

FLEXeCHARGE ApS

Rahbeks Alle 21, 1801 Frederiksberg C

CVR no. 40121390

Annual report 2023

Approved at the Company's annual general meeting on 14 June 2024

Chair of the meeting:

.....
Jan Køster

Contents

Statement by Management	2
Independent auditor's report on compilation of financial statements	3
Management's review	4
Financial statements 1. januar - 31. december	6
Income statement	6
Balance sheet	7
Statement of changes in equity	9
Notes	10

Statement by Management

The Board of Directors and the Executive Board have today discussed and approved the annual report of FLEXeCHARGE ApS for the financial year 1 January - 31 December 2023.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of its operations for the financial year 1 January - 31 December 2023.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

It is recommended to the general meeting that the financial statements for 2024 should not be audited.

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

Frederiksberg, 14 June 2024
Executive Board:

.....
Max Brandt
CEO

.....
Jan Køster
Director

.....
Robert Wolfgang Brehm
Director

Board of Directors:

.....
Max Brandt
Chair

.....
Jan Køster

.....
Robert Wolfgang Brehm

.....
Manuel Johannes Heckmann

.....
Christian Rangen

The annual general meeting has resolved that the financial statements for the coming financial year will not be audited.

Independent auditor's report on compilation of financial statements

To the shareholders of FLEXeCHARGE ApS

We have compiled the financial statements of FLEXeCHARGE ApS for the period 1 January - 31 December 2023 based on the Company's bookkeeping and other information provided by you.

The financial statements comprise income statement, balance sheet and notes, including accounting policies.

We performed our work in accordance with ISRS 4410 *Engagements to Compile Financial Information*.

We have applied our professional expertise in order to assist you in the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Auditors Act and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), including principles of integrity, objectivity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information made available by you for purposes of our compilation of the annual report. Consequently, we do not express any audit or review conclusion on whether the financial statements have been prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 14 June 2024
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Ole Becker
State Authorised
Public Accountant
mne33732

Management's review

Company details

Name	FLEXeCHARGE ApS
Address, postal code, city	Rahbeks Alle 21, DK-1801 Frederiksberg C
CVR no.	40121390
Established	27 December 2018
Registered office	Frederiksberg
Financial year	1 January - 31 December
Website	www.flexecharge.com
E-mail	hello@flexecharge.com
Telephone	+45 89 87 44 60
Board of Directors	Max Brandt, Chair Jan Køster Robert Wolfgang Brehm Manuel Johannes Heckmann Christian Rangen
Executive Board	Max Brandt, CEO Jan Køster, Managing Director Robert Wolfgang Brehm, Managing Director
Auditor	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, DK-2000 Frederiksberg

Management's review

Operating review

Principal activities of the Company

The principal activities of the Company comprise the development and sale of hardware and software for energy management.

Development in activities and financial matters

The Company generated a loss after tax of DKK 2,364 thousand compared to a loss of DKK 421 thousand last year. According to Management, the year's results are as expected.

As of 31 December 2023, equity amounts to DKK 1,221 thousand. FLEXeCHARGE ApS has developed and continues to develop a platform for charge point operators which enables them with load and energy management capabilities, thereby reducing electricity and network costs.

In 2023, the Company has made a huge step forward in marketing the platform and managed to win new customers across Europe focusing on the Nordics, DACH, and BENELUX. The development of the platform requires significant development resources before scaled commercialization occurs which has led to significant negative results.

To finance the continued development, FLEXeCHARGE has obtained a seed investment in Q4 2023 from three venture capital firms of DKK 9,325 thousand and converted the previously issued convertible notes into equity. The first tranche of DKK 2,797 thousand of the equity investment were paid by the new investors in December 2023. The second tranche of DKK 1,863 thousand was paid in February 2024 and the third tranche of DKK 4,663 thousand was paid 31 May 2024.

Management of FLEXeCHARGE is convinced that the seed capital investments will keep equity positive and provide enough liquidity for 2024, despite the planned increase in resource spending. Management considers the financial preparedness secured, and on this basis. Management thus presents the annual report on the basis of going concern.

Events after the balance sheet date

Investments from new investors in February and May 2024 as mentioned above. Besides that, no matters of note were identified after the balance sheet date which affect the Company's financial position at 31 December 2023.

Financial statements 1 January - 31 December

Income statement

Note	DKK	2023	2022
	Gross profit	159,287	737,272
3	Staff costs	-2,097,504	-1,196,680
	Profit/loss before net financials	-1,938,217	-459,408
4	Financial expenses	-195,240	-78,293
	Profit/loss before tax	-2,133,457	-537,701
5	Tax for the year	-230,273	116,773
	Profit/loss for the year	<u>-2,363,730</u>	<u>-420,928</u>
	Proposed distribution of profit/loss		
	Retained earnings	-2,363,730	-420,928
		<u>-2,363,730</u>	<u>-420,928</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2023	2022
	ASSETS		
	Non-current assets		
	Investments		
	Equity investments in equity interests	94,047	94,047
		94,047	94,047
	Total non-current assets	94,047	94,047
	Current assets		
	Inventories		
	Finished goods and goods for resale	96,048	62,988
		96,048	62,988
	Receivables		
	Trade receivables	144,231	23,776
6	Deferred tax assets	0	230,273
	Other receivables	86,764	9,748
	Prepayments	11,089	0
		242,084	263,797
	Cash and cash equivalents	2,450,588	185,965
	Total current assets	2,788,720	512,750
	TOTAL ASSETS	2,882,767	606,797

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2023	2022
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	51,196	40,000
	Retained earnings	1,170,401	-863,766
	Total equity	<u>1,221,597</u>	<u>-823,766</u>
	Liabilities		
7	Non-current liabilities other than provisions		
	Credit institutions	861,288	510,987
	Convertible debt instruments	0	786,493
		<u>861,288</u>	<u>1,297,480</u>
	Current liabilities		
	Trade payables	350,311	29,441
	Other payables	449,571	103,642
		<u>799,882</u>	<u>133,083</u>
	Total liabilities	<u>1,661,170</u>	<u>1,430,563</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>2,882,767</u></u>	<u><u>606,797</u></u>

- 1 Accounting policies
- 2 Events after the balance sheet date
- 8 Contractual obligations and contingencies, etc.
- 9 Pledges

Financial statements 1 January - 31 December

Statement of changes in equity

DKK	Share capital	Share premium account	Retained earnings	Total
Equity at 1 January 2023	40,000	0	-863,766	-823,766
Capital increase	11,196	4,397,897	0	4,409,093
Transfer	-	-4,397,897	4,397,897	0
Transferred; see distribution of profit/loss	-	-	-2,363,730	-2,363,730
Equity at 31 December 2023	51,196	0	1,170,401	1,221,597

The share capital has changed since the establishment with DKK 11,196 in 2023.

Financial statements 1 January - 31 December

Notes

1 Accounting policies

The annual report of FLEXeCHARGE ApS for 2023 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

Pursuant to section 110(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Presentation currency

The financial statements are presented in Danish kroner (DKK).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Gross profit

Gross profit comprises revenue, changes in inventories, other operating income and other external expenses.

Revenue

The Company has chosen IAS 18 *Revenue* as interpretation for revenue recognition.

Revenue is recognised in the income statement provided that delivery and transfer of risk to the buyer has taken place before the year-end and provided that the income can be measured reliably and is expected to be received.

Revenue is measured at the fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Changes in inventories of finished goods

Cost of sales comprises costs related to raw materials and consumables less discounts granted and the changes in inventories for the year.

Other operating income

Other operating income comprises items secondary to the primary activities of the Company, including public grants. Grants are recognised when there is reasonable assurance that the entity will comply with the conditions attaching to them and the grants will be received.

Financial statements 1 January - 31 December

Notes

1 Accounting policies (continued)

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

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

Dividend from equity interests

The item comprises dividends from equity interests, which are measured at cost and are recognised in the income statement in the financial year when the dividends are declared.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, including realised and unrealised capital and exchange gains and losses on foreign currency transactions as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax for the year

Tax for the year comprises current corporation tax and changes in deferred tax for the year. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts recognised directly in equity is recognised directly in equity.

Balance sheet

Leases (Company as lessee)

The Company has chosen IAS 17 *Leases* as interpretation for classification and recognition of leases.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and rent agreements are recognised in the income statement over the term of the lease/agreement. The Company's total liabilities relating to operating leases and other leases are disclosed under contingencies.

Participating interests

Participating interests are measured at cost.

In case of indication of impairment, an impairment test is conducted. Participating interests are written down to the lower of the carrying amount and the recoverable amount.

Dividends received that exceed accumulated earnings in the participating interest during the period of ownership are treated as a reduction in the cost of acquisition.

Financial statements 1 January - 31 December

Notes

1 Accounting policies (continued)

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

The net realisable value of inventories is determined as the selling price less any discounts, costs of completion and costs incurred to effect the sale, taking into account marketability, obsolescence and developments in the expected selling price.

Receivables

The Company has chosen IAS 39 *Financial instrument: Recognition and measurement* as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

Write-down for bad and doubtful debts is made when there is objective evidence that a receivable or a portfolio of receivables has been impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Prepayments/Deferred income

Prepayments comprise prepaid costs concerning subsequent financial years.

Equity

Proposed dividend

Proposed dividend is recognised as a liability at the date when it is adopted at the annual general meeting (declaration date). Dividend expected to be distributed for the year is presented as a separate line item in equity.

Corporation tax and deferred tax

Current tax payables and receivables are recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on taxable income in previous years and tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Liabilities other than provisions

The Company has chosen IAS 39 *Financial instruments: Recognition and measurement* as interpretation for recognition and measurement of liabilities.

Liabilities are measured at net realisable value.

Financial statements 1 January - 31 December

Notes

2 Events after the balance sheet date

No matters of note were identified after the balance sheet date which affect the Company's financial position at 31 December 2023.

DKK	2023	2022
3 Staff costs		
Wages and salaries	1,960,072	1,121,405
Pensions	97,753	37,225
Other social security costs	39,679	38,050
	<u>2,097,504</u>	<u>1,196,680</u>
Average number of full-time employees	<u>5</u>	<u>5</u>
4 Financial expenses		
Interest expenses, credit institutions, etc.	170,801	70,251
Other interest expenses	1,796	1,174
Foreign exchange adjustments, net	13,643	6,868
	<u>195,240</u>	<u>78,293</u>
5 Tax for the year		
Deferred tax adjustment for the year	-230,273	116,773
	<u>-230,273</u>	<u>116,773</u>

6 Deferred tax

Deferred tax totalled DKK 696 thousand at 31 December 2023 and relates to tax losses, which are not recognised as future utilisation thereof is uncertain.

7 Non-current liabilities

DKK	Total liabilities at 31/12 2023	Current portion	Non-current portion	Outstanding debt after 5 years
Credit institutions	<u>861,288</u>	<u>0</u>	<u>861,288</u>	<u>0</u>

8 Contractual obligations and contingencies, etc.

Operating lease commitments

The Company has entered into rent agreements with one month termination of DKK 3 thousand.

9 Pledges

There is a company pledge of DKK 750 thousand related to goodwill, trademarks and rights, property, plant and equipment, inventories and trade receivables.