

NIO VSO Feeder ApS

Amerika Plads 29, 1., DK-2100 Copenhagen
CVR no. 40 51 99 71

Annual report for 2020

Adopted at the annual general
meeting on 26 May 2021



Anders Skouenborg
chairman

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Statement by management on the annual report

The executive board has today discussed and approved the annual report of NIO VSO Feeder ApS for the financial year 1 January - 31 December 2020.

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

In my opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2020 and of the results of the company's operations for the financial year 1 January - 31 December 2020.

In my opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 10 May 2021

Executive board

Ashvind Kumar Guiness
CEO

Independent auditor's report

To the shareholder of NIO VSO Feeder ApS

Opinion

We have audited the financial statements of NIO VSO Feeder ApS for the financial year 1 January - 31 December 2020, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2020 and of the results of the company's operations for the financial year 1 January - 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 (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical 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 opinion.

Management's responsibilities for the financial statements

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

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent 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 internal control that we identify during our audit.

Statement on management's review

Management is responsible for management's review.

Our opinion on the financial statements does not cover management's review, and we do not express any form of assurance conclusion thereon.

Independent auditor's report

In connection with our audit of the financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Based on the work we have performed, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of management's review.

Copenhagen, 10 May 2021

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR no. 33 96 35 56



Michael Thorø Larsen
State Authorised Public Accountant
MNE no. mne35823

Company details

The company

NIO VSO Feeder ApS
Amerika Plads 29, 1.
DK-2100 Copenhagen

CVR no.: 40 51 99 71

Reporting period: 1 January - 31 December 2020

Domicile: Copenhagen

Executive board

Ashvind Kumar Guness, CEO

Auditors

Deloitte
Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
DK-2300 Copenhagen

Management's review

Business review

The object of the company is to own, directly or indirectly, shares or other financial instruments in portfolio companies.

Recognition and measurement uncertainties

The fund invests in unlisted equity investments. Investments are made through equity instruments. As a result, the valuation is associated with natural uncertainty due to the fact of being unlisted investments. The valuation is furthermore dependent on the future execution of the strategy by the underlying investment funds. In periods of high economic uncertainty, the uncertainty surrounding the valuation will also be greater.

Unusual matters

The company's financial position at 31 December 2020 and the results of its operations for the financial year ended 31 December 2020 are not affected by any unusual matters.

Financial review

The company's income statement for the year ended 31 December 2020 shows a profit of TEUR 116, and the balance sheet at 31 December 2020 shows equity of TEUR 2.193.

Significant events occurring after the end of the financial year

The company has in 2021 committed capital together with NIO CIV I AIV KS and NIO CIV I KS to 2 investment which amounts to 80,0 MUSD. Other than that, no events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement 1 January 2020 - 31 December 2020

	<u>Note</u>	<u>2020</u> TEUR	<u>2019</u> TEUR
Gross profit		9	-39
Fair value adjustment on financial asset		44	-158
Financial income		69	0
Financial expenses		-6	0
Profit/loss before tax		116	-197
Tax on profit/loss for the year		0	0
Profit/loss for the year		116	-197
Distribution of profit			
Retained earnings		116	-197
		116	-197

Balance sheet at 31 December 2020

	Note	2020 TEUR	2019 TEUR
Assets			
Other fixed asset investments		1.616	302
Fixed asset investments		1.616	302
Total non-current assets		1.616	302
Receivables from subsidiaries		0	660
Other receivables		114	5
Prepayments		5	3
Receivables		119	668
Cash at bank and in hand		469	10
Total current assets		588	678
Total assets		2.204	980

Balance sheet at 31 December 2020

	Note	2020 TEUR	2019 TEUR
Equity and liabilities			
Share capital		573	297
Share premium account		1.701	877
Retained earnings		-81	-197
Equity	2	2.193	977
Trade payables		1	3
Payables to subsidiaries		10	0
Total current liabilities		11	3
Total liabilities		11	3
Total equity and liabilities		2.204	980
Staff expenses	1		
Contingent assets, liabilities and other financial obligations	3		

Statement of changes in equity

	Share capital	Share premium account	Retained earnings	Total
Equity at 1 January 2020	297	877	-197	977
Cash capital increase	276	824	0	1.100
Net profit/loss for the year	0	0	116	116
Equity at 31 December 2020	573	1.701	-81	2.193

Notes

	<u>2020</u>	<u>2019</u>
1 Staff expenses		
Average number of employees	<u>0</u>	<u>0</u>

2 Equity

The share capital consists of 573.000 shares of a nominal value of EUR 1. No shares carry any special rights.

3 Contingent assets, liabilities and other financial obligations

The company has made 6 commitments in 6 different investment portfolio companies and through its subsidiary and is jointly and severally liable for all uncalled commitments together with NIO CIV I AIV KS and NIO CIV I KS.

The commitments are as follows:

CVC Strategic Opportunities II: Committed amount is MEUR 45,0 and uncalled amount is MEUR 43,3

Warburg Pincus Global Growth: Committed amount is MUSD 35,0 and uncalled amount is MUSD 19,2

NREP NSF IV: Committed amount is MEUR 33,0 and uncalled amount is MEUR 31,4

Antin Infrastructure Partners IV: MEUR 33,0 and uncalled amount is MEUR 23,5

Copenhagen Infrastructure IV: MEUR 45,0 and uncalled amount is MEUR 45,0

Kohlberg Investors IX: Committed amount is MUSD 38,9 and uncalled amount is MUSD 35,0

Accounting policies

The annual report of NIO VSO Feeder ApS for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2020 is presented in TEUR.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Financial assets and liabilities are measured at fair value unless different method is described below for each asset and liability.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Accounting policies

Other external expenses

Other external expenses include expenses related to administration, etc. Management fee paid to underlying investments are included in the fair value adjustment of equity investments.

Value adjustment of investment

Investments comprise investments in portfolio companies and are measured at fair value on the balance sheet date. Value adjustments are recognised in the income statement as fair value adjustment on financial assets.

Investments in portfolio companies are measured according to the International Private Equity and Venture Capital (IPEV) Valuation Guidelines, which is why investments are recognised at fair value at the balance sheet date.

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, realised and unrealised currency translation and value adjustment in portfolio companies.

Tax on profit/loss for the year

Pursuant to §19 of the Danish Equity Taxation Act, the company has the status of a tax-exempt investment company, whereby Danish investors are taxed on the ongoing value adjustment on the investments.

The company is only liable to tax on dividends received from Danish companies, which is taxed at 15%. Withholding tax may occur from taxes related to income from other countries and are recognised in the income statement as tax expense, if recovery is not possible.

Balance sheet

Other securities and investments, fixed assets

Investments in portfolio companies and are measured at fair value according to the International Private Equity and Venture Capital (IPEV) Valuation Guidelines, which is why investments are recognised at fair value at the balance sheet date.

Accounting policies

Fair value estimation

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Given the unquoted nature of the company's investments, the calculation of Fair value assumes that the investment is realized or sold at the measurement date regardless of the company's intention to sell.

Valuations will factor in, among other items, the portfolio company's financial position and operating results, recent rounds of financing, exit or bid at portfolio company, subsequent events, exit strategy, shareholder rights and liquidation preferences, current developments including investment specific as well as industry/region related and commodity related events (if applicable).

The fair value estimates presented herein are not necessarily indicative of an amount the company could realise in a current transaction. Future confirming events will also affect the estimates of fair value. The effect of such events on the estimates of fair value, including the ultimate liquidation of investments, could be material to the financial statements.

Receivables

Receivables are measured at amortised cost.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Liabilities

Liabilities, which include trade payables and payable to associates, are measured at amortised cost, which is usually equivalent to nominal value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

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Ashvind Kumar Guiness

Adm. direktør

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