

Maxwell and Spark B.V.
located, Leiden

Report on the annual accounts
1 January 2023 until 31 December 2023

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Maxwell and Spark B.V.
Schipholweg 101 L 1
2316 XC Leiden

Hendrik-Ido-Ambacht, 23 December 2024

Dear board,

We hereby offer you the report concerning the annual report 1 January 2023 until 31 December 2023 for Maxwell and Spark B.V., Leiden.

Accountant's compilation report

The financial statements of Maxwell and Spark B.V., Leiden, have been compiled by us using the information provided by you. The financial statements comprise the balance sheet as at 31 December 2023 and the income statement for the period 1 januari 2023 until 31 december 2023 for the year then ended with the accompanying explanatory notes. These notes include a summary of the accounting policies which have been applied.

This compilation engagement has been performed by us in accordance with Dutch law, including the Dutch Standard 4410, 'Compilation engagements', which is applicable to accountants. The standard requires us to assist you in the preparation and presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. To this end we have applied our professional expertise in accounting and financial reporting.

In a compilation engagement, you are responsible for ensuring that you provide us with all relevant information and that this information is correct. Therefore, we have conducted our work, in accordance with the applicable regulations, on the assumption that you have fulfilled your responsibility. To conclude our work, we have read the financial statements as a whole to consider whether the financial statements as presented correspond with our understanding of Maxwell and Spark B.V. We have not performed any audit or review procedures which would enable us to express an opinion or a conclusion as to the fair presentation of the financial statements.

During this engagement we have complied with the relevant ethical requirements prescribed by the 'Verordening Gedrags- en Beroepsregels Accountants' (VGBA). You and other users of these financial statements may therefore assume that we have conducted the engagement in a professional, competent and objective manner and with due care and integrity and that we will treat all information provided to us as confidential.

FISCAL POSITION

	<u>2023</u>
	€
Calculation taxable amount	
Total of result before tax	-491.427
Non-deductible amounts	357
Partially deductible amounts	5.100
	<u>-485.970</u>
Investment agreements	
Small scale investment allowance	-840
Taxable amount	<u><u>-486.810</u></u>

Loss compensation

Year	Available for compensatio n at the end of the financial year
	€
02-12-2021 / 31-12-2022	277.169
01-01-2023 / 31-12-2023	486.810
	<u>763.979</u>

Given the fact that it's currently uncertain whenever (or when) the taxable losses will be settled against future profits no deferred tax receivable has been accounted for.

We're always willing to provide further explanations.

Hendrik-Ido-Ambacht, 23 December 2024

BAKKER accountants & adviseurs

drs. R. de Geus RA MBA

Financial statements

Maxwell and Spark B.V., Leiden

BALANCE SHEET AS AT 31 DECEMBER 2023

(After proposal appropriation of result)

Assets

	31-12-2023		31-12-2022	
	€	€	€	€
Fixed assets				
<i>Property, plant and equipment</i>				
Furniture, fixtures and fittings	15.532		16.544	
Transportation	15.347		19.370	
		30.879		35.914
Current assets				
<i>Inventories and work in progress</i>				
Finished products and goods for resale		339.860		143.436
<i>Receivables</i>				
Trade debtors	445.845		134.667	
Taxes and social security charges	11.423		24.138	
Other current accounts	2.057.068		-	
Other receivables and accrued assets	17.088		20.619	
		2.531.424		179.424
<i>Cash and cash equivalents</i>		7.852		20.930
		<u>2.910.015</u>		<u>379.704</u>

Maxwell and Spark B.V., Leiden

Equity and liabilities

	31-12-2023		31-12-2022	
	€	€	€	€
Equity				
Share capital	100		100	
Share premium reserve	863.288		-	
Other reserves	-766.294		-274.867	
		97.094		-274.767
Provisions				
Other provisions		14.158		3.688
Long-term liabilities				
Loans contracted	272.992		-	
Lease liabilities	11.869		16.173	
		284.861		16.173
Current liabilities				
Payables to banks	31.544		-	
Trade payables	168.299		23.294	
Current payables to group companies	73.815		343.072	
Payables relating to taxes and social security contributions	9.337		-	
Current other payables, liabilities and accrued expenses	2.230.907		268.244	
		2.513.902		634.610
		2.910.015		379.704

Maxwell and Spark B.V., Leiden

Income statement for the period 01-01-2023 until 31-12-2023

	<u>01-01-2023 / 31-12-2023</u>		<u>02-12-2021 / 31-12-2022</u>	
	€	€	€	€
Net turnover	1.116.978		218.974	
Cost of sales	-838.532		-202.184	
Gross margin		278.446		16.790
Wages and salaries	278.532		136.671	
Social security premiums and pensions cost	50.201		22.999	
Depreciation of property, plant and equipment	8.215		5.084	
Other operating expenses	374.634		126.900	
Sum of expenses		711.582		291.654
Operating result		-433.136		-274.864
Other interest and similar income	3.515		-	
Interest and similar expenses	-53.506		-1.527	
Currency translation differences	-8.300		1.524	
Financial income and expense		-58.291		-3
Result before tax		-491.427		-274.867
Income tax expense		-		-
Result after tax		-491.427		-274.867

Maxwell and Spark B.V., Leiden

Notes to the financial statements

Entity information

Registered address and registration number trade register

The registered and actual address of Maxwell and Spark B.V. is Schipholweg 101 L 1, 2316 XC in Leiden, Nederland. Maxwell and Spark B.V. is registered at the Chamber of Commerce under number 84660678.

General notes

General notes

The most important activities of the entity

The activities of Maxwell and Spark B.V. consist mainly of:

- Selling, distributing, marketing, developing and manufacturing lithium-ion battery systems for the transport- and logistics market;
- Establishing, participating in, managing and holding supervision of other entities and being of and acting as a holding;
- Providing administrative, technical, financial and economic services, as well as providing management and advisory services to companies with which the company is structurally linked in a group and to third parties;
- Exploitation and trading in patents, trademarks, royalty rights, licenses, copyrights, know-how and other industrial and intellectual property rights, as well as the licensing of such rights and the acquisition and exploitation of licenses, both in the Netherlands and abroad;
- Financing of companies;
- Borrowing and lending of funds, providing guarantees, (joint and several) obligations and providing security for obligations of the entity, companies and entities with which the entity is structurally linked in a group and to third parties;
- Carrying out financial, commercial and industrial activities.

Group structure

Disclosure of group structure

Maxwell and Spark B.V. is part of a group. The head of this group is Maxwell and Spark Group B.V. in Leiden.

Estimates

Disclosures about estimates, judgements, assumptions and uncertainties

In applying the principles and policies for drawing up the financial statements, the directors of Maxwell and Spark B.V. make different estimates and judgments that may be essential to the amounts disclosed in the financial statements. If it is necessary in order to provide the transparency required under Book 2, article 362, paragraph 1, the nature of these estimates and judgments, including related assumptions, is disclosed in the notes to the relevant financial statement item.

Maxwell and Spark B.V., Leiden

General accounting principles

General accounting principles

The accounting standards used to prepare the financial statements

The financial statements are drawn up in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code and the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving').

Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost.

Accounting principles

Accounting principles applied to the valuation of assets and liabilities

Property, plant and equipment

Other tangible fixed assets are valued at historical cost or production cost including directly attributable costs, less straight-line depreciation based on the expected future life and impairments.

Impairment of property, plant and equipment

On each balance sheet date, Maxwell and Spark B.V. assesses whether there are any indications that a fixed asset may be subject to impairment. If there are such indications, the recoverable amount of the asset is determined. If it is not possible to determine the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined. An impairment occurs when the carrying amount of an asset is higher than the recoverable amount; the recoverable amount is the higher of the realisable value and the value in use.

An impairment loss is directly recognised in the profit and loss account while the carrying amount of the asset concerned is concurrently reduced.

Inventories

Inventories (stocks) are valued at cost price based on the FIFO method or lower realisable value.

The cost price consists of the historical cost or production cost and costs incurred in order to bring the stocks to their current location and current condition. The production cost includes direct labour and fixed and variable production overheads, taking into account the costs of the operations office, the maintenance department and internal logistics.

The realisable value is the estimated sales price less directly attributable sales costs. In determining the realisable value the obsolescence of the inventories is taken into account.

Receivables

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Receivables are initially valued at the fair value of the consideration to be received, including transaction costs if material. Receivables are subsequently valued at the amortised cost price. If there is no premium or discount and there are no transaction costs, the amortised cost price equals the nominal value of the accounts receivable. Provisions for bad debts are deducted from the carrying amount of the receivable.

Cash and cash equivalents

Cash at banks and in hand represent cash in hand, bank balances and deposits with terms of less than twelve months. Overdrafts at banks are recognised as part of debts to lending institutions under current liabilities. Cash at banks and in hand is valued at nominal value.

Provisions

Provisions are measured at the best estimate of the amount that is necessary to settle the obligation as per the balance sheet date. The other provisions are carried at the nominal value of the expenditure that is expected to be necessary in order to settle the obligation, unless stated otherwise.

If obligations are expected to be reimbursed by a third party, such reimbursement is included as an asset in the balance sheet if it is probable that such reimbursement will be received when the obligation is settled.

Non-current liabilities

On initial recognition long-term debts are recognised at fair value. Transaction costs which can be directly attributed to the acquisition of the long-term debts are included in the initial recognition. After initial recognition long-term debts are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. If there is no premium / discount or if there are no transaction costs, the amortised cost price is the same as the nominal value of the debt.

The difference between stated book value and the mature redemption value is accounted for as interest cost in the income statement on the basis of the effective interest rate during the estimated term of the long-term debts.

Current liabilities

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value.

Accounting principles for the determination of the result

Accounting principles for determining the result

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

Revenue recognition

Net turnover comprises the income from the supply of goods and services and realised income

Maxwell and Spark B.V., Leiden

from construction contracts after deduction of discounts and such like and of taxes levied on the turnover.

Wages

The benefits payable to personnel are recorded in the income statement on the basis of the employment conditions.

Other operating expenses

Costs are determined on a historical basis and are attributed to the reporting year to which they relate.

Financial income and expenses

Interest income and expenses are recognised on a pro rata basis, taking account of the effective interest rate of the assets and liabilities to which they relate. In accounting for interest expenses, the recognised transaction expenses for loans received are taken into consideration.

Exchange differences that arise from the settlement or translation of monetary items are recorded in the profit and loss account in the period in which they occur, unless hedge-accounting is applied.

Income tax expense

Tax on the result is calculated based on the result before tax in the income statement, taking account of the losses available for set-off from previous financial years and exempt profit components and after the addition of non-deductible costs. Due account is also taken of changes which occur in the deferred tax assets and deferred tax liabilities in respect of changes in the applicable tax rate.

Maxwell and Spark B.V., Leiden

Notes to the balance sheet

Fixed assets

Property, plant and equipment

	Furniture, fixtures and fittings	Transporta tion	Total
	€	€	€
Balance as at 1 January 2023			
Cost or manufacturing price	18.648	22.350	40.998
Accumulated depreciation	-2.104	-2.980	-5.084
Book value as at 1 January 2023	16.544	19.370	35.914
<u>Movements</u>			
Additions	3.180	-	3.180
Depreciation	-4.192	-4.023	-8.215
Balance movements	-1.012	-4.023	-5.035
Balance as at 31 December 2023			
Cost or manufacturing price	21.828	22.350	44.178
Accumulated depreciation	-6.296	-7.003	-13.299
Book value as at 31 December 2023	15.532	15.347	30.879

The vehicle serve as security for the lease liabilities. See also the notes regarding the lease liabilities.

Property, plant and equipment: Economic life

Depreciation rate	Other tan- gible assets
	20,00

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Current assets

	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
<u>Finished products and goods for resale</u>		
Goods for resale	339.860	143.436
	<u> </u>	<u> </u>
<u>Trade debtors</u>		
Trade debtors	445.845	134.667
	<u> </u>	<u> </u>
<u>Taxes and social security charges</u>		
Value added tax	11.423	20.700
Wage tax	-	3.438
	<u> </u>	<u> </u>
	11.423	24.138
	<u> </u>	<u> </u>
<u>Other current accounts</u>		
Current account Maxwell and Spark (Pty) Ltd	2.057.068	-
	<u> </u>	<u> </u>

On the current account with Maxwell and Spark (Pty) Ltd an interest of 2% has been calculated (2022: none).

	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
<u>Other receivables and accrued assets</u>		
Guarantee deposit rent	14.166	14.166
Turnover to be invoiced	2.922	-
Prepaid rent	-	6.453
	<u> </u>	<u> </u>
	17.088	20.619
	<u> </u>	<u> </u>
<u>Cash and cash equivalents</u>		
Rabobank	-	187
Wise Europe SA	7.852	20.743
	<u> </u>	<u> </u>
	7.852	20.930
	<u> </u>	<u> </u>

The cash is at free disposal.

Maxwell and Spark B.V., Leiden

Equity

Appropriation of the results

Statement of the proposed appropriation of the result

The management of the company proposes to appropriate the result as follows:

The loss for the period 1 January 2023 until 31 December 2023 in the amount of € 491.427 will be fully deducted from the other reserves.

Share capital

The issued share capital of the company amounts to € 100,00 divided into ordinary shares of € 1,00. The total number of shares is 100. These have not been issued yet.

	<u>2023</u>	<u>2022</u>
	€	€
<u>Share premium reserve</u>		
Balance as at 1 January	-	-
Share premium in financial year	863.288	-
Balance as at 31 December	<u>863.288</u>	<u>-</u>

In 2023, the current account balance (which increased to € 863.288 in 2023) between Maxwell and Spark Group B.V. and Maxwell and Spark B.V. was converted into a share premium contribution.

	<u>2023</u>	<u>2022</u>
	€	€
<u>Other reserves</u>		
Balance as at 1 January	-274.867	-
Appropriation of result	-491.427	-274.867
Balance as at 31 December	<u>-766.294</u>	<u>-274.867</u>

Provisions

	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
<u>Other provisions</u>		
Warranty provision	<u>14.158</u>	<u>3.688</u>

Maxwell and Spark B.V., Leiden

Long-term liabilities

	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
<u>Loans contracted</u>		
Loan Rabobank	272.992	-
	<u>272.992</u>	<u>-</u>
	<u>2023</u>	<u>2022</u>
	€	€
<u>Loan Rabobank</u>		
Balance as at 1 January	-	-
Increase	425.000	-
Redemption	-39.355	-
Transaction costs	-26.563	-
Amortisation	2.459	-
	<u>361.541</u>	<u>-</u>
Current portion	-88.549	-
Balance as at 31 December	<u>272.992</u>	<u>-</u>

In February 2023 a loan has been provided by Rabobank of € 425.000.
This will be repaid in a period of 5 years with an interest percentage of 8,7%.

Pledges

A first ranking right of pledge over:

- all present and future business assets owned;
- all present and future stock owned;
- all present and future claims/rights owned.

	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
<u>Lease liabilities</u>		
DTC Finance	11.869	16.173
	<u>11.869</u>	<u>16.173</u>

Maxwell and Spark B.V., Leiden

	<u>2023</u>	<u>2022</u>
	€	€
<u>DTC Finance</u>		
Balance as at 1 January	20.161	-
Increase	-	22.350
Repayment	-3.988	-2.189
	<u>16.173</u>	<u>20.161</u>
Current portion	-4.304	-3.988
Balance as at 31 December	<u><u>11.869</u></u>	<u><u>16.173</u></u>

In April 2022 a financial lease agreement has been provided by DTC Finance of € 22.350. This will be repaid in a period of 5 years with an interest percentage of 7,67%. At year-end 2023 the book value of the vehicle amounts to € 15.347 (2022: € 19.730).

Current liabilities

	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
<u>Payables to banks</u>		
Rabobank	31.544	-
	<u><u>31.544</u></u>	<u><u>-</u></u>

In 2023 Rabobank provided a credit of € 425.000.

<u>Trade payables</u>		
Trade creditors	168.299	23.294
	<u><u>168.299</u></u>	<u><u>23.294</u></u>
<u>Current payables to group companies</u>		
Current account Maxwell and Spark Group B.V.	73.815	343.072
	<u><u>73.815</u></u>	<u><u>343.072</u></u>

In 2023, the current account payable to Maxwell and Spark Group B.V. (€ 863.288) was converted into share premium. No interest has been calculated.

	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
<u>Payables relating to taxes and social security contributions</u>		
Wage tax	6.526	-
Pension premiums	2.811	-
	<u><u>9.337</u></u>	<u><u>-</u></u>

Maxwell and Spark B.V., Leiden

	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
<u>Current other payables, liabilities and accrued expenses</u>		
Preinvoiced turnover	2.057.324	232.400
Repayment obligations	92.853	3.988
Invoices to be received	43.501	-
Sales commission	20.871	-
Net wages	12.856	10.591
Audit and consultancy costs	3.502	3.500
Other current account	-	15.472
Bonusses personnel	-	2.293
	<u>2.230.907</u>	<u>268.244</u>
	<u><u>2.230.907</u></u>	<u><u>268.244</u></u>
<u>Other current account</u>		
Current account Maxwell and Spark (Pty) Ltd	-	15.472
	<u><u>-</u></u>	<u><u>15.472</u></u>
<u>Repayment obligations</u>		
Rabobank loan	88.549	-
DTC finance	4.304	3.988
	<u>92.853</u>	<u>3.988</u>
	<u><u>92.853</u></u>	<u><u>3.988</u></u>

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Notes to the income statement

	<i>01-01-2023 / 31-12-2023</i>	<i>02-12-2021 / 31-12-2022</i>
	€	€
Wages and salaries		
Salary	279.275	134.378
Bonusses	29.518	2.293
Temporary workers	13.550	-
	<u>322.343</u>	<u>136.671</u>
Research and Development (R&D) tax credit	-43.811	-
	<u>278.532</u>	<u>136.671</u>
Social security premiums and pensions cost		
Social security charges	31.087	13.916
Applied pension charges	19.114	9.083
	<u>50.201</u>	<u>22.999</u>
Depreciation of property, plant and equipment		
Inventory	4.192	2.104
Vehicles	4.023	2.980
	<u>8.215</u>	<u>5.084</u>
Other operating expenses		
Other expenses of employee benefits	19.392	2.305
Housing expenses	96.672	65.976
Selling expenses	117.398	22.339
Car expenses	1.514	1.593
General expenses	139.658	34.687
	<u>374.634</u>	<u>126.900</u>

Maxwell and Spark B.V., Leiden

Financial income and expense

	<i>01-01-2023 / 31-12-2023</i>	<i>02-12-2021 / 31-12-2022</i>
	€	€
Other interest and similar income		
Interest other current accounts	3.515	-
	<u>3.515</u>	<u>-</u>
<u>Interest other current accounts</u>		
Current account Maxwell and Spark (Pty) Ltd	3.515	-
	<u>3.515</u>	<u>-</u>
Interest and similar expenses		
Paid bank interest	51.660	-
Financial lease DTC Finance	1.408	958
Interest tax authorities	438	553
Other interest expenses	-	16
	<u>53.506</u>	<u>1.527</u>
	<u>53.506</u>	<u>1.527</u>
<u>Paid bank interest</u>		
Loan Rabobank	32.798	-
Current account Rabobank	18.862	-
	<u>51.660</u>	<u>-</u>
	<u>51.660</u>	<u>-</u>
Other notes		
Average number of employees		
Breakdown		
Average number of employees over the period working in the Netherlands	5,10	2,30
	<u>5,10</u>	<u>2,30</u>
Total of average number of employees over the period	<u>5,10</u>	<u>2,30</u>

Maxwell and Spark B.V., Leiden

Leiden, 23 December 2024

Maxwell and Spark Group
B.V.
Represented by:
D.L. Evans

Maxwell and Spark Group
B.V.
Represented by:
C.P. Bemont