



Reel ApS

Overgaden Neden Vandet 17, 2nd floor, 1414 København K

CVR no. 41 20 28 07

**Annual report for the period
1 January to 31 December 2023**

Adopted at the annual general meeting on 25 June 2024

Jon Sigvert
Chairman

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Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of Reel ApS for the financial year 1 January - 31 December 2023.

The annual report is prepared in accordance with 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 2023 and of the results of the company's operations for the financial year 1 January - 31 December 2023.

In our 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, 25 June 2024

Executive board

Jon Sigvert

Christian Randløv Schmidt

Anders Engtoft Meldgaard

Supervisory board

Stine Mølgaard Sørensen
chairperson

Bo Wase

Christian Engkrog Andersen

Peter Larsen

Alexander Kiltz

Mona Alsubaei

Independent auditor's report

To the shareholders of Reel ApS

Opinion

We have audited the financial statements of Reel ApS for the financial year 1 January - 31 December 2023, 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 2023 and of the results of the company's operations for the financial year 1 January - 31 December 2023 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 and IESBA Code. 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, 25 June 2024

Baker Tilly Denmark
Godkendt Revisionspartnerselskab
CVR no. 35 25 76 91

Morten Friis Munksgaard
statsautoriseret revisor
mne34482

Company details

| | |
|-------------------|--|
| The company | Reel ApS Overgaden Neden Vandet 17, 2nd floor 1414 København K CVR no.: 41 20 28 07 Reporting period: 1 January - 31 December 2023 Incorporated: 28 February 2020 Domicile: Copenhagen |
| Supervisory board | Stine Mølgaard Sørensen, chairperson Bo Wase Christian Engkrog Andersen Peter Larsen Alexander Kiltz Mona Alsubaei |
| Executive board | Jon Sigvert Christian Randløv Schmidt Anders Engtoft Meldgaard |
| Auditors | Baker Tilly Denmark Godkendt Revisionspartnerselskab Poul Bundgaards Vej 1, 1. 2500 Valby |

Management's review

Business review

The company's primary activities involve developing technology and transaction methods to improve the way companies and renewable energy project developers buy and sell electricity, accelerating the renewable energy transition while ensuring financial stability.

Financial review

The company's income statement for the year ended 31 December 2023 shows a loss of DKK 8,614,670, and the balance sheet at 31 December 2023 shows equity of DKK 40,686,226.

Significant advancements in technology development and market position were achieved. External capital of 5 million EUR was raised to support continued growth and development. Plans for the coming year include further expansion of activities and continued investments in technology and transaction development.

The results and progress are in line with expectations, reflecting the company's investments in development and scaling. Management considers the financial year to be satisfactory and as anticipated.

Non-comparability

The company's financial year comprises 12 months, compared to 9 months last year. The previous financial year was shortened due to a change in the financial year. Consequently, the comparative figures in the income statement are not directly comparable.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Disclosure of treasury shares

Information on treasury shares acquired in the financial year

Number of treasury shares acquired in the financial year: 50 B shares

Nominal value of treasury acquired in the financial year: kr. 1

Percentage of the contributed capital, etc. of treasury shares acquired in the financial year: 0,07%

Explanation of the reason for the company's acquisition of treasury shares in the financial year: The shares have been acquired for strategic and business reasons.

Income statement 1 January - 31 December

| | Note | 2023 DKK | 2022 DKK (9 Months) |
|--|------|-------------------|---------------------------|
| Gross profit | | -3,391,661 | -1,915,059 |
| Staff costs | 1 | -6,148,462 | -2,951,815 |
| Profit/loss before amortisation/depreciation and impairment losses | | -9,540,123 | -4,866,874 |
| Depreciation, amortisation and impairment of intangible assets and property, plant and equipment | | -15,560 | -9,173 |
| Profit/loss before net financials | | -9,555,683 | -4,876,047 |
| Financial income | 2 | 10,853 | 0 |
| Financial costs | | -3,930 | -43,261 |
| Profit/loss before tax | | -9,548,760 | -4,919,308 |
| Tax on profit/loss for the year | 3 | 934,090 | 326,770 |
| Profit/loss for the year | | -8,614,670 | -4,592,538 |
| Recommended appropriation of profit/loss | | | |
| Retained earnings | | -8,614,670 | -4,592,538 |
| | | -8,614,670 | -4,592,538 |

Balance sheet 31 December

| | Note | 2023 DKK | 2022 DKK |
|--|------|-------------------|-------------------|
| Assets | | | |
| Other fixtures and fittings, tools and equipment | 4 | 0 | 31,450 |
| Leasehold improvements | 4 | 54,917 | 70,477 |
| Tangible assets | | 54,917 | 101,927 |
| Investments in subsidiaries | 5 | 80,000 | 40,000 |
| Deposits | 6 | 310,230 | 52,500 |
| Fixed asset investments | | 390,230 | 92,500 |
| Total non-current assets | | 445,147 | 194,427 |
| Receivables from subsidiaries | | 2,290,461 | 1,689 |
| Other receivables | | 37,594,837 | 418,621 |
| Corporation tax | | 934,090 | 326,770 |
| Prepayments | | 312,871 | 85,378 |
| Receivables | | 41,132,259 | 832,458 |
| Cash at bank and in hand | | 558,697 | 11,570,063 |
| Total current assets | | 41,690,956 | 12,402,521 |
| Total assets | | 42,136,103 | 12,596,948 |

Balance sheet 31 December

| | Note | 2023 | 2022 |
|-------------------------------------|------|-------------------|-------------------|
| | | DKK | DKK |
| Equity and liabilities | | | |
| Share capital | | 74,699 | 58,022 |
| Retained earnings | | 40,611,527 | 12,036,427 |
| Equity | | 40,686,226 | 12,094,449 |
| Trade payables | | 700,316 | 98,521 |
| Other payables | | 749,561 | 403,978 |
| Total current liabilities | | 1,449,877 | 502,499 |
| Total liabilities | | 1,449,877 | 502,499 |
| Total equity and liabilities | | 42,136,103 | 12,596,948 |
| Contingent liabilities | 7 | | |

Statement of changes in equity

| | Share capital | Share premium account | Retained earnings | Total |
|-------------------------------------|---------------|--------------------------|----------------------|-------------------|
| | DKK | DKK | DKK | DKK |
| Equity at 1 January | 58,022 | 0 | 12,036,427 | 12,094,449 |
| Cash capital increase | 16,677 | 37,245,655 | 0 | 37,262,332 |
| Purchase of treasury shares | 0 | 0 | -55,885 | -55,885 |
| Net profit/loss for the year | 0 | 0 | -8,614,670 | -8,614,670 |
| Transfer from share premium account | 0 | -37,245,655 | 37,245,655 | 0 |
| Equity at 31 December | 74,699 | 0 | 40,611,527 | 40,686,226 |

Notes

| | 2023 | 2022 |
|--|------------------|-------------------|
| | DKK | DKK (9 Months) |
| 1 Staff costs | | |
| Wages and salaries | 5,927,226 | 2,874,950 |
| Pensions | 110,250 | 42,000 |
| Other social security costs | 83,696 | 34,865 |
| Other staff costs | 27,290 | 0 |
| | 6,148,462 | 2,951,815 |
| | | |
| Number of fulltime employees on average | 11 | 7 |
| | | |
| 2 Financial income | | |
| Interest received from subsidiaries | 10,853 | 0 |
| | 10,853 | 0 |
| | | |
| 3 Tax on profit/loss for the year | | |
| Current tax for the year | -934,090 | -326,770 |
| | -934,090 | -326,770 |

Notes

4 Tangible assets

| | Other fixtures and fittings, tools and equipment | Leasehold improvements | Total |
|--|---|---------------------------|----------------------|
| | DKK | DKK | DKK |
| Cost at 1 January | 33,300 | 77,800 | 111,100 |
| Additions for the year | 0 | 0 | 0 |
| Disposals for the year | -33,300 | 0 | -33,300 |
| Cost at 31 December | <u>0</u> | <u>77,800</u> | <u>77,800</u> |
| Impairment losses and depreciation at 1 January | 1,850 | 7,323 | 9,173 |
| Depreciation for the year | 0 | 15,560 | 15,560 |
| Reversal of impairment and depreciation of sold assets | -1,850 | 0 | -1,850 |
| Impairment losses and depreciation at 31 December | <u>0</u> | <u>22,883</u> | <u>22,883</u> |
| Carrying amount at 31 December | <u>0</u> | <u>54,917</u> | <u>54,917</u> |

5 Investments in subsidiaries

| | | |
|---------------------------------------|----------------------|----------------------|
| Cost at 1 January | 40,000 | 40,000 |
| Additions for the year | <u>40,000</u> | <u>0</u> |
| Cost at 31 December | <u>80,000</u> | <u>40,000</u> |
| Carrying amount at 31 December | <u>80,000</u> | <u>40,000</u> |

Investments in subsidiaries are specified as follows:

| Name | Registered office | Ownership interest |
|-----------------|-------------------|--------------------|
| Reel PPA ApS | Copenhagen | 100% |
| Reel Energy ApS | Copenhagen | 100% |

Notes

6 Fixed asset investments

| | Deposits DKK |
|---------------------------------------|------------------------------|
| Cost at 1 January | 52,500 |
| Additions for the year | <u>257,730</u> |
| Cost at 31 December | <u>310,230</u> |
| Carrying amount at 31 December | <u><u>310,230</u></u> |

7 Contingent liabilities

As management company, the company is jointly taxed with other danish related parties and jointly and severally liable with other jointly taxed entities for payment of income taxes for income year 2023 onwards as well as for payment of withholding taxes on dividends, interest and royalties.

The Company has a rental commitment with a notice period. The rental commitment has been stated at DKK 568K

Accounting policies

The annual report of Reel ApS for 2023 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.

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.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

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.

Revenue

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Accounting policies

Other operating income

The item Other operating income includes items of a secondary nature relative to the company's activities, including gains on the sale of intangible assets and items of property, plant and equipment, operating losses, indemnities relating to operating losses and conflicts as well as payroll refunds. Indemnities are recognised when it is more probable than not that the company is going to be indemnified.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees.

Depreciation, amortisation and impairment of intangible assets and property, plant and equipment

Depreciation, amortisation and impairment of intangible assets and property, plant and equipment comprise the year's depreciation, amortisation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Accounting policies

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

| | Useful life |
|--|--------------------|
| Other fixtures and fittings, tools and equipment | 3-5 years |
| Leasehold improvements | 3-5 years |

Investments in subsidiaries

Investment in subsidiaries are measured at cost. If cost exceeds the recoverable amount, a write-down is made to this lower value.

Other investments

Financial fixed assets include deposits, which are recognized at amortized cost

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.

Equity

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Accounting policies

Income tax and deferred tax

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

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.