices and warehouses, plant, machinery, vehicles and other equipment used for its operations. There are several lease agreements with options for extension and termination and variable lease payments, which are described in more detail below.

Autodoc also concluded lease agreements with initial terms of no more than twelve months and rents low-value assets such as office equipment. The payments resulting from these agreements are included in the current expenses (also see note 2.5.1. (D.)).

(a) Recognition of leases in the consolidated statement of comprehensive income

The amounts recognised in the consolidated statement of comprehensive income are presented below:

EUR 000	2022	2021
Depreciation on rights-of-use	6,573	6,503
Interest on lease liabilities	809	389
Expenses for short-term leases	2,943	1,177
Expenses for low-value leases	16	48
Total expenses recog'd in the consolidated statement of comp. income	**10,341**	**8,117**

In the 2022 financial year , the Group had total cash outflows of 10.8 million EUR for leases (2021: EUR 8.4 million).

The Group concluded several lease contracts that contain variable payments based on consumer price indexes. As a rule, adjustments are made once a year, if necessary.

The breakdown of lease payments is shown below:

EUR 000	2022	2021
Fixed rental payments	5,874	5,253
Index-related rental payments	2,015	1,907
	7,889	**7,160**

(b) Information on options

The Group concluded several lease agreements that include options for extension and termination . These options are negotiated by management to provide flexibility in managing the leased asset portfolio and to ensure compliance with the Group's business requirements. Management exercises judgement to determine whether the exercise of these options for renewal and termination is reasonably assured (see note (E.)).

The potential rental payments for extension options, which are not highly likely to be exercised, amount to EUR 3.5 million as of 31 December 2022 (EUR 3.5 million) and extend over a period of up to five years.

(c) Concluded lease agreements with a future start of use

In October 2021, Autodoc signed a letter of intent to conclude a rental agreement for offices and warehousing in Cheb in the Czech Republic. According to the agreement, the storage area is 25,200 m² and the total floor space for profit is 31,500 m². The premises were handed over at the end of February 2023. The total amount of the guarantee is EUR 31.6 million.

The contract results in future non-discounted rental payments totalling EUR 18.8 million over a term of twelve years. As of 31 December 2022, these payments are broken down into the following due dates:

- Due within one year: EUR — million
- Due in one to five years: EUR 6.0 million
- After more than five years: EUR 12.8 million

Furthermore, the contract contains three extension renewal options for five more years each, which, if exercised, would lead to potential additional rental payments of EUR 26.3 million.

On 22 December 2021, Autodoc SE concluded a contract for the lease of an office complex, which is expected to be occupied in the first half of 2023. For this, a security deposit of EUR 2.5 million was required. The bank guarantee was provided in November 2022. The future undiscounted rental payments of EUR 68.0 million resulting from the rental agreement are as follows as of 31 December 2022:

- Due within one year: EUR 0.6 million
- Due in one to five years: EUR 29.9 million
- After more than five years: EUR 37.5 million

Furthermore, the agreement contains a renewal n extension option for five more years, which, if exercised, would lead to potential additional rental payments of EUR 37.4 million.

(d) Maturity of lease liabilities

The table below summarises the maturity profile of the lease liabilities based on contractually undiscounted payments:

EUR 000	31/12/2022	31/12/2021
Due within 1 year	5,079	6,689
Due in 1 to 5 years	15,828	6,097
Due after 5 years	10,864	—
	31,771	**12,786**

(21.) Financial instruments and risk management

(a) Fair value

Below you will find a comparison of the carrying amounts and fair values of the Group's financial instruments by class, excluding trade receivables, trade payables, receivables from supplier bonuses, and cash and cash equivalents with carrying amounts that are a reasonable approximation of the fair value due to their maturity:

	2022		2021	
EUR 000	Carrying amount	Fair value	Carrying amount	Fair value
Loans to related parties	14,248	14,248	9,832	9,832
Security deposits	2,988	2,988	2,501	2,501
Other financial assets	6,863	6,863	4,275	4,275
Financial assets	**24,099**	**24,099**	**16,608**	**16,608**
Other financial liabilities	(3,081)	(3,081)	(4,072)	(4,072)
Other financial liabilities to shareholders	(40,000)	(40,000)	—	—
Financial liabilities	**(43,081)**	**(43,081)**	**(4,072)**	**(4,072)**

(b) Net result from financial instruments

The profits and losses from financial instruments recognised in the consolidated statement of comprehensive income are presented below in accordance with the IFRS 9 measurement categories:

EUR 000	2022	2021
Gains from financial assets measured at amortised cost	**395**	**2,651**
From impairment losses and reversals	76	2,174
From interest	319	477
Losses from financial liabilities measured at amortised cost	**(890)**	**(828)**
From interest	(890)	(828)
Total net profits/(losses)	**(495)**	**1,823**
From impairment losses and reversals	76	2,174
From interest	(571)	(352)

(c) Risk management of financial instruments

The Group's principal financial liabilities comprise trade payables and lease liabilities. The main purpose of these financial liabilities is to finance the Group's business activities. The Group's principal financial assets include receivables from supplier bonuses, loans to related parties, other assets including receivables due from payment service providers and cash and cash equivalents that derive directly from its business activities. Autodoc is exposed to market risks, credit risks and liquidity risks. Management oversees the management of these risks in close collaboration with the finance department, which set up a treasury function in February 2022. Autodoc has sufficient specialists to advise the executive board on financial risks and the appropriate financial risk governance framework for the Group and provide recommendations for targeted measures.

The finance department further provides management with the necessary assurance that the Group's financial risk activities are being governed by appropriate policies and procedures, and that financial risks are being identified, measured and managed in accordance with the Group's policies and risk objectives. No derivatives business is conducted for risk management purposes. Management reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group's market risk comprises two types of risk: foreign currency risk and interest rate risk.

The sensitivity analyses in the sections below relate to the position as of 31 December 2022 and 31 December 2021.

The following assumptions were applied in the calculation of the sensitivity analyses: the sensitivity of the relevant income statement item is the effect of the assumed changes in respective market risks. The basis for this is the financial assets and financial liabilities held on 31 December 2022 and 31 December 2021.

Currency risk

The foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will be exposed to fluctuations due to changes in foreign exchange rates. The foreign currency risk of the Autodoc Group is attributable to business transactions where cash, income or expenses are denominated in a foreign currency. Autodoc seeks to mitigate these risks through natural hedges on the customer and supplier side. The Group does not engage in transactions with derivatives for hedging purposes.

The table below shows the sensitivity to a change in foreign exchange rates that is reasonably possible. The impact on the Group's profit before taxes is due to changes in the fair value of monetary assets and liabilities.

EUR 000	USD	PLN	GBP	DKK	SEK	Other	Total
Exchange rates at 31/12/2022	1.0666	4.6808	0.8869	7.4365	11.1218		
Appreciation of 5%	181	(957)	(379)	(63)	(501)	(223)	**(1,942)**
Depreciation of 5%	(181)	957	379	63	501	223	**1,942**
Exchange rates at 31/12/2021	1.1326	4.5969	0.8403	7.4364	10.2503		
Appreciation of 5%	156	(34)	(210)	(123)	(716)	(364)	(1,291)
Depreciation of 5%	(156)	34	210	123	716	364	1,291

If the Euro had risen by 5% against the foreign currencies considered on 31 December 2022, the result before income taxes would have been EUR 1.9 million (2021: EUR 1.3 million) lower. If the Euro had weakened by 5% compared to the exchange rate on 31 December 2022, the result before income taxes would have been EUR 1.9 million (2021: EUR 1.3 million) higher.

Interest rate risk

The interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates is very limited, since all financial assets and liabilities are measured at amortised cost.

Furthermore, as Autodoc mostly finances itself internally, it is not affected by any possible changes in interest rates on potential loans and bonds. Consequently, there is no need for a sensitivity analysis on the interest rate.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. To a small extent, Autodoc's credit risk consists of trade receivables and to a larger extent of loans, including bank balances, foreign exchange transactions and loans to related parties.

Customer credit risk is managed by the credit collection department in accordance with the Group's established policy, procedures and controls relating to customer credit risk management.

Impairment analyses are performed on each reporting date. The write-down rates are based on months past due as described in the Group accounting policy. A 50% write-down is applied to balances between six and twelve months past due, a 100% write-down is made to balances that more than twelve months past due.

The maximum exposure to credit risk on the reporting date is the carrying amount of each class of financial assets disclosed in note (21.)(a). Autodoc has no loan collateral for its assets.

The table below contains the Group's credit risk items for trade receivables broken down by age:

	Trade receivables by maturity				
EUR 000	**not overdue**	**Within 6 months**	**Between 6 and 12 months**	**Over 12 months**	**Total**
Estimated total gross carrying amount on default	1,535	112	6	150	1,803
Expected default of receivables	—	(7)	(3)	(150)	(160)
31 December 2022	**1,535**	**105**	**3**	**—**	**1,643**
Estimated total gross carrying amount on default	1,031	242	222	622	2,117
Expected default of receivables	—	—	(84)	(521)	(605)
31 December 2021	**1,031**	**242**	**138**	**101**	**1,512**

Management estimates the residual credit risk as low. The customer base, which is concentrated in the solid European market, is considered reliable with a generally high credit rating. Furthermore, given the Autodoc range of products, the average invoice amount per order is rather low.

Liquidity risk and excessive risk concentration

Considering the Group's dynamic performance, which has led to increasing annual cash inflows, Autodoc is not exposed to any liquidity risks. In order to continue to ensure operational solvency at all times in the future, even when paying out the capital reduction and dividends, Autodoc initiated a structured process with its most important banking partners at an early stage to conclude an appropriate credit line. The related agreement was concluded in April. No shortage of funds is therefore expected in the near future. Management is also constantly looking for optimised solutions to use the surplus cash.

Risk concentrations occur when several counterparties engage in similar business activities, or activities in the same geographical region, or have economic characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes to economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a specific industry. Autodoc mitigates such risks by continually expanding its current market leadership, widening its range of products, and expanding into new markets.

The table below summarises the maturity analysis of the Group's financial liabilities, showing the contractual undiscounted payments:

EUR 000	up to 1 year	1 to 5 years	after > 5 years	Total
Trade payables	60,571	—	—	60,571
Financial liabilities to shareholders	40,000	—	—	40,000
Customers with credit balances	5,373	—	—	5,373
Refund liabilities	4,088	—	—	4,088
Other financial liabilities	4,033	2,116	—	3,187
31 December 2022	**114,065**	**2,116**	**—**	**113,219**
Trade payables	41,862	—	—	41,862
Customers with credit balances	6,055	—	—	6,055
Refund liabilities	3,618	—	—	3,618
Other financial liabilities	1,087	3,234	—	4,321
31 December 2021*	**65,280**	**3,234**	**—**	**68,514**

*Adapted presentation (see 2.5.1. (G))

From 2022, refund liabilities and customers with credit balances are included in the liquidity risk analysis. The figures for the previous year were adjusted accordingly.

(22.) Consolidated statement of cash flow

The statement of financial position item ‘’cash and cash equivalents’ includes cash-in-hand, bank balances and demand deposits. As far as the consolidated statement of cash flow is concerned, cash and cash equivalents comprise cash as defined above. Autodoc calculates the cash flow from operating activities indirectly by converting income before taxes into a cash flow figure.

In the years 2021-2022, the Group generated a positive cash flow of EUR 58.5 million (previous year: EUR 50.4 million) from operating activities. Net cash flow from investing activities mainly relates to capital expenditure and loans granted to or repayments received from related parties. The distributions to shareholders adversely affected the cash flow from financing activities in 2022. Note (16.)(c) includes further details on the Group’s financing activities.

(23.) Related party disclosures

Related party disclosures relate to shareholders and other related parties. All three former direct shareholders are considered related parties since they continue to control Autodoc SE through Autodoc Holding GmbH & Co. KG (the ultimate controlling party) (also see 2.5.1. (F.)). They are referred to as indirect shareholders or shareholders below.

(a) Transactions with shareholders of Autodoc SE

In the reporting periods 2021 and 2022, Autodoc recognised receivables from short-term loans granted directly to shareholders or former directors, as well as and several long-term and short-term loans to related parties controlled by shareholders and key management personnel.

In 2021, Autodoc granted a short-term loan to a former director and current supervisory board member, amounting to EUR 0.5 million. The loan is unsecured and bears interest at 1.0% p.a. In February 2022, the loan plus interest was repaid in full.

In addition, Autodoc charged EUR 0.2 million in 2022 for the sale of cars, administration fees and costs for vehicle use.

(b) Transactions with other related parties

Between 2017 and 2020, several long-term loans were granted to related companies controlled by shareholders and key management.

In 2020, Autodoc Ukraine granted a long-term loan of UAH 90 million (EUR 2.6 million) to Corp Estate, Odessa, Ukraine ('Corp Estate'), and in 2021 an additional UAH 130 million (EUR 4.0 million). The unsecured loan is repayable in monthly instalments of UAH 1,500,000 plus interest (3.5% p.a.) from July 2021 to September 2033, and has a balance of EUR 4.1 million on the reporting date. In 2022, a total of EUR 1.7 million, including an early repayment of EUR 1.1 million, was repaid. Total interest income in 2022 was EUR 0.2 million. The borrowing company is controlled by an indirect shareholder of Autodoc SE and is considered a related party.

On 1 July 2021, a short-term rental agreement was concluded between the parties for 3,997m^2 of office space with a term until 30 June 2022, with monthly rental payments of EUR 72 thousand and monthly maintenance fees of EUR 20 thousand. In November 2021, the leased space was reduced to 3,951m^2 and the rent was increased to EUR 142.24 thousand per month and the maintenance fee was increased to EUR 31.61 thousand per month. In 2022, expenses totalled EUR 2.1 million including a service fee of EUR 0.4 million (2021: EUR 0.6 million). In January 2023, ATD Ukraine and Corp Estate signed a new rental agreement for a period of two years and eleven months. ATD Ukraine acquired office equipment from Corp Estate in 2022 for EUR 0.2 million. The furniture was sold at acquisition cost without mark-up. The owner of LLC Corp Estate is a related party.

Furthermore, the real estate companies Vartland Real Estate GmbH, Berlin, and Clearwater Real Estate GmbH, Berlin, which are fully controlled by indirect shareholders, provide Autodoc with office and warehouse space. Autodoc made several contractually arranged deposits and prepayments as shown in the table below. In November 2022, Autodoc and Clearwater extended the tenancy agreement to 31 May 2026.

Another real estate company, Max-House SRL, Chisinau, Moldova, provides two office rooms in Moldova to ATD Technologies SRL. In April and November 2022, ATD Technologies signed addenda for an additional 435m^2 and 30m^2. The total leased area at the end of 2022 was 2,054m^2 and 212m^2. Furthermore, both tenancy agreements were extended in 2022 until July 2023 and May 2024. The real estate company is completely controlled by an indirect shareholder of Autodoc SE.

Moreover, in 2022, a supervisory board member provided consulting services to Autodoc SE amounting to EUR 0.2 million (2021: EUR 0.5 million).

An agreement is in place between Autodoc SE and Autodoc Holding GmbH und Co. KG (Holding KG) regarding the cost allocation of expenses incurred by Autodoc SE in connection with the planned IPO in the name of Autodoc Holding GmbH und Co. KG. For 2021, Autodoc initially charged ATD Holding KG for expenses it incurred amounting to EUR 1.0 million in accordance with the agreement. As at 31 December 2022, the amount had not been settled.

In addition, Autodoc granted Autodoc Holding GmbH & Co. KG an unsecured loan amounting to EUR 10.0 million. The loan bears 4.5% annual interest, starting on the disbursement date of 26 September 2022 until and including the final maturity date. As of 31 December 2022, the outstanding loan including interest amounts to EUR 10.1 million.

In 2022, Autodoc SE charged AE Management Holding GmbH, Kungel Holding GmbH and MWE Holding GmbH EUR 0.2 million for the use of vehicles.

The transactions with related parties are summarised in the table below:

Transaction (EUR 000)	Operating Expenses	Financial income/ expenses	Other income	Other assets	Loans granted/ (loans received)	Receivables and current financial assets
	2022			31 December 2022		
Loans to other related parties	—	319	—	—	14,240	—
Trade receivables	—	—	464	—	—	1,483
Consulting agreement with supervisory board member	(167)	—	—	—	—	—
Purchase of other assets	—	—	—	188	—	—
	(167)	**319**	**464**	**188**	**14,240**	**1,483**

Transaction (EUR 000)	2021			31 December 2021		
Loans to other related parties	—	2,798	—	—	9,777	—
Trade receivables	—	—	963	—	—	963
Consulting agreement with supervisory board member	(455)	—	—	—	—	—
	(455)	**2,798**	**963**	**—**	**9,777**	**963**

In relation to the above-mentioned tenancy agreements with other related parties, the consolidated statement of comprehensive income reports the following interest expenses and depreciation, and the consolidated statement of financial position reports the right-of-use assets, lease liabilities and prepayments/deposits:

Related company	Leasing expenses	Interest expenses	Depre-ciation	Right-of-use assets	Lease liabilities	Security deposits	Liabilities
EUR 000		2022		31 December 2022			
Vartland	—	(28)	(355)	1,295	(1,360)	95	—
Clearwater	—	(8)	(259)	1,045	(1,064)	68	—
Max House	—	(6)	(261)	156	(161)	—	—
Corp Estate	(2,111)	—	—	—	—	—	(183)
	(2,111)	**(42)**	**(875)**	**2,496**	**(2,585)**	**163**	**(183)**

EUR 000		2021		31 December 2021			
Vartland	—	(31)	(353)	1,560	(1,623)	95	—
Clearwater	—	(8)	(254)	424	(445)	68	—
Max House	—	(3)	(217)	137	(143)	—	—
Corp Estate	(602)	—	—	—	—	—	(188)
	(602)	**(42)**	**(824)**	**2,121**	**(2,211)**	**163**	**(188)**

(24.) Contingent liabilities and other financial obligations

(a) Other financial obligations

Autodoc signed several purchase orders for its own-brand business. The amounts are significant due to the long lead time between ordering and delivery of the goods. The future payment obligations for these non-terminable orders and for initiated investments at the end of the year are as follows:

EUR 000	2022	2021
Investments in property, plant and equipment	1,422	2,123
Procurement of inventories	36,935	4,951
	38,357	**7,074**

(b) Legal disputes

Besides the issues described in the provisions, no significant legal disputes are pending. Provisions are recognised for obligations if an outflow of resources is likely and the amount can be reliably estimated (see note (17.) (b)). There are also no other significant risks arising from legal disputes as at the reporting date.

(c) Guarantees

As at 31 December 2022, the Group provided EUR 3.6 million (31 December 2021: EUR 0.6 million) as rental guarantees secured by banks.

(25.) Capital management

For the purposes of the Group's capital management, equity comprises subscribed capital, revenue reserves and other equity components attributable to the shareholders of the parent company (for composition of equity see note (15)).

The primary objective of capital management is to ensure the company's long-term continuation as a going concern and to generate appropriate returns for the shareholders.

The Group makes considerable use of lease agreements to maintain operational flexibility and uses the funds generated to support the Group's growth. This also includes efforts to reduce current assets and to reduce external financing to a minimum.

The Group manages its capital structure and makes adjustments taking into account changes in economic conditions. The proposed dividend distributions are based on the planned capital structure.

No changes were made to the objectives, policies, or processes for capital management during the years ended 31 December 2022 and 31 December 2021.

(26.) Segment reporting

An operating segment is an area of an entity that engages in business activities from which it earns income and can incur expenses, and for which separate financial information is available. The operating profit or loss of an operating segment is periodically reviewed by the company's chief decision-maker in order to make decisions about allocating resources to this segment and assessing its earning capacity.

Autodoc offers its products on the online market in Europe and manages the Group on the basis of key performance indicators as a whole. The business is not divided into segments. The Group therefore does not prepare segment reports. The breakdown of sales revenue by country is explained under (1)(a).

(27.) Employee numbers

The average number of employees of the Autodoc Group during the financial year was 3,791 (2021: 3,084 employees) and is compried as follows:

	2022	2021
Blue-collar workers	1,932	1,888
White-collar employees	1,859	1,196
	3,791	**3,084**

(28.) Executive bodies of the Company

(a) Overview

In the 2022 financial year, the executive board of Autodoc SE (until 15/11/2022: Autodoc AG) had the following members:

Name	Registered	Position	Time period
Dmitry Zadorojnii	Lisbon	Chief Technology Officer, CTO	Until 27 September 2022
		Co-CEO	From 28 September 2022
Sandra Dax	Berlin	Co-CEO	From 1 October 2022
Bert Althaus	Berlin	Chief Financial Officer, CFO	Until 31 December 2022
Christian Gisy	Düsseldorf	Chairman of the executive board, CEO	Until 8 September 2022

The company is represented by two executive board members or one executive board member together with a person with a legitimate general power of representation (‘Prokurist’) or by two persons with a legitimate general power of representation. Christian Gisy was authorised to represent the company alone. All executive board members are authorised to conclude legal transactions as the agent of a third party.

The entry of dismissal of Christian Gisy was made in the commercial register on 22 September 2022, and that of Bert Althaus on 6 January 2023. The appointment of Sandra Dax was entered in the commercial register on 28 October 2022.

The transformation into an SE (until 15/11/2022: Autodoc AG) had no effect on the composition of the executive board.

The supervisory board is composed of the following members:

Name	Function	Activity	Time period
Alexei Kletenkov	Chairman of the supervisory	Independent business consultant	Throughout the year
Alexej Erdle	Member of the supervisory board	Founder and director of Autodoc Holding Verwaltungs GmbH, Berlin	Throughout the year
Max Wegner	Member of the supervisory board	Founder and director of Autodoc Holding Verwaltungs GmbH, Berlin	Throughout the year
Vitalij Kungel	Member of the supervisory board	Founder and director of Autodoc Holding Verwaltungs GmbH, Berlin	Throughout the year
Ursula Radeke-Pietsch	Vice-chairwoman of the supervisory board	Global head of strategic projects at Siemens AG, Munich, and vice chairwomen of the supervisory board of Hello Fresh SE, Berlin	Until 3 October 2022
Judith Jungmann	Member of the supervisory board	Chief human resources officer at the Beckers Group, Berlin	Until 3 October 2022
Sandra Dax	Member of the supervisory board	Independent business consultant, AnAttitude, Munich	Until 30 September 2022

The terms of office of the supervisory board members ended when the change of legal form into an SE took effect, i.e., upon registration in the commercial register on 16 November 2022. Alexei Kletenkov, Alexej Erdle, Max Wegner and Vitalij Kungel were reappointed as the first members of the supervisory board of the SE.

(b) Remuneration

The remuneration of the Autodoc executive bodies consists of the remuneration for the executive board and the supervisory board.

The regular remuneration of the Autodoc SE executive board in 2022 was EUR 1.6 million (in 2021: EUR 2.4 million). The current due remuneration for the executive board members of Autodoc SE in 2022 amounts to EUR 0.45 million (previous year: EUR 0.7 million).

Furthermore, share-based payments (see note (2.(d)) amounting to EUR 65.1 million (2021: EUR 123.2 million) were recorded and are attributable to the executive board members.

Expenses for future severance payments to former executive board members amounting to EUR 5.3 million were also recorded in 2022.

Total remuneration for the supervisory board in the 2022 financial year amounted to EUR 0.71 million (previous year: EUR 0.3 million).

(29.) Auditor's fees

The auditor's fees recognised as expenses in the consolidated financial statements are broken down as follows:

EUR 000	2022	2021
Financial statements audit	834	662
Other assurance services	—	1,156
	834	**1,818**

(30.) Subsequent events

In conformity with the Articles of Association and with the approval of the supervisory board, on 20 February 2023, the executive board resolved to make a prepayment on the net retained profits of EUR 23 million expected for the 2022 financial year. After netting with receivables due from the shareholder, a payment of EUR 22.0 million was made on 24 February 2023.

Bert Althaus resigned from his office as executive board member of Autodoc SE and CFO of the Autodoc Group with effect from the expiry of 31/12/2022. The entry was made in the commercial register on 6 January 2023.

In February 2023, the new warehouse ‘C27’ was commissioned in Cheb in the Czech Republic.

In February 2023, a programme to reduce the number of the jobs in administration was announced in order to reduce complexity and increase Autodoc’s ability to act.

The EU adopted far-reaching sanctions against Russia in February 2023, which are being carefully monitored by the finance and compliance department. As a first consequence, management has decided to close the site in Novosibirsk, Russia, and is working intensively on relocating the workforce and doing business in safe regions.

In April 2023, a credit line of EUR 50.0 million (divided into a term loan of EUR 30.0 million and a credit line commitment of EUR 20. million) was successfully concluded for the proportionate financing of the capital reduction and the upcoming dividend distribution. The capital reduction in the amount of EUR 40.0 million was paid out to the sole shareholder Autodoc Holding GmbH & Co. KG on 28 April 2023. On the same day, the sole shareholder repaid the existing loan of EUR 10.0 million plus accrued interest of EUR 269 thousand to Autodoc SE.

No other events with material impact on the assets, liabilities, financial position and financial performance of the company occurred after the reporting date.

Berlin, 10 May 2023

Sandra Dax	**Dmitry Zadorojnii**
Management board	**Management board**

The following English language translation of the German language independent auditor's report (Bestätigungsvermerk des unabhängigen Abschlussprüfers) refers to the consolidated financial statements, prepared in accordance with International Financial Reporting Standards as adopted by the EU, and the additional requirements of German commercial law pursuant to Sec. 315e (1) HGB ("Handelsgesetzbuch": German Commercial Code), as well as the group management report, which has been combined with the management report of the Company (combined management report), prepared on the basis of German commercial law (HGB), of Autodoc SE, Berlin, as of and for the financial year ended December 31, 2022 as a whole and not solely to the consolidated financial statements presented in this Prospectus on the preceding pages. The group management report is not part of this Prospectus.

Independent auditor's report

To Autodoc SE

Opinions

We have audited the consolidated financial statements of Autodoc SE, Berlin, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2022, and the consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flow for the fiscal year from 1 January to 31 December 2022, and notes to the consolidated financial statements, including a summary of significant accounting policies. We have also audited the group management report of Autodoc SE, which has been combined with the management report of the Company (hereinafter the "group management report"), for the fiscal year from 1 January to 31 December, 2022. We have not audited the content of section "1.1.8. Other non-financial indicators and influences" of the group management report, which relates to disclosures extraneous to management reports. Disclosures extraneous to management reports are such disclosures that are not required pursuant to Secs. 289, 289a or Secs. 289b to 289f HGB ["Handelsgesetzbuch": German Commercial Code] or Secs. 315, 315a or Secs. 315b to 315d HGB or GAS 20.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRSs as adopted by the EU, and the additional requirements of German commercial law pursuant to Sec. 315e (1) HGB and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the Group as at 31 December 2022 and of its financial performance for the fiscal year from 1 January to 31 December 2022, and

- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. We do not express an opinion on the content of section "1.1.8. Other non-financial indicators and influences" of the group management report referred to above.

Pursuant to Sec. 322 (3) Sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

Basis for the opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with Sec. 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and of the group management report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the group management report.

Other information

The executive directors are responsible for the other information. The other information comprises section "1.1.8. Other non-financial indicators and influences" of the group management report referred to above.

Our opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report or our knowledge obtained in the audit, or

- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the executive directors and the supervisory board for the consolidated financial statements and the group management report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Sec. 315e (3) HGB, and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they, in accordance with German legally required accounting principles, have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

Auditor's responsibilities for the audit of the consolidated financial statements and of the group management report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sec. 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. 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 this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, 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 opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement 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 of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report 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 these systems.

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

- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting 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 ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective opinions. 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 to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Sec. 315e (1) HGB.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinions.

- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.

- Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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.

Berlin, 10 May 2023

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Bilz	Patzelt
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]