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Statsautoriserede Revisorer A/S

Ultra-Fast Charging Venture Scandinavia ApS

Flæsketorvet 68, 1711 København V

Company reg. no. 40 10 75 84

Annual report

1 January - 31 December 2020

The annual report was submitted and approved by the general meeting on the 5 May 2021.

Casper Kirketerp-Møller
Chairman of the meeting

Contents

Notes:
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

The executive board has today presented the annual report of Ultra-Fast Charging Venture Scandinavia ApS for the financial year 1 January to 31 December 2020.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2020 and of the company's results of its activities in the financial year 1 January to 31 December 2020.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

København V, 5 May 2021

Executive board

Mathias Wiecher

Casper Kirketerp-Møller

Independent auditor's report

To the shareholders of Ultra-Fast Charging Venture Scandinavia ApS

Opinion

We have audited the annual accounts of Ultra-Fast Charging Venture Scandinavia ApS for the financial year 1 January to 31 December 2020, which comprise accounting policies, profit and loss account, balance sheet, statement of changes in equity and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2020 and of the results of the company's operations for the financial year 1 January to 31 December 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section “Auditor’s responsibilities for the audit of the annual accounts”. We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the annual accounts

Management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts.

Independent auditor's report

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

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

- Conclude on the appropriateness of management’s preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the annual accounts, including the disclosures in the notes, and whether the annual accounts reflect the underlying transactions and events in a manner that gives a true and fair view.

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 the internal control that we identify during our audit.

Statement on the management's review

Management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management’s review, and we do not express any kind of assurance opinion on the management's review.

Independent auditor's report

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not find any material misstatement in the management's review.

Copenhagen, 5 May 2021

ReviPoint
Statsautoriserede Revisorer A/S
Company reg. no. 31 61 15 20

Morten Willemar Kristensen
State Authorised Public Accountant
mne34348

Company information

The company	Ultra-Fast Charging Venture Scandinavia ApS Flæsketorvet 68 1711 København V	
	Company reg. no.	40 10 75 84
	Established:	19 December 2018
	Domicile:	
	Financial year:	1 January 2020 - 31 December 2020
Executive board	Mathias Wiecher Casper Kirketerp-Møller	
Auditors	ReviPoint Statsautoriserede Revisorer A/S Ragnagade 7 2100 København Ø	
Subsidiaries	UFC Sweden AB, Sweden Ultra-Fast Charging Scandinavia AS, Norway	

Financial highlights

DKK in thousands.	2020	2019
Income statement:		
Gross profit	-36	-6.033
Profit from operating activities	-2.784	-6.892
Net financials	-211	-489
Net profit or loss for the year	-2.995	-7.381
Statement of financial position:		
Balance sheet total	152.769	107.346
Investments in tangible fixed assets represent	9.092	27.206
Equity	150.920	102.519
Employees:		
Average number of full-time employees	1	0
Key figures in %:		
Acid test ratio	3.219,3	788,8
Solvency ratio	98,8	95,5
Return on equity	-2,4	-14,4

Calculations of key figures and ratios follow the recommendations of the Danish Association of Finance Analysts.

Management commentary

The principal activities of the company

The Company's principal activity is to build and operate Ultra-Fast Chargers (electrical vehicle infrastructure) in Denmark and via subsidiaries in Sweden and Norway. The Ultra-Fast Charging stations are located along some of the most densely trafficked highways in Scandinavia to connect cities and enable long distance driving with electrical vehicles.

The purpose of the Group is to sell the service Ultra-Fast Charge to businesses and end-customers utilizing electrical vehicles. The service is priced on a per kWh basis.

Development in activities and financial matters

The gross loss for the year is DKK -36.000 against DKK -6.033.000 last year. The results from ordinary activities after tax are DKK -2.995.000 against DKK -7.381.000 last year.

The management consider the results as expected.

Special risks

Operating risks

Management does not consider that there are any special risks, other than those customary in and associated with the industry in general.

The company has not been influenced by COVID-19.

Financial risks

The Group is exposed to changes in interest rates. Foreign exchange risks are assessed on an ongoing basis.

Exchange rate risks

As subsidiaries are receiving capital from the holding company in Denmark, the Danish vs. Swedish and Norwegian exchange rate include a risk.

Interest risks

Negative interest rates in Denmark and Sweden are prevalent and measures to hedge the risk is being investigated.

Events subsequent to the financial year

No event of significant impact to the company’s activity the previous or coming year has happened between the financial year-end and the publication of the financial year-end statement.

Accounting policies

The annual report for Ultra-Fast Charging Venture Scandinavia ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concern matters existing on the balance sheet date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Accounting policies

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Income statement

Gross loss

Gross loss comprises the revenue, cost of sales and external costs.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales include costs for the operating and maintenance of charging stations less discounts.

Other external costs comprise costs for sales, administration, premises and operational leasing costs.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses and transactions in foreign currency.

Results from equity investments in group enterprises

Dividend from equity investments in group enterprises is recognised in the financial year in which the dividend is declared.

Accounting policies

The balance sheet

Intangible assets

Brands

Brands are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight-line basis over the remaining life of the patent, and licences are amortised over the contract period, however, not exceeding 10 years.

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Plant and equipment

Plant and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Plant and machinery	10 years	0%
Other fixtures and fittings, tools and equipment	3 years	0%

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Fixed assets under construction are recognised and measured at cost at the balance sheet date. Upon entry into service, the cost is transferred to the relevant group of property, plant and equipment.

Accounting policies

Financial fixed assets

Equity investments in group enterprises

Equity investments in group enterprises are measured at cost. If the recoverable amount is lower than the cost, writedown for impairment is done to match this lower value.

Deposits

Deposits are measured at amortised cost and represent rent deposits, etc.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investments in group enterprises are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Available funds

Available funds comprise cash at bank.

Accounting policies

Liabilities other than provisions

Other liabilities concerning payables to suppliers, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Accrued expenses and deferred income

Received payments concerning income during the following years are recognised under accrued expenses and deferred income.

Income statement

DKK thousand.

Note		1/1 2020 - 31/12 2020	19/12 2018 - 31/12 2019
	Gross loss	**-36**	**-6.033**
1	Staff costs	-425	0
	Depreciation and writedown relating to fixed assets	-2.323	-859
	Operating profit	**-2.784**	**-6.892**
	Other financial costs	-211	-489
	Pre-tax net profit or loss	**-2.995**	**-7.381**
	Net profit or loss for the year	**-2.995**	**-7.381**
	Proposed appropriation of net profit:		
	Allocated from retained earnings	-2.995	-7.381
	Total allocations and transfers	**-2.995**	**-7.381**

Statement of financial position at 31 December

DKK thousand.

Note	Assets	2020	2019
	Non-current assets		
2	Concessions, patents, licenses, trademarks, and similar rights acquired	464	519
	Total intangible assets	464	519
3	Plant and machinery	30.643	24.507
4	Other fixtures and fittings, tools and equipment	16	12
5	Property, plant, and equipment under construction including pre-payments for property, plant, and equipment	251	1.862
	Total property, plant, and equipment	30.910	26.381
6	Equity investments in group enterprises	61.859	42.359
7	Deposits	12	12
	Total investments	61.871	42.371
	Total non-current assets	**93.245**	**69.271**
	Current assets		
	Trade debtors	761	32
	Amounts owed by associated enterprises	3.250	30
	Other debtors	958	2.821
	Accrued income and deferred expenses	22	0
	Total receivables	4.991	2.883
	Available funds	54.533	35.192
	Total current assets	**59.524**	**38.075**
	Total assets	**152.769**	**107.346**

Statement of financial position at 31 December

DKK thousand.

Note	Equity and liabilities	2020	2019
	Equity		
	Contributed capital	50	50
	Results brought forward	150.870	102.469
	Total equity	**150.920**	**102.519**
	Liabilities other than provisions		
	Bank debts	5	2
	Trade creditors	446	3.196
	Other payables	93	0
	Accrued expenses and deferred income	1.305	1.629
	Total short term liabilities other than provisions	1.849	4.827
	Total liabilities other than provisions	**1.849**	**4.827**
	Total equity and liabilities	**152.769**	**107.346**
8	**Related parties**		

Statement of changes in equity

DKK thousand.

	Contributed capital	Retained earnings	Total
Equity 19 December 2018	50	0	50
Profit or loss for the year brought forward	0	-7.381	-7.381
Transferred from share premium account	0	109.850	109.850
Equity 1 January 2020	50	102.469	102.519
Profit or loss for the year brought forward	0	-2.995	-2.995
Transferred from share premium account	0	51.396	51.396
	50	**150.870**	**150.920**

Notes

DKK thousand.

		1/1 2020 - 31/12 2020	19/12 2018 - 31/12 2019
1.	**Staff costs**		
	Salaries and wages	421	0
	Other costs for social security	4	0
		425	**0**
	Average number of employees	1	0
2.	**Concessions, patents, licenses, trademarks, and similar rights acquired**		
	Cost 1 January 2020	552	0
	Additions during the year	0	552
	Cost 31 December 2020	**552**	**552**
	Amortisation and writedown 1 January 2020	-33	0
	Amortisation for the year	-55	-33
	Amortisation and writedown 31 December 2020	**-88**	**-33**
	Carrying amount, 31 December 2020	**464**	**519**
3.	**Plant and machinery**		
	Cost 1 January 2020	25.329	0
	Additions during the year	9.078	25.329
	Disposals during the year	-1.752	0
	Transfers	1.274	0
	Cost 31 December 2020	**33.929**	**25.329**
	Depreciation and writedown 1 January 2020	-686	0
	Depreciation for the year	-2.464	-822
	Transfers	-136	0
	Depreciation and writedown 31 December 2020	**-3.286**	**-822**
	Carrying amount, 31 December 2020	**30.643**	**24.507**

Notes

DKK thousand.

		31/12 2020	31/12 2019
4.	**Other fixtures and fittings, tools and equipment**		
	Cost 1 January 2020	15	0
	Additions during the year	14	15
	Cost 31 December 2020	**29**	**15**
	Amortisation and writedown 1 January 2020	-3	0
	Depreciation for the year	-10	-3
	Amortisation and writedown 31 December 2020	**-13**	**-3**
	Carrying amount, 31 December 2020	**16**	**12**

		31/12 2020	31/12 2019
5.	**Property, plant, and equipment under construction including pre-payments for property, plant, and equipment**		
	Cost 1 January 2020	1.862	0
	Additions during the year	0	1.862
	Transfers	-1.274	0
	Cost 31 December 2020	**588**	**1.862**
	Depreciation for the year	-201	0
	Depreciation, amortisation and writedown for the year, assets disposed of	0	0
	Transfers	-136	0
	Depreciation and writedown 31 December 2020	**-337**	**0**
	Carrying amount, 31 December 2020	**251**	**1.862**

Notes

DKK thousand.

		31/12 2020	31/12 2019
6.	**Equity investments in group enterprises**		
	Acquisition sum, opening balance 1 January 2020	42.359	0
	Additions during the year	19.500	42.359
	Cost 31 December 2020	**61.859**	**42.359**
	Carrying amount, 31 December 2020	**61.859**	**42.359**

Financial highlights for the enterprises according to the latest approved annual reports

	Equity interest	Equity	Results for the year	Carrying amount, Ultra-Fast Charging Venture Scandinavia ApS
UFC Sweden AB, Sweden	100 %	40.886	-1.789	0
Ultra-Fast Charging Scandinavia AS, Norway	100 %	16.409	-1.250	0
		57.295	**-3.039**	**0**

		31/12 2020	31/12 2019
7.	**Deposits**		
	Cost 1 January 2020	12	12
	Cost 31 December 2020	**12**	**12**
	Carrying amount, 31 December 2020	**12**	**12**

8. Related parties

Controlling interest

E.ON Drive Infrastructure Gmbh and Clever A/S each hold 50% of the contributed capital in the Company

Transactions

Intercompany receivables from group entities are disclosed in the balance sheet and additions in quity investment in subsidiaries are disclosed in note 6.