

Stillstrom A/S

Esplanaden 50
DK-1263 Copenhagen K

**Central Business Registration
42487651**

Annual Report 2023

The Annual General Meeting adopted the Annual Report on 25 June 2024

Chair of the General Meeting

Larissa Toledo

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Entity details

The Company Stillstrom A/S
Esplanaden 50
DK-1263 Copenhagen K
Denmark

CVR No.: 42487651

Incorporated in: Copenhagen

Registration date: 10 June 2021

Accounting period: 1 January 2023 - 31 December 2023

Board of Directors Peter Ingvar Anders Wikström (Chairman)
Jacob Ramsgaard Nielsen
Kristian Borum Jørgensen
Christian Stampe Sørensen

Executive Board Kristian Borum Jørgensen

Auditors PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup
Denmark
CVR No. 33771231

Statement by Management on the Annual Report

The Board of Directors and the Executive Board have today considered and approved the annual report of Stillstrom A/S for the financial year 01.01.2023 – 31.12.2023.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023-31.12.2023.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 25 June 2024

Executive Board:

Kristian Borum Jørgensen

Board of Directors:

Peter Ingvar Anders Wikström
(Chairman)

Jacob Ramsgaard Nielsen

Kristian Borum Jørgensen

Christian Stampe Sørensen

Independent Auditor's report

To the shareholders of Stillstrom A/S

Opinion

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 the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Stillstrom A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("Financial Statements").

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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

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, in our view, 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 in Management's Review.

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 Financial Statements that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITOR'S REPORT (continued)

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.

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.

Hellerup, 25 June 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No. 33 77 12 31

Kristian Pedersen
State Authorised Public Accountant
mne35412

Management's review

Primary activities

Stillstrom is a 100% owned subsidiary of A.P. Møller – Mærsk A/S and was established 10 June 2021. The Company seeks to become a leading global provider of offshore power and charging concepts, designed to eliminate offshore vessels emissions and facilitate clean offshore charging across the maritime sector. The Company is currently developing the technology to build, install and service off-shore charging stations for hybrid and electric vessels at off-shore wind farms, and develop green parking lots to provide power for vessels idling outside of ports.

Development in activities and financials

The Income Statement of the Company for 2023 shows a loss of USD 2.35 million (2022: loss of USD 730 thousand) and on 31 December 2023 the balance sheet of the Company shows an equity of USD 22 million (2022: USD 9.3 million). The result reflects the early stage of operations, heavily focused on product development. As the product is yet to be placed in the market, no significant sources of revenue have been generated. The increasing equity is fully financed by the parent company as part of the commitment to grow and develop Stillstrom for the upcoming years.

Going concern

In connection with the Board of Directors and Management's assessment of the assumption of going concern, which forms the basis of the preparation of the Annual Report of Stillstrom A/S for 2023, A.P. Møller – Mærsk A/S, being the Parent Company, have informed that they will support Stillstrom A/S to the extent necessary to finance the Company's operating activities, and to settle its financial obligations as they fall due until the date of publishing of the Annual Report for 2023.

Based on this, the Annual Report of Stillstrom A/S is based on the assumption of going concern.

Consolidated accounts

The company is included in the consolidated accounts of A.P. Møller – Mærsk A/S, Copenhagen.

Events after the balance sheet date

No events of importance to the Annual Report have occurred after the reporting date and until today.

Income Statement for 2023

In USD 1,000

Note		<u>2023</u>	<u>2022</u>
	Revenue	179	0
2	Other external expenses	<u>(1,523)</u>	<u>(596)</u>
	Gross profit/loss	(1,344)	(596)
3	Staff costs	<u>(1,140)</u>	<u>(254)</u>
	Operating profit/loss	(2,484)	(850)
4	Other financial income	27	35
5	Other financial expenses	<u>(262)</u>	<u>(26)</u>
	Profit/loss before tax	(2,719)	(841)
6	Tax	<u>369</u>	<u>111</u>
	Profit/loss for the year	<u>(2,350)</u>	<u>(730)</u>
	Proposed distribution of profit/loss		
	Retained earnings	<u>(2,350)</u>	<u>(730)</u>
		<u>(2,350)</u>	<u>(730)</u>

Balance sheet at 31.12.2023

In USD 1,000

Assets

Note	<u>2023</u>	<u>2022</u>
Patent Purchases	2,000	2,000
7 Intangible assets	<u>2,000</u>	<u>2,000</u>
Construction work in progress and payment on account	14,159	9,266
8 Property, plant and equipment	<u>14,159</u>	<u>9,266</u>
Fixed assets	<u>16,159</u>	<u>11,266</u>
Receivables from affiliated companies	9,194	237
Other receivables	1,255	4
Income Tax receivable	419	113
Receivables	<u>10,868</u>	<u>354</u>
Current assets	<u>10,868</u>	<u>354</u>
Assets	<u>27,027</u>	<u>11,620</u>

Balance Sheet at 31.12.2023

In USD 1,000

Equity and liabilities

Note	<u>2023</u>	<u>2022</u>
Share capital	82	82
Retained earnings	<u>21,913</u>	<u>9,263</u>
Equity	<u>21,995</u>	<u>9,345</u>
Trade Payables	2,520	1,395
Payables to affiliated companies	0	800
Other payables	273	80
Deferred income	<u>2,240</u>	<u>0</u>
Current liabilities	<u>5,032</u>	<u>2,275</u>
Liabilities	<u>5,032</u>	<u>2,275</u>
Equity and liabilities	<u>27,027</u>	<u>11,620</u>

- 1 Going concern
- 9 Contingent liabilities
- 10 Related parties

Statement of changes in Equity

In USD 1,000

	Share capital	Retained earnings	Total
1 January 2023	82	9,263	9,345
Cash contribution	0	15,000	15,000
Profit/loss for the year	0	(2,350)	(2,350)
31 December 2023	82	21,913	21,995

Notes

In USD 1,000

1 Going concern

In connection with the Board of Directors and Management's assessment of the assumption of going concern, which forms the basis of the preparation of the Annual Report of Stillstrom A/S for 2023, A.P. Møller – Mærsk A/S, being the Parent Company, have informed that they will support Stillstrom A/S to the extent necessary to finance the Company's operating activities, and to settle its financial obligations as they fall due until the date of publishing of the Annual Report for 2024.

Based on this, the Annual Report of Stillstrom A/S is based on the assumption of going concern.

	<u>2023</u>	<u>2022</u>
2 Other external expenses		
External fees	1,005	573
IT, Office & other equipment	394	18
Other	<u>124</u>	<u>5</u>
	<u>1,523</u>	<u>596</u>
3 Staff costs		
Wages and salaries	1,430	582
Capitalised staff costs, income	(411)	(353)
Pension costs	<u>121</u>	<u>25</u>
	<u>1,140</u>	<u>254</u>
Average number of employees	<u>8</u>	<u>4</u>
<p>Pursuant to section 98(b)(3) of the Danish Financial Statements Act, remuneration to Management has not been disclosed. No emoluments have been paid to the Board of Directors.</p>		
4 Other financial income		
Interest income arising from group enterprises	25	35
Exchange gain	<u>2</u>	<u>0</u>
	<u>27</u>	<u>35</u>

	<u>2023</u>	<u>2022</u>
5 Other financial expenses		
Interest expenses arising from group enterprises	155	1
Exchange losses	100	22
Other financial expenses	<u>7</u>	<u>3</u>
	262	26
6 Tax		
Tax on current year taxable income	419	111
Adjustments concerning previous years	<u>(50)</u>	<u>0</u>
	369	111
7 Intangible assets		<u>Patent Purchase</u>
Cost:		
1 January 2023		<u>2,000</u>
31 December 2023		<u>2,000</u>
Carrying amount 31 December 2023		<u>2,000</u>
8 Property, plant and equipment		<u>Construction work in progress and payment on account</u>
Cost:		
1 January 2023		9,266
Additions		<u>4,893</u>
31 December 2023		<u>14,159</u>
Carrying amount 31 December 2023		<u>14,159</u>

9 **Contingent liabilities**

The Company is jointly taxed with other Danish companies in the A.P. Møller Holding A/S group. A.P. Møller Holding A/S group serves as the administration company. The company is liable according to the Danish Corporation Tax Act for income taxes etc. together with the other companies to the joint taxation scheme incl. interest withholding tax, royalties, and dividend for these jointly taxed entities. The joint taxed net liability of the jointly taxed companies appears in the annual report of the administration company.

10 **Related parties**

A.P. Møller - Mærsk A/S has control over the Company. The Company is included in the consolidated accounts of A.P. Møller - Mærsk A/S Group. Related parties include all other companies in the A.P. Møller - Mærsk A/S Group.

Summary of significant accounting Policies

This Annual Report for the period 1 January - 31 December 2023 of Stillstrom A/S has been presented in accordance with the provisions of the Danish Financial Statements Act governing class B companies with addition of certain provisions for reporting class C.

The accounting policies applied to these Financial Statements are consistent with those applied last year and the Annual Report is presented in American dollars (in USD thousands). The exchange rate of USD to DKK was 6.744 on 31 December 2023 (2022: DKK 6.967)

Recognition and measurement in general

Assets are recognised in the balance sheet when it is probable as a result of a prior event 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 the Company has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is affected as described below for each Financial Statement item.

Anticipated risks and losses that arise before the time of presentation of the Annual Report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables, and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Fixed assets that have been purchased in foreign currencies are measured at the transaction date rates.

Income statement

Revenue

Revenue is measured after deduction of price reduction, cash discount, value added tax and other tax that is directly connected to the sales amount. Revenue is recognised in the income statement when delivery is made, and risk has passed to the buyer.

Other external expenses

Other external expenses comprise expenses relating to the Company's ordinary activities, including costs of administration etc.

Staff costs

Staff costs comprise salaries and wages as well as pension contributions, etc. for entity staff.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, receivables, and transactions in foreign currencies.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables, and transactions in foreign currencies.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Company is jointly taxed with other Danish companies in the A.P. Møller Holding A/S Group. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance sheet

Intangible assets

Other rights are measured at cost price and are amortised from the time it is ready to be put into operation on a straight-line basis over the useful life, max. 5 years.

Property, plant, and equipment

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

Depreciation is based on cost less expected residual value at the end of the useful life. Depreciation is calculated using the straight-line method based on the following assessment of the expected useful lives of the assets.

Interest expenses on loans for the financing of the manufacture of property, plant and equipment are included in cost if they relate to the manufacturing period. All other finance costs are recognised in the Income statement.

Receivables

Receivables are recognised in the balance sheet at the lower of amortised costs and net realisable value, which corresponds to nominal value less provisions for expected credit losses. Provision for expected credit losses are determined on the basis of an individual assessment of each receivable, and in respect of trade receivable, a general provision is also made based on the Entity's experience.

Income tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.