



Autodoc SE, Berlin

**Consolidated financial statements for the
financial year 2023**

2 Consolidated financial statements for the financial year 2023

2.1. Consolidated statement of comprehensive income

KEUR	Refer to	2023	2022
Sales revenue	(1.)	1,307,689	1,127,070
Cost of sales	(2.)	(742,026)	(637,426)
Gross profit		565,663	489,644
Distribution expenses	(2.)	(351,562)	(319,468)
Administrative expenses	(2.)	(140,366)	(158,045)
Other operating income	(4.)	9,400	15,254
Other operating expenses	(4.)	(12,241)	(19,606)
Operating results		70,894	7,779
Finance costs		(5,457)	(1,113)
Finance income		1,356	447
Financial result	(5.)	(4,101)	(666)
Income before tax		66,793	7,113
Income tax	(6.)	(27,311)	(22,026)
Consolidated profit (loss) for the financial year		39,482	(14,913)
attributable to shareholders of the parent company		39,482	(14,913)
Other result which may be recognised in the statement of profit and loss in subsequent periods			
Currency translation from foreign operations		110	(1,434)
Other comprehensive result		110	(1,434)
Overall result for the period		39,592	(16,347)
attributable to shareholders of the parent company		39,592	(16,347)

2.2. Consolidated statement of financial position

KEUR	Refer to	31.12.2023	31.12.2022
Assets			
Non-current assets		110,622	47,967
Intangible assets	(7.)	1,232	1,478
Property, plant and equipment	(8.)	16,331	14,909
Right-of-use assets	(9.)	82,779	24,577
Financial assets	(10.)	4,007	4,805
Non-financial assets		72	83
Deferred tax assets	(6.)	6,201	2,115
Current assets		229,365	221,263
Inventories and advance payments	(11.)	97,992	78,689
Trade receivables	(10.) (12.)	1,115	1,643
Other financial assets	(10.)	83,722	82,640
Non-financial assets	(13.)	10,333	8,566
Income tax receivables		3,022	2,868
Cash and cash equivalents	(10.) (14.)	33,181	46,857
Total assets		339,987	269,230
Equity and liabilities			
Equity	(15.)	73,754	59,365
Subscribed capital		2,625	2,625
Revenue reserves		(137,764)	(129,445)
Other equity components		208,893	186,185
Equity attributable to shareholders of the parent company		73,754	59,365
Non-current liabilities		100,612	22,521
Lease liabilities	(16.)	91,312	19,135
Other financial liabilities	(16.)	1,033	2,068
Other non-financial liabilities	(17.)	6,687	—
Provisions	(18.)	1,442	1,261
Deferred tax liabilities	(6.)	138	57
Current liabilities		165,621	187,344
Trade payables	(16.) (19.)	65,759	60,571
Lease liabilities	(16.)	9,527	4,767
Other financial liabilities	(16.)	17,190	53,546
Provisions	(18.)	14,039	17,714
Non-financial liabilities	(20.)	44,966	40,413
Income tax liabilities		14,140	10,333
Total equity and liabilities		339,987	269,230

2.3. Consolidated statement of changes in equity

KEUR	Refer to	Equity attributable to shareholders of the parent company				Equity
		Subscribed capital	Revenue reserves	Other equity components	Total	
Balance on 1 January 2022		42,625	(50,594)	122,471	114,502	114,502
Consolidated profit (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 decreases		(40,000)	—	—	(40,000)	(40,000)
Balance on 31 December 2022	(15.)	2,625	(129,445)	186,185	59,365	59,365
Balance on 1 January 2023		2,625	(129,445)	186,185	59,365	59,365
Consolidated profit (loss) for the financial year		—	39,482	—	39,482	39,482
Other comprehensive result		—	—	110	110	110
Overall result for the period		—	39,482	110	39,592	39,592
Share-based payments		—	—	22,598	22,598	22,598
Dividend payments		—	(47,801)	—	(47,801)	(47,801)
Balance on 31 December 2023	(15.)	2,625	(137,764)	208,893	73,754	73,754

2.4. Consolidated statement of cash flow

KEUR	Refer to	2023	2022
Income before tax		66,793	7,113
Depreciation and impairment of property, plant and equipment	(8.)	3,253	2,794
Amortisation and impairment of intangible assets	(7.)	524	481
Depreciation and impairment of right-of-use assets	(9.)	24,774	6,573
Non-cash expenses for share-based payments	(15.)(c)	22,598	65,148
Other non-cash income and expenses		(82)	(478)
Loss on disposal of property, plant and equipment		911	292
Finance income		(1,203)	(319)
Finance costs		5,316	890
Change in provisions	(17.)(18.)	3,165	1,697
Gross cash flow		126,049	84,191
Change in trade receivables and other assets		(13,180)	(19,352)
Change in inventories and advance payments		(19,288)	2,320
Change in trade payables and other liabilities		12,660	34,957
Income tax paid	(6.)(c)	(27,368)	(43,657)
Cash flow from operating activities		78,873	58,459
Proceeds from sale of property, plant and equipment	(8.)	143	—
Acquisition of property, plant and equipment	(8.)	(4,911)	(6,589)
Cash paid for investments in intangible assets	(7.)	(277)	(526)
Payments received from loans granted		11,831	4,291
Loans granted		(16)	(10,031)
Interest received from bank deposits and bank balances		934	—
Cash flow (used in) / from investing activities		7,704	(12,855)
Repayment of lease liabilities	(16.)	(9,967)	(7,889)
Repayment of investment loans		(1,160)	(1,051)
Proceeds from borrowings		30,000	—
Repayment of loans		(30,507)	—
Dividends paid to shareholders of the parent company	(15.)(d)	(47,801)	(63,938)
Payment to the sole shareholder for reduction of share capital	(24.)(a)	(40,000)	—
Cash flow used in financing activities		(99,435)	(72,878)
Net change in cash and cash equivalents		(12,858)	(27,274)
Effect of foreign exchange differences		(818)	(1,813)
Cash and cash equivalents as of 1 January		46,857	75,944
Cash and cash equivalents as of 31 December		33,181	46,857

2.5. Notes to the consolidated financial statements

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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 2023, were released for publication on 15 April 2024 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 (until 15 November 2022 HRB 233377).

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 specializes in the automotive aftermarket in online trading in spare parts for vehicles. In 2023, 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 'Basis of consolidation'. Information about other related parties of the Group is contained in note (24.).

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

The consolidated financial statements of the Group as at 31 December 2023 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 recognized 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 (€ m) to one decimal place, and in the tables in full thousands of euros (KEUR), 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 2023 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 2023 and disclosure will be waived, among others.

The annual financial statements of Autodoc SE are included in the consolidated financial statements of AutoTech GmbH & Co. KG, Berlin (formerly: Autodoc Holding GmbH & Co. KG). AutoTech 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 2023, AUTODOC initially applied the following standards, which are effective for financial years beginning on or after 1 January 2023. 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	Effects
IFRS 17	Insurance contracts including the amendment for the first-time application of IFRS 17 and IFRS 9	yes	none
IAS 12 (amendment)	Global Tax Reform - Pillar Two Model Schemes	yes	none
IAS 1 (amendment)	(Amendment) presentation of financial statements: classification of liabilities as current or non-current	yes	none
IAS 1 (amendment)	Presentation of financial statements and IFRS Practice Statement 2: Disclosure of accounting policies	yes	none
IAS 8 (amendment)	Accounting policies, changes in estimates and errors: Definition of estimates	yes	none
IAS 12 (amendment)	Income taxes: deferred taxes related to assets and liabilities arising from a single transaction	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
IAS 1 (amendment)	Presentation of Financial Statements: Classifying debts as current or long-term and Non-current Liabilities with Covenants	1 January 2024
IFRS 16 (amendment)	Lease liability in a sale and leaseback	1 January 2024
IAS 7 and IFRS 7 (amendment)	Reverse factoring agreements	1 January 2024
IAS 21 (amendment)	The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	1 January 2025

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 and generates 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 recognized 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 recognized 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 be 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 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.) Significant accounting judgements, estimates, and assumptions.

Right-of-return assets

Right-of-return assets are recognized 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 recognized 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 recognized 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 recognized as a reduction of sales.

AUTODOC PLUS membership

The AUTODOC PLUS membership program 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 recognizes sales accordingly in relation to the time period.

Trade receivables

A receivable is recognized 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 minimizes the risk of uncollectible 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) Financial instruments).

Liabilities from contracts with customers

A liability from a customer contract is recognized if the customer makes payment before AUTODOC transfers the goods or services to the customer. Liabilities from customer liabilities are recognized 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) Long-term compensation

Share-based payment agreements ('SBPs') between employees of the AUTODOC Group and AutoTech GmbH & Co. KG

AutoTech GmbH & Co. KG, the sole shareholder of Autodoc SE, has concluded contracts with selected employees of the Group concerning share-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.

In the first half of 2021, AutoTech GmbH & Co. KG, as the sole shareholder of Autodoc SE, concluded a bonus agreement with a former member of the Executive Board (SBP 1 for short). Under the terms of the agreement, the employee receives virtual shares totaling a maximum of 0.5% of Autodoc SE's share capital and is entitled to a cash payment.

In December 2021, AutoTech 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 2023 financial year.

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 temporize until vested.

Since the value of the virtual shares granted under 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 recognized as such in the consolidated financial statements.

The payment obligations resulting from the agreements are to be made exclusively by AutoTech GmbH & Co. KG, meaning that no cash outflow occurs to Autodoc SE. Therefore, the SPB plans are recognized under the rules for equity settled plans, i.e. an expense is to be recognized 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 recognized 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.

With regard to SBP 1, the termination of the employment contract has become final following an out-of-court settlement. As a result of the settlement, 75% of the shares granted have been forfeited. Therefore, the shares that have already partially vested have to be expensed.

With the amendment agreements to SBP 2 in 2023, the terms were revised to accelerate the start of the vesting periods to not later than 1 January 2024, irrespective of the occurrence of a IPO or sale of the shares. In addition, a termination contract with one of the employees resulted in the forfeiture of up to 40% of his virtual shares.

Long Term Incentive (LTI)

In the 2023 financial year, the Supervisory Board made a decision to implement a new long-term incentive program. The new program has a long-term, performance-related, cash-only compensation component for members of the Executive Board and selected senior managers. The long-term incentive (LTI) is a addition to the existing short-term, performance-related remuneration component for members of the Management Board and selected senior employees. The LTI is intended to create an attractive remuneration instrument and to contribute to the long-term loyalty of the members of the Board of Management and employees of the AUTODOC Group and to increase the value of the company. Under the LTI program, each LTI tranche is payable after a period of three years if the employee is still employed by the AUTODOC Group.

(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 in the countries in which the Group operates and generates taxable income.

Management periodically assesses individual tax matter to 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 recognized 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 recognized 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 recognized 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 agreements, 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. Unrecognized deferred tax assets are reassessed at each reporting date and recognized 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 realized 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 set off only 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 realize 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 recognized 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 recognized 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 recognized 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:

Currency, 1 EUR =	ISO-Code	Closing rate		Average rate	
		2023	2022	2023	2022
Polish zloty	PLN	4.3395	4.6808	4.5421	4.6844
Ukrainian hryvnia	UAH	42.2079	38.9510	39.6056	34.0384
Moldovan leu	MDL	19.3574	20.3792	19.6337	19.9288
Russian rouble	RUB	99.1919	75.6553	92.1899	74.4398
Czech crown	CZK	24.7240	24.1160	24.0006	24.5596
Kazakhstan tenge	KZT	502.2400	—	496.6901	—

(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 Amortization and accumulated impairment losses. The requirements for capitalization 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 amortized 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 Amortization are checked by the end of each reporting period at the least. The changes to the term or method or Amortization 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 Amortization and impairments to intangible assets with a limited useful life are presented in the income statement under functional costs.

An intangible asset is derecognized 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 recognized in the income statement in the period in which the asset was derecognized.

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

(g) Property, plant, and equipment

Assets under construction are recognized at cost less accumulated impairment losses. Property, plant and equipment are recognized 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 recognized 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.) Significant accounting judgements, estimates, and assumptions and (18.) Provisions.

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 3 to 10 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 significantly from the previous year. No reassessment of useful lives was made and was not necessary.

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

An item of property, plant and equipment is derecognized 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 recognized in the statement of comprehensive income in the period in which the asset was derecognised.

(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 recognizes the assets and liabilities arising from concluding leases in the statement of financial position. Lease liabilities are recognized for the obligation to make lease payments. Right-of-use assets are recognized for the right to use the underlying assets. AUTODOC acts as a lessee only. AUTODOC recognizes 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 recognizes 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 recognizes 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 13 years (previous year: 1 to 10 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: 3 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 recognized 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.) Financial liabilities).

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 recognized 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 2023, the AUTODOC Group did not report goodwill. The carrying amount of domains with indefinite useful life are immaterial from the Group's perspective.

(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, maximizing the use of relevant observable inputs and minimizing the use of unobservable input factors.

All assets and liabilities for which fair value is measured or reported in the annual financial statements are categorized 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 amortized 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 amortized cost.

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

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

A financial asset is derecognized 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 amortized 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 amortized 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 derecognized 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 amortized cost.

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

(k) Inventories

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

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

Net realizable value is the estimated selling price proceeds in the ordinary course of business, less estimated selling costs. When estimating the achievable sales revenue, AUTODOC takes into account experiences from previous sales of the goods, the inventory on the reporting date and the expected demand for the items.

(l) Other current assets and liabilities

Other current assets and liabilities are measured at cost less any impairment. They are subsequently derecognized 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 recognized 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 recognizes 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 realized) 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 recognized 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 recognized for obligations arising from current or expected litigation in which AUTODOC is the defendant. However, provisions for anticipated litigation are only recognized when the matter has already arisen at the reporting date and the future outflow can be reliably estimated. In addition, it must be highly probable at the reporting date that the case involving the Group entity will result in cash outflow.

Provisions for other taxes

Provisions for other taxes mainly include excise tax. These liabilities have been incurred before the reporting date and it is probable 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 (26.)
- Financial instruments risk management and policy note (22.)
- Disclosures on sensitivity analyses note (22.)

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 AutoTech 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 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) 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.) Financial assets, (11.) Inventories and advance payments and (12.) Trade receivables).

(c) Supplier bonuses

AUTODOC 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.

(d) 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.

(e) 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.

(f) Lease - 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.

(g) 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 certain.

The Group has several lease agreements that include extension and termination options. In evaluating whether an extension or termination option is reasonably certain, 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 customization 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 (21.)(b) Information on options.

(h) Impairment - Right of use asset

According to IFRS 16.33, a lessee needs to assess if the right-of-use asset is impaired in line with IAS 36, and report any impairment loss detected. For AUTODOC, empty rented office space, planned subletting, or the possibility of a special termination right being exercised are signs of potential impairment, and thus require an impairment test to be conducted.

The decision to impair assets is made based on the business cases that experts and management consider to be most likely, taking into account the current market conditions for office rentals in Berlin. However, there may be discrepancies between the estimated and actual outcomes.

(i) Provision for excise duty risks

Currently, AUTODOC verifies possible reporting obligations regarding Excise duty for relevant product categories. 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.

(j) Climate change and decarbonization

Management is monitoring the potential impact of climate change and decarbonization 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 2023. 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 recognized 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 standardized 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 recognized as an equity transaction by recognizing 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, other classifiable components of equity are derecognized, while the resulting gain or loss is recognized in the consolidated statement of comprehensive income. Any remaining interest is recognized 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	Main business activity	Location	Equity share in %	
			2023	2022
Ridex GmbH	Own brand services	Berlin, Germany	100.0	100.0
Autodoc Logistics Sp. z o.o.	Logistics service	Stettin, 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	Chişinău, Moldavia	100.0	100.0
Wemax Group GmbH & Co. KG	Website operations services	Berlin, Germany	100.0	100.0
Partio GmbH & Co. KG	Website operations services	Berlin, Germany	100.0	100.0
Partex Global GmbH	Website operations services	Berlin, Germany	100.0	100.0
Autodoc Operations SE & Co. KG	Warehousing, customer care, order picking and packing	Berlin, Germany	100.0	100.0
Autodoc Operations Beteiligung GmbH	Limited partner of Autodoc Operations SE & Co. KG	Berlin, Germany	100.0	100.0
OOO Foresight	Own brand services	Novosibirsk, Russia	100.0	100.0
Autodoc France SAS	Management, IT and trading services	Paris, France	100.0	100.0
Autodoc Logistics Czech s.r.o.	Logistics services	Prag, Czech republic	100.0	100.0
ATD PORTUGAL, UNIPessoal LDA	IT services, customer services, marketing	Lisbon, Portugal	100.0	100.0
Autodoc Luxembourg S.a.r.l.	Category management and pricing	Luxembourg	100.0	0.0
Autodoc Nederland B.V.	Trading services	Bergen op Zoom, Netherlands	100.0	0.0
Autodoc Kazakhstan LLP	Own brand services	Almaty, Kazakhstan	100.0	0.0
Core Automotive GmbH	Own brand services	Berlin, Germany	100.0	0.0

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

Formation of new companies

Autodoc SE founded four new subsidiaries in Luxembourg, Kazakhstan, Netherlands and Germany in the year 2023.

Autodoc Luxembourg S.a r.l. is a limited company registered in Luxembourg and was founded by Autodoc SE on 27 April 2023 with share capital of 12.000 EUR. The sole shareholder paid up the share capital in full on 25 April 2023. The object of the company is the development, distribution and provision of services on the Internet.

Autodoc Nederland B.V., registered in Amsterdam, the Netherlands, was founded by Autodoc SE on 23 October 2023 with share capital of EUR 100. The sole shareholder paid up the share capital in full on 6 December 2023. This company will act on behalf of Autodoc in wholesaling and retailing automotive parts and accessories in the Benelux.

Core Automotive GmbH, registered in Berlin, was acquired by Autodoc SE as a shelf company (formerly: Brillant 4035. GmbH) on 6 November 2023 under purchase agreement and was renamed Core Automotive GmbH accordingly. The share capital of Core Automotive amounts to EUR 25,000. Autodoc SE, as the sole shareholder, paid the share capital in full on 6 November 2023. This company is a procurement company for Autodoc SE's own brands.

Autodoc Kazakhstan LLP, registered in Almaty, Kazakhstan, was founded by Autodoc SE on 30 June 2023 with share capital of 480.000 KZT (EUR 1 thousand). The purposes of the company are assortment management, organizing production outsourcing, logistics of private brands.

(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 AutoTech GmbH & Co. KG (before 10 November 2023 Autodoc Holding GmbH & Co. KG), Berlin. AutoTech 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.

2.5.2. Notes to the statement of comprehensive income

(1.) Sales revenue

(a) Regional distribution of sales revenue

KEUR	2023	2022
Germany	320,888	254,110
France	319,242	284,657
Scandinavia	139,805	140,072
Spain/Portugal	94,695	84,673
Italy	81,585	79,195
Rest of Europe	351,474	284,363
	1,307,689	1,127,070

The table shows 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 16.0% year-on-year is due both to prices and growth. Growth was also fostered with the aid of selected marketing activities by AUTODOC.

Sales revenue includes AUTODOC PLUS Membership fees in amount of € 2.4m (previous year: € 1.9m) and Other sales in amount of € 0.6m (previous year: € 0.7m).

(b) Trade receivables and liabilities from contracts with customers

KEUR	Refer to	2023	2022
Trade receivables	(12.)	1,115	1,643
Liabilities from contracts with customers		20,190	20,578
thereof payments received (presentation under non-financial liabilities)	(20.)	16,169	15,204
thereof debtors with credit balances (presentation under other financial liabilities)	(16.)	4,021	5,373

Liabilities from contracts with customers mainly include prepayments for the delivery of products that were ordered by customers. The amounts presented at the year-end are related to performance obligations that are fulfilled in the following year. Payments received and customers with credit balances are presented separately 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

KEUR	Refer to	2023	2022
Right-of-return assets (presentation under non-financial liabilities)	(13.)	2,517	2,057
Refund liabilities (presentation under other financial liabilities)	(16.)	8,077	4,088

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, administrative expenses, and share-based payments

(a) Cost of sales

KEUR	2023	2022
Costs of inventories recognized	729,202	620,247
Freight costs and customs for deliveries received	12,824	17,179
	742,026	637,426

Freight costs have been reduced as the cost of containers has fallen in the current financial year in comparison with the previous year.

(b) Distribution expenses

KEUR	2023	2022
Fulfilment expenses	149,250	139,899
Marketing expenses	96,424	95,842
Personnel expenses	92,523	70,443
Depreciation, amortization and impairment	8,198	6,008
Other distribution expenses	5,167	7,276
	351,562	319,468

The costs for fulfilling orders mainly include shipping costs, packing costs, direct labor 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 € 90.6m in 2023 and € 87.9m in the previous year.

The decrease in other distribution expenses mainly comes from decrease in consulting and other external expenses.

(c) Administrative expenses

KEUR	2023	2022
Personnel expenses	77,856	114,729
Wages, salaries and social security contributions	48,571	49,582
Long-term compensation	29,285	65,148
Depreciation, amortisation and impairment	20,353	3,841
Advisory and audit fees	12,554	15,136
Licenses	11,977	9,978
Other personnel related costs	5,080	4,354
Occupancy costs	3,492	4,124
Other external services	3,220	1,298
Insurance and contribution expenses	1,711	1,955
Other administrative expenses	4,123	2,630
	140,366	158,045

The main source of decrease in administrative expenses is personnel expenses. Share-based payments are explained in the following section. There is no remarkable change in wages, salaries, bonuses and social security contributions in 2023.

Besides the decrease in personnel expenses, there is an increase in depreciation and amortisation, mainly sourced by the unplanned depreciation recognized in 2023 for an office property in Berlin by €11.7m and the lease depreciations. Since the office property in Berlin in Berlin has been capitalized and started to be depreciated as of May 2023, it caused a remarkable increase in lease depreciation expenses.

(d) Share-based payments

The fair value of the share-based payment agreements determined on the grant date to be recognized under other capital reserves over the vesting period totals € 278.6m (previous year: € 330.8m). 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 2023, a total of 91,121 shares were vested.

	2023	2022
Current value of the agreements (KEUR)	278,572	330,810
SPB 1	4,977	19,910
SPB 2	273,595	310,900
Shares granted (no-par)	145,806	145,806
SPB 1	13,230	13,230
SPB 2	132,576	132,576
Shares vested (no-par)	91,121	80,296
SPB 1	3,308	5,789
SPB 2	87,813	74,507
Shares forfeited (no-par)	25,831	4,134
SPB 1	9,922	4,134
SPB 2	15,909	—

(3.) Personnel expenses, depreciation and amortisation

KEUR	2023	2022
Wages and salaries	121,176	102,584
Long-term compensation	29,285	65,148
Social security contributions and post-employment costs	19,919	17,440
	170,380	185,172

There is an increase in wage and salary expenses inline with the increase in the average number of employees by 16.8% to 4,428. On the other hand, the main driver of an overall decrease in personnel expenses is a decrease in long-term compensation compared to the previous year. Long-term compensation includes share-based payments totaling € 22.6m (previous year: € 65.1m).

The expenses for pensions amounted to € 3k (previous year: € 10k).

The expenses on planned and unplanned depreciation incurred in the 2023 financial year amounted to € 28.6m (prior year: € 9.8m).

(4.) Other operating income and expenses

(a) Other operating income

KEUR	2023	2022
Income from currency translation	6,984	13,375
Refunds from insurance companies	869	585
Income relating to other periods	409	97
Compensations received	280	211
Income from the reversal of provisions	271	302
Income from sales of waste	138	212
Other income	449	472
	9,400	15,254

The decrease in income from currency translation is due to the implementation of a continuous process for currency conversion into euros. In this regard, expenses from currency translation have also decreased.

(b) Other operating expenses

The following overview outlines AUTODOC's other operating expenses:

KEUR	2023	2022
Expenses due to currency translation	5,915	14,888
Operating tax expenses	1,749	2,600
Disposal of waste for other periods	1,570	—
Gain on disposal of property, plant and equipment	911	291
Expenses related to other periods	673	298
Expenses supervisory board	360	707
Donations	208	89
Other operating expenses	855	733
	12,241	19,606

The decreased expenses from currency translation are due to the implementation of a continuous process for currency conversion into euros, which also led to a decrease in income from currency translation, thus balancing each other.

In 2023, the Group recognized recycling and disposal costs amount to €1.6 m for previous years and presented under other operating expenses.

(5.) Financial result

(a) Finance costs

KEUR	2023	2022
Interest from lease liabilities	4,662	809
Interest expense from loans received	507	0
Interest expenses for financial liabilities from investments	147	81
Other financial expenses	141	223
	5,457	1,113

The increase in interest from lease liabilities in 2023 by € 3.9m is due to opening of new warehouses and the lease of new offices. In particular, the opening of the warehouse 'C27' in Cheb, the Czech Republic, which will be rented for 12 years from February 2023, operating of warehouse 'M40' in Szczecin, Poland starting from July 2022, commencement of a lease of new office property in Berlin' and in Odesa, Ukraine in 2023.

(b) Finance income

KEUR	2023	2022
Interest income from bank deposits and bank balances	933	—
Interest income from loans	270	319
Other financial income	153	128
	1,356	447

(6.) Income taxes

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

Income tax expenses and income for the 2023 and 2022 financial years are broken down as follows:

KEUR	2023	2022
Current income taxes	31,316	23,609
relating to the current year	32,116	23,834
relating to the previous year	(800)	(225)
Deferred income taxes	(4,005)	(1,583)
from temporary differences	(4,002)	(1,594)
from tax loss carryforwards	(3)	11
Income tax expenses	27,311	22,026

(b) Reconciliation of expected income tax expense with recognized income tax expense

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

KEUR	2023	2022
Profit before tax	66,793	7,113
Expected income taxes (30,175%)	20,155	2,146
Different tax rates in foreign countries	(927)	(708)
Share-based payments with equity settlement	6,819	19,658
Tax effects from tax-free income (expense)	(7)	—
Non-deductible expenses	399	(77)
Permanent differences	4	90
Income taxes outside accounting period	(800)	(224)
Autonomous Taxation Portugal	758	—
Deferred taxes outside accounting period	—	627
Foreign taxes	780	733
Other	130	(220)
Effective income taxes	27,311	22,026
Effective income tax rate	40.9%	309.7%

The parent company's tax rate of 30.175% (for the 2022 and 2023 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 40.9% (previous year: 309.7%) 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 30.55% (previous year: 30.48%).

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

The payment of € 27.4m shown in the consolidated statement of cash flow is composed of tax prepayments for the current financial year of € 27.0m and tax payments for the previous year of € 0.4m.

(d) Deferred taxes

Deferred tax assets and liabilities were as follows:

KEUR	2023	2022
Deferred tax assets	27,650	8,231
Property, plant and equipment	101	714
Financial assets	97	112
Inventories and advance payments	794	1,575
Trade receivables	261	580
Liabilities from lease contracts	25,259	4,049
Financial liabilities	—	192
Provisions	559	349
Trade payables	—	29
Non-financial liabilities	575	630
Tax loss carryforward	4	1
Deferred tax liabilities	(21,587)	(6,173)
Right-of-use assets	(19,660)	(5,249)
Trade receivables	(72)	(18)
Financial liabilities	(833)	(158)
Provisions	(948)	(749)
Non-financial liabilities	(61)	1
Trade payables	(13)	—
Recorded in the statement of financial position as follows:		
Deferred tax assets	6,201	2,115
Deferred tax liabilities	(138)	(57)

All movements of deferred tax balances were recognized 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 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 are immaterial.

Deferred tax assets of € 0.2m (previous year: € 0.1m) were not recognized 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.

(e) Pillar 2/ Global Minimum Taxation

Pillar Two legislation for a global minimum tax has been enacted in certain jurisdictions in which the Group operates. The legislation will be effective for the Group's financial year beginning 1 January 2024. The Group has performed an assessment of the Group's potential exposure to Pillar Two income taxes. This assessment is based on the country-by-country reporting (CbCR) for 2022 of the Group. According to an initial calculation, each jurisdiction meets at least one of the three CbCR-Safe-Harbour-Tests. Therefore, the Group does not expect a potential exposure to Pillar Two top-up taxes.

2.5.3. Notes to the consolidated statement of financial position

(7.) Intangible assets

The development of intangible assets is presented as follows:

KEUR	Software	Trademark, patents, domains	Prepayments	Total
Acquisition/ production costs				
Balance on 1 January 2022	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
Additions	277	—	—	277
Reclassification	13	—	(13)	—
Foreign currency translation	1	—	1	2
Balance on 31 December 2023	2,662	296	—	2,958
Amortisation and impairment				
Balance on 1 January 2022	(691)	(38)	—	(729)
Additions	(453)	(28)	—	(481)
Foreign currency translation	9	—	—	9
Balance on 31 December 2022	(1,135)	(66)	—	(1,201)
Additions	(499)	(25)	—	(524)
Foreign currency translation	(1)	—	—	(1)
Balance on 31 December 2023	(1,635)	(91)	—	(1,726)
Net carrying amount				
Balance on 31 December 2022	1,236	230	12	1,478
Balance on 31 December 2023	1,027	205	—	1,232

As in the previous year, no development costs were capitalized in the 2023 financial year.

(8.) Property, plant and equipment

The development of property, plant and equipment is summarized as follows:

KEUR	Buildings	Technical equipment and machinery	Other operating and office equipment	Prepayments and assets under construction	Total
Acquisition/ production costs					
Balance on 1 January 2022	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 December 2022	2,640	8,708	8,428	2,686	22,462
Additions	1,045	997	1,482	1,387	4,911
Disposals	(25)	(1,451)	(292)	(159)	(1,927)
Reclassifications	480	2,990	1,296	(3,013)	1,753
Foreign currency translation	194	645	(154)	(22)	663
Balance on 31 December 2023	4,334	11,889	10,760	879	27,862
Depreciations and impairment					
Balance on 1 January 2022	(353)	(1,066)	(3,275)	—	(4,694)
Additions	(195)	(887)	(1,625)	—	(2,707)
Disposals	—	26	216	—	242
Reclassifications	—	—	(498)	—	(498)
Unplanned additions	—	—	—	(87)	(87)
Foreign currency translation	4	23	161	4	192
Balance on 31 December 2022	(544)	(1,904)	(5,021)	(83)	(7,552)
Additions	(412)	(1,071)	(1,770)	—	(3,253)
Disposals	25	541	224	82	872
Reclassifications	—	(290)	(1,171)	—	(1,461)
Foreign currency translation	(37)	(179)	78	1	(137)
Balance on 31 December 2023	(968)	(2,903)	(7,660)	—	(11,531)
Net carrying amounts					
Balance on 31 December 2022	2,096	6,804	3,407	2,603	14,910
Balance on 31 December 2023	3,367	8,986	3,100	879	16,331

In 2023, AUTODOC paid € 2.2m for equipping the new 'C27' warehouse in the Czech Republic, which was put into operations at the beginning of 2023 (previous year: € 1.4m). AUTODOC also invested € 1.4m in the expansion of the 'M40' warehouse that was leased in July 2022 (previous year: € 1.7m). Besides, AUTODOC spent € 0.5m for improvement of lease office in Portugal.

The sale of assets resulted in a gain on disposal of € 0.1m.

All the above reclassifications result from right-of-use assets that were transferred to Technical equipment and machinery and Other equipment, operating and office equipment.

(9.) Right-of-use assets

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

KEUR	Buildings	Technical equipment and machinery	Other operating and office equipment	Total
Balance on 1 January 2022	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 expense	(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	74,375	2,374	63	76,812
Remeasurements	5,408	70	5	5,483
Disposals	—	—	—	—
Depreciation expense	(11,639)	(1,264)	(147)	(13,050)
Unplanned depreciation expense	(11,724)	—	—	(11,724)
Reclassification	—	(278)	(14)	(292)
Foreign currency translation	529	444	—	973
Balance on 31 December 2023	76,582	5,976	221	82,779

Significant increase of additions in 2023 is mainly due to commencement of a lease of an office property in Berlin. Besides, in February 2023 AUTODOC put into operation a large warehouse in Cheb, the Czech Republic ("C27") and new warehouse in Szczecin, Poland ("M26") in September 2023 that temporarily replaced M40. And additionally from January 2023 AUTODOC is leasing a new office in Odesa, Ukraine.

Remeasurements in 2023 are presented by extensions of leases of one of the offices in Berlin, warehouses in Poland (M10) and Berlin, and extension of rent free period for warehouse M40 in Poland.

Unplanned depreciation expense is mainly due to its vacancy and planned subletting of individual floors by management at the new office property in Berlin. The impairment is determined based on an expert assessment of the most likely business case, considering current market conditions for office rentals in Berlin.

The rest of reclassifications result from right-of-use assets that were transferred into fixed assets (see note (8.) Property, plant and equipment).

(10.) Financial assets

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

(a) Overview

The following overview shows the financial assets.

KEUR	31.12.2023	31.12.2022
Non-current financial assets	4,007	4,805
Loans to shareholders and other related parties	1,840	3,483
Security deposits	2,167	1,322
Trade Receivables	1,115	1,643
Cash and cash equivalents	33,181	46,857
Other current financial assets	83,722	82,640
Loans to shareholders and other related parties	627	10,765
Receivables from supplier bonuses	79,906	63,345
Receivables from payment services	397	2,017
Security deposits	2,084	1,666
Transfer of funds	666	4,264
Other financial assets	42	583
Total financial assets	122,025	135,945

In 2022, AUTODOC granted a short-term unsecured loan of € 10.0m to a related party. Loan was paid in full in April 2023. Please see note (24.) Related party disclosures for further information on loans to related parties.

The increase in bonus receivables results from the fact that many supplier bonuses were not yet settled by the reporting date.

(b) Allowance for expected credit losses

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

KEUR	2023	2022
Balance on 1 January	(160)	(605)
Addition	(71)	(10)
Consumption	138	455
Balance on 31 December	(93)	(160)

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

KEUR	2023	2022
Balance on 1 January	(296)	—
Addition	(166)	(296)
Consumption	56	—
Balance on 31 December	(406)	(296)

(11.) Inventories and advance payments

The inventories and prepayments are shown below.

KEUR	31.12.2023	31.12.2022
Goods	96,726	75,326
Prepayments	1,266	3,363
	97,992	78,689

From the valuation of inventories at net realizable value an expense of € 0.0m was recorded in the 2023 financial year (previous year: € 0.4m). This is recorded in the cost of sales.

(12.) Trade receivables

KEUR	31.12.2023	31.12.2022
Receivables from customers	815	536
Allowance for expected credit losses	(93)	(160)
Receivables from related parties	393	—
	1,115	376

Trade receivables are non-interest-bearing assets and due for payment as soon as the delivery is done. No advance payment is done by the customer for the goods.

Trade receivables from customers by maturity is presented in note (22.)(c) Risk management of financial instruments.

(13.) Non-financial assets

KEUR	31.12.2023	31.12.2022
Prepaid expenses	3,873	2,792
Receivables from VAT refunds	2,493	2,751
Right-of-return assets	2,517	2,057
Miscellaneous	1,450	966
	10,333	8,566

Miscellaneous non-financial assets include other accruals and deferred items. All the non-financial assets are current.

(14.) Cash and cash equivalents

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.

KEUR	31.12.2023	31.12.2022
Cash	3	1
Bank balances	33,170	39,493
Demand deposits	8	7,363
	33,181	46,857

In 2023 Group earned interest income from bank deposits and bank balances in amount of € 0.9m (previous year: € —m).

(15.) Equity

On 31 December 2023 equity balance was € 73.8m that is € 14.4m higher than the previous year's figure and is presented as follows:

(a) Subscribed capital

On 31 December 2023, the share capital amounted to € 2,625,000.00 (previous year: € 2,625,000.00) and was shown in the statement of financial position at par value.

As of 31 December 2023, the share capital amount 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 € 3.4m 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 2023 financial year.

(c) Other equity components

The other equity components are broken down as follows:

KEUR	31.12.2023	31.12.2022
Reserve from currency translation	(1,560)	(1,670)
Reserve from share-based payments	210,905	188,307
Other capital reserves	(452)	(452)
	208,893	186,185

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 2023, distributions of € 47.8m (previous year: € 63.9m) were agreed at shareholders' meetings and subsequently made by the parent company Autodoc SE.

(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 2023 in the amount of € 53.3m to the shareholder in the form of a dividend, and to carry forward the remaining amount to new accounts. On 1 March 2024, an instalment of the distribution amounting to € 10.0m was paid. See also the comments in the report on post-reporting date events (note (31.) Subsequent events).

(16.) Financial liabilities

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

(a) Overview

KEUR	31.12.2023	31.12.2022
Non-current financial liabilities	92,345	21,203
Lease liabilities	91,312	19,135
Other financial liabilities (interest-bearing)	1,033	2,068
Trade payables	65,759	60,571
Other current financial liabilities	26,717	58,313
Lease liabilities	9,527	4,767
Other financial liabilities (interest-bearing)	1,036	1,013
Other financial liabilities (non-interest-bearing)	16,154	52,533
From customers with credit balances	4,021	5,373
From refund liabilities	8,077	4,088
From payroll liabilities	3,968	2,962
From liabilities to shareholders	—	40,000
Other	88	110
Total financial liabilities	184,821	140,087

Financial liabilities are evaluated at amortized 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.

In 2022, the liability from equity reduction amounting to € 40.0m was presented under liabilities to shareholders (see note (15.) Equity). Liability was paid in full in April 2023.

(b) Interest-bearing financial liabilities

Interest-bearing financial liabilities are categorized by maturity:

KEUR	Effective int. rate (%)	Maturity	31.12.2023	31.12.2022
Lease liabilities	0,70-12,24	Within one year	9,527	4,767
Other interest-bearing liabilities	4,61	Within one year	1,036	1,013
Current interest-bearing liabilities			10,563	5,780
Lease liabilities	0,70-12,24	Between 2025 and 2035	91,312	19,135
Other interest-bearing liabilities	4,61	2025	1,033	2,068
Non-current interest-bearing liabilities			92,345	21,203
			102,908	26,983

In 2023 in addition to the term loan, AUTODOC concluded a € 20.0m revolving credit facility as an additional liquidity buffer. And on 31 December 2023, AUTODOC had short-term credit lines amounting to € 31.0m (previous year: € 11.0m). At the end of 2023 an amount of € 3.8m was drawn down for guarantees (previous year: € 3.6m).

(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.

KEUR	Lease liabilities	Other interest-bearing liabilities	Total
Balance on 1 January 2022	12,454	4,072	16,526
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
Additions	76,633	30,000	106,633
Remeasurements	5,580	—	5,580
Compounding	4,662	655	5,317
Repayment	(9,967)	(31,667)	(41,634)
Foreign currency translation	30	—	30
Balance on 31 December 2023	100,839	2,069	102,908
Current portion	9,527	1,036	10,563

In the 2023 financial year, AUTODOC launched a lease of new office property in Berlin and Ukraine, Odessa. In addition, a large warehouse complex was put into operation in the Czech Republic (C27) and new warehouse in Poland (M26) that temporarily replaced M40. All these resulted in significant additions in the financial year. Remeasurements in 2023 are attributable to extensions of leases for one offices in Berlin, warehouses in Poland (M10) and Berlin, and extension of rent free period for warehouse M40 in Poland.

The additions in 2022 related mainly to a warehouse in Poland (M40) and an office in Portugal.

In April 2023 AUTODOC received a short-term unsecured bank loan in amount of € 30.0m to partially pre-finance distributions of dividend payments and capital reduction. Loan bore interest - 3-month EURIBOR + 0.95% and repayable until end of April 2024. However, it was repaid in full in October 2023.

(17.) Other non-financial liabilities

The other non-financial liabilities of € 6.7m (previous year: €0m) consist of personnel-related long-term liabilities for the Long Term Incentive (LTI) program. Payments are due after three years.

(18.) Provisions

The development of provisions is shown below.

KEUR	Provision for revenue deductions	Provision for other taxes	Personel related provisions	Provision for legal disputes	Other provisions	Total
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)
Utilization	(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
Non-current portion	—	—	—	—	1,261	1,261
Balance on 1 January 2023	2,710	5,933	2,577	5,622	2,132	18,974
Addition	2,104	1,938	724	80	3,280	8,126
Reversals	—	(2,435)	86	(2,869)	(704)	(5,922)
Utilisation	(2,710)	(92)	(2,802)	(5)	(132)	(5,741)
Interest	—	—	—	—	16	16
Foreign currency translation	—	—	(12)	—	40	28
Balance on 31 December 2023	2,104	5,344	573	2,828	4,632	15,481
Current portion	2,104	5,344	573	2,828	3,190	14,039
Non-current portion	—	—	—	—	1,442	1,442

(a) Provision for revenue deductions

Provisions are recognized in the event when customers receive credit notes 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 2023 is attributable to the lower revenue deduction rate.

(b) Provisions for other taxes

The provision for other taxes totaling € 5.3m (previous year: € 5.9m) mainly consists of provisions for excise duties, which was adjusted from € 5.6m to € 5.2m as follows: an increase of € 1.8m to account for expected additional excise duty liability in 2023, a decrease of € 2.2m to exclude excise duty no longer applicable (e.g. due to limitation period), and a payment of € 0.02m for excise duty.

Furthermore due to a risk of a penalty regarding Energy law in Poland, the provision of other taxes was increased by € 0.1m; accrued fees for Italy in amount of € 0.07m have been paid.

(c) Personnel-related provisions

Personnel-related provisions include provisions for payroll tax liabilities from subsequently reported matters related to payroll tax amounting to € 1.8m, for which a tax audit was carried out and the provision was utilized in 2023. This item also includes provisions for compensation payments for the disabled persons' levy.

(d) Provision for legal disputes

The provision for legal disputes includes expected claims arising from four lawsuits. For the most part, the proceedings include a dispute with a former member of the Management Board in which an amount of € 2.4m was reversed in the 2023, and a dispute with a supplier, as well as smaller actions for injunctive relief.

(e) Other provisions

Other provisions consist of the following:

KEUR	31.12.2023	31.12.2022
Disposal of waste	2,650	—
Site restoration / removal obligations	1,090	762
Retention obligation	497	653
Warranties	224	717
Other	171	—
	4,632	2,132

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

The provision for Site restoration / removal obligations is mainly attributable to structural changes to leased office and warehouse spaces.

In the 2023 financial year, a provision for disposal of waste was recognized for the first time in the amount of € 2.6m.

(19.) Trade payables

Trade payables of € 65.8m (previous year: € 60.6m) 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.) Inventories and advance payments).

(20.) Non-financial liabilities

KEUR	31.12.2023	31.12.2022
Prepayments received	16,169	15,204
Personnel-related liabilities	16,851	11,089
VAT liabilities	7,079	4,642
Accrual for outstanding supplier invoices	4,762	8,875
Other current liabilities	105	603
	44,966	40,413

Personnel-related liabilities essentially refer to outstanding leave, overtime and short-term employee bonuses.

2.5.4. Other notes

(21.) 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.) Principal accounting policies).

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

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

KEUR	2023	2022
Depreciation and impairment expense of right-of-use assets	24,774	6,573
Interest on lease liabilities	4,662	809
Expenses for short-term leases	1,029	2,943
Expenses for low-value leases	7	16
Total expenses recognized in the consolidated statement of comp. income	30,472	10,341

In the 2023 financial year, the Group had total cash outflows of € 11.0m for leases (previous year: € 10.8m).

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:

KEUR	2023	2022
Fixed rental payments	4,902	5,874
Index-related rental payments	5,065	2,015
	9,967	7,889

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

The potential rental payments for extension options, which are not highly likely to be exercised, amount to € 66.6m as of 31 December 2023 (€ 4.1m as of 31 December 2022) and extend over a period of up to fifteen years.

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

In December 2023 AUTODOC signed property lease agreement for office space in Chisinau, Moldova. According to the agreement, the office area is 4,460 m², the monthly rental fee is 81,767 EUR net of VAT (18,33 EUR per m² net of VAT), the rental period is two years starting from January 2024.

The contract results in future undiscounted rental payments totaling € 1,96m.

(d) Maturity of lease liabilities

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

KEUR	31.12.2023	31.12.2022
Due within 1 year	14,196	5,079
Due in 1 to 5 years	58,625	15,828
Due after 5 years	54,687	10,864
	127,508	31,771

(22.) 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:

KEUR	2023		2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Loans to related parties	2,468	2,468	14,248	14,248
Security deposits	4,251	4,251	2,988	2,988
Other financial assets	1,104	1,104	6,863	6,863
Financial assets	7,823	7,823	24,099	24,099
Other financial liabilities	(2,068)	(2,068)	(3,081)	(3,081)
Other financial liabilities to shareholders	—	—	(40,000)	(40,000)
Financial liabilities	(2,068)	(2,068)	(43,081)	(43,081)

(b) Net result from financial instruments

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

KEUR	2023	2022
Gains from financial assets measured at amortised cost	1,203	395
From impairment losses and reversals	—	76
From interest	1,203	319
Losses from financial liabilities measured at amortised cost	(5,630)	(890)
From impairment losses and reversals	(314)	—
From interest	(5,316)	(890)
Total net gains and losses	(4,427)	(495)
From impairment losses and reversals	(314)	76
From interest	(4,113)	(571)

(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. Management reviews and agrees policies for managing each of these risks, which are summarized 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 2023 and 31 December 2022.

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 2023 and 31 December 2022.

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 enters into spot dollar transactions 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.

KEUR	USD	PLN	GBP	DKK	SEK	Other	Total
Exchange rates at 31/12/2023	1.1050	4.3395	0.8691	7.4529	11.0960		
Appreciation of 5%	242	(1,291)	(126)	(47)	(123)	(799)	(2,144)
Depreciation of 5%	(242)	1,291	126	47	123	799	2,144
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

If the Euro had risen by 5% against the foreign currencies considered on 31 December 2023, the result before income taxes would have been € 2.1m (2021: € 1.9m) lower. If the Euro had weakened by 5% compared to the exchange rate on 31 December 2023, the result before income taxes would have been € 2.1m (2021: € 1.9m) 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 amortized 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 of trade receivables from third parties 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 three 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 (22.)(a) Fair value. AUTODOC has no loan collateral for its assets.

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

TEUR	Trade receivables from third parties by maturity				
	not overdue	Within 6 months	Between 6 and 12 months	Over 12 months	Total
Estimated total gross carrying amount on default	650	99	44	22	815
Expected default of receivables from third parties	—	(49)	(22)	(22)	(93)
31 December 2023	650	50	22	—	722
Estimated total gross carrying amount on default	268	112	6	150	536
Expected default of receivables from third parties	—	(7)	(3)	(150)	(160)
31 December 2022	268	105	3	—	376

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. 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. Group allocates liquid funds with different banking partners to minimize concentration risk using limits calculated based on external rating assessments.

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

TEUR	up to 1 year	1 to 5 years	over 5 years	Total
Trade payables	65,759	—	—	65,759
Customers with credit balances	4,021	—	—	4,021
Refund liabilities	8,077	—	—	8,077
Other financial liabilities	5,131	1,128	—	6,259
31 December 2023	82,988	1,128	—	84,116
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	—	6,149
31 December 2022	114,065	2,116	—	116,181

(23.) 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 2022-2023, the Group generated a positive cash flow of € 78.9m (previous year: € 58.5m) 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 2023. Note (16.)(c) Changes in liabilities from financing activities includes further details on the Group's financing activities.

(24.) 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 AutoTech GmbH & Co. KG (the ultimate controlling party) (also see 2.5.1. (F.) Basis of consolidation). They are referred to as indirect shareholders or shareholders below.

(a) Transactions with parent company and indirect shareholders of Autodoc SE

In September 2022 AUTODOC granted AutoTech GmbH & Co. KG (Autodoc Holding GmbH & Co. KG until November 10, 2023), hereinafter in short AutoTech, an unsecured loan amounting to € 10.0m. 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 € 10.1m. The loan and interest were repaid in full on April 28, 2023.

As of December 31, 2022, AUTODOC reported liabilities of € 40.0m from the share capital reduction to AutoTech (see note (15.) Equity). Payment was made on April 28, 2023.

In 2021 AUTODOC recharged AutoTech for expenses incurred in connection with the intended IPO in the amount of € 1.0m in accordance with the cost sharing and indemnity agreement dated 14 February 2022. This balance was set off against dividends payable to AutoTech in February 2023.

In 2023, AUTODOC re-invoiced to AutoTech expenses in connection with staffing for the period 2022 to 2023 in the amount of € 0.1m (previous year: € 0.04m for external tax and business consulting services). The invoices were paid in 2023.

In 2022 AUTODOC charged former shareholders € 0.2m for the sale of cars, administration fees and costs for vehicle use. € 0.04m was outstanding as at 31 December 2023.

(b) Transactions with other related parties

In 2020, Autodoc Ukraine granted a long-term loan of UAH 90 million (€ 2.6m) to Corp Estate, Odessa, Ukraine ('Corp Estate'), and in 2021 an additional UAH 130 million (€ 4.0m). 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. In 2023 a total of € 1.5m, including an early repayment of € 1.0m, was repaid (previous year: € 1.7m). Total interest income in 2023 was € 0.1m (previous year: € 0.2m). The loan and the interest receivables are valued at € 2.5m) as of December 31, 2023. The borrowing company is controlled by an indirect shareholder of Autodoc SE and is considered a related party.

On January 2, 2023, a long-term rental agreement for office space in Odessa, was signed between ATD Ukraine and Corp Estate for a period until the end of 2025 under the following conditions: rental area 3,951 m², annual lease payments of € 1.7m. In 2022 ATD Ukraine leased this office based on short-term lease agreement.

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 approx. 5,000 sqm (Vartland) and 3,537 m² (Clearwater) of office and warehouse space. AUTODOC made several contractually arranged deposits as shown in the table at the end of the chapter. 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 435 m² and 30 m². The total leased area at the end of 2023 was 2,054 m² and 212 m². Both tenancy agreements are valid until end of February 2024. The real estate company is controlled by an indirect shareholder of Autodoc SE.

Moreover, in 2023, a supervisory board member provided consulting services to Autodoc SE amounting to € 0.4m (previous year: € 0.2m).

In December 2023, ATD Technologies signed a lease agreement with AWK REAL ESTATE, Chisinau, Moldova, for office space. The rented area is 4,460 m², annual lease payments are € 1.0m net of VAT. The rental terms are in line with market terms. Lease will begin on January 1, 2024 and will be valid for 2 years. The real estate company is controlled by an indirect shareholder of Autodoc SE.

In October 2023, ATD Technologies signed a contract with Max-House to purchase new furniture for the new office in Moldova in total amount of € 0.3m. Max-House sells the furniture at cost price. Before 31 December 2023 ATD Technologies made prepayment 50%.

In 2023, Autodoc SE charged AE Management Holding GmbH, Kungel Holding GmbH and MWE Holding GmbH € 0.13m for the use of vehicles (previous year: € 0.2m).

In addition, in 2023 there were other one off transactions resulted in total income in amount of € 0.1m and total purchases in amount of € 0.2m.

All transactions with related parties are summarized in the table below:

	Operating Expenses	Financial income / (expense)	Other income	Other assets	Loans granted / (loans received)	Receivables and other financial assets and advances paid
Transaction (KEUR)	2023			31 December 2023		
Loans to other related parties	—	268	—	—	2,467	—
Trade receivables	—	—	312	—	—	434
Advances paid	—	—	—	—	—	170
Consulting agreement with supervisory board member	(420)	—	—	—	—	—
Rent of advertisement banner and servicing costs	(393)	—	—	—	—	—
Purchase of other assets	—	—	—	171	—	—
	(813)	268	312	171	2,467	604
Transaction (KEUR)	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

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	Lease expenses	Interest expenses	Depreciation	Right-of-use assets	Lease liabilities	Security deposits	Liabilities
KEUR	2023			31 December 2023			
Vartland	—	(55)	(379)	916	(985)	95	—
Clearwater	—	(43)	(306)	739	(770)	68	—
Max House	—	(8)	(334)	58	(58)	—	—
Corp Estate	—	(328)	(1,508)	2,841	(3,130)	—	—
	—	(434)	(2,527)	4,554	(4,943)	163	—
KEUR	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)

(25.) Contingent liabilities and other financial obligations

(a) Other financial obligations

AUTODOC signed several purchase orders for its own-brand business and other brands. The amounts are lower compared to previous year because purchase orders for other brands done quarterly in 2022 which was not the case in 2023.

KEUR	2023	2022
Procurement of inventories	19,772	36,935
Investments in property, plant and equipment	—	1,422
	19,772	38,357

(b) Legal disputes

Besides the issues described in the provisions, no significant legal disputes are pending. Provisions are recognized for obligations if an outflow of resources is likely and the amount can be reliably estimated (see note (18.)(d) Provision for legal disputes). There are also no other significant risks arising from legal disputes as at the reporting date.

(c) Guarantees

As at 31 December 2023, the Group provided € 3.8m (previous year: € 3.6m) as rental guarantees secured by banks.

(26.) 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.) Equity).

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 2023 and 31 December 2022.

(27.) 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) Regional distribution of sales revenue.

(28.) Employee numbers

The average number of employees of the AUTODOC Group during the financial year was 4,428 (previous year: 3,791 employees) and is comprised as follows:

	2023	2022
Blue-collar workers	2,297	1,932
White-collar employees	2,131	1,859
	4,428	3,791

(29.) Executive bodies of the Company

(a) Overview

In the 2023 financial year, the executive board of Autodoc SE had the following members:

Name	Registered office	Position	Time period
Dmitry Zadorojnii	Lisbon	Co-CEO	Until 30 September 2023
		CEO	From 1 October 2023
Sandra Dax	Berlin	Co-CEO	Until 30 September 2023
Lennart Schmidt	Berlin	CFO	From 1. October 2023

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. All executive board members are authorized to conclude legal transactions as the agent of a third party.

The entry of dismissal of Sandra Dax was entered in the commercial register on 4 October 2023.

The supervisory board is composed of the following members.

Name	Function	Activity	Time period
Alexei Kletenkov	Chairman of the supervisory board	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
Sandra Dax	Member of the supervisory board	Independent business consultant, AnAttitude, Munich	from 1 October 2023

(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 2023 was € 1.0m (previous year: € 1.6m). The current due remuneration for the executive board members of Autodoc SE in 2023 amounts to € 1.4m (previous year: € 0.5m). The long-term compensation for the members of the Management Board of Autodoc SE amount to € 1.9m in 2023 (previous year: € —m).

Furthermore, share-based payments (see note (2.)(d) Share-based payments) amounting to € 9.8m (previous year: € 9.8m) were recorded and are attributable to the executive board members.

Total remuneration for the supervisory board in the 2023 financial year amounted to € 0.4m (previous year: € 0.7m).

(30.) Auditor's fees

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

KEUR	2023	2022
Financial statements audit	855	834
	855	834

(31.) Subsequent events

In accordance with the Articles of Association and with the approval of the Supervisory Board, the Management Board decided on 27 February 2024 to make an advance payment of € 10.0m on the retained earnings expected for the 2023 financial year, which was paid out on 1 March 2024.

On 19 March 2024, a significant minority share in Autodoc SE was sold by AutoTech GmbH & Co. KG to Apollo Global Management.

At the Annual General Meeting on 19 March 2024, Mr. Jeremy Honeth and Dr. Manfred Puffer were appointed as additional members of the Supervisory.

No other events have occurred that have a significant impact on the Group's financial position or results of operations.

Berlin, 15 April 2024



Dmitry Zadorojnii
CEO



Lennart Schmidt
CFO

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, 2023 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 2023, 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 2023, 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 2023. We have not audited the content of section "1.1.8. Other non-financial indicators and factors" 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 2023 and of its financial performance for the fiscal year from 1 January to 31 December 2023, 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 factors" 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 factors" 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.

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 give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with German legally required accounting principles. 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, 19 April 2024

EY GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft

Patzelt
Wirtschaftsprüfer
[German Public Auditor]

Abidi
Wirtschaftsprüferin
[German Public Auditor]