

TIER Mobility GmbH

Consolidated statement of financial position
for the year ending 31 December 2019

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Consolidated statement of financial position

	EUR 000's	EUR 000's
NON-CURRENT ASSETS		
Intangible assets	-	12
Property, plant and equipment	19.095	43
	<u>19.095</u>	<u>55</u>
CURRENT ASSETS		
Other financial assets	22.593	47
Other non-financial assets	4.953	365
Inventories	2.684	-
Trade receivables	60	-
Cash and cash equivalents	13.783	8.701
	<u>44.073</u>	<u>9.113</u>
TOTAL ASSETS	<u>63.168</u>	<u>9.168</u>
Equity		
Issued capital	68	40
Capital reserve	105.280	12.342
Currency translation reserve	40	-
Current year results	(47.997)	(3.722)
Retained earnings	(3.722)	-
	<u>53.668</u>	<u>8.660</u>
CURRENT LIABILITIES		
Provisions	1.055	115
Accounts payables	7.280	368
Other financial liabilities	1.165	25
	<u>9.500</u>	<u>508</u>
TOTAL EQUITY + LIABILITIES	<u>63.168</u>	<u>9.168</u>

Notes to the consolidated statement of financial position

The TIER Group Financial Statements are prepared on this basis of preparation

Consolidation and group structure

Subsidiaries are entities that are controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group shall control an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Presentation currency

The consolidated statement of financial position shall be presented in Euro.

Significant accounting policies

Going Concern

When preparing the Consolidated Financial Statements, management shall make an assessment of the group's ability to continue as a going concern. The group shall prepare consolidated financial statements on a going concern basis unless management either intends to liquidate the group or to cease its business, or has no realistic alternative but to do so. When management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the group's ability to continue as a going concern, the group shall disclose those uncertainties. When the group does not prepare consolidated financial statements on a going concern basis, it shall disclose that fact, together with the basis on which it prepared the financial statements and the reason why the group is not regarded as a going concern. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period.

Current versus non-current classification

The Group has to present assets and liabilities in the statements of financial position based on whether it is current or non-current.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is current when it is:

- Expected to be settled in the normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- Not subject to unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Financial assets

At initial recognition financial assets shall be measured at transaction price, all other financial assets shall be measured at fair value. Subsequent to initial recognition, financial assets shall be recognized at fair value or at amortized costs.

A financial asset is derecognized when the contractual rights to the cash flows from the financial asset have expired or have been transferred to third parties, or when the Group has assumed a contractual obligation to pay the cash flows to a third party, under which the risks and rewards or the power of control were transferred.

Cash and cash equivalents

Cash and cash equivalents shall include direct available cash in hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less, for which the risk of change in value is considered to be insignificant.

Trade receivables and other assets

Receivables due from related parties, trade receivables and other assets shall include in financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition trade receivables and other assets are measured at amortized cost using the effective interest method, less any impairment losses.

For trade receivables, the simplified approach for the determination of impairments shall be applied. Thus, a risk provision shall be recorded amounting to the credit losses, which are

expected throughout the entire term of the related asset. This is measured based on historical credit losses and forward-looking information.

Inventories

Inventories shall include used scooters available for sale, refurbishment materials and other spare parts. Inventories are measured at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of the business less the estimated costs associated with the sale. Cost shall be determined pursuant to the first-in first-out ('FIFO') method. The cost of inventory shall include the purchase price, refurbishment, custom and shipping costs incurred to bring the inventories to their present location and condition.

Property, plant and equipment

Property, plant and equipment shall be measured at acquisition costs and depreciated over their expected useful life using the straight-line method. Costs of minor repairs and maintenance shall be expensed when incurred. Cost of replacing major parts or components of property, plant and equipment items must be capitalized and the replaced part must be retired if the recognition criteria are satisfied.

Whenever events or changes in market conditions indicate a risk of impairment of intangible and property, plant and equipment, management has to estimate the recoverable amount, which is determined as the higher of an asset's fair value less costs to sell and its value in use. The carrying amount shall be reduced to the recoverable amount and the impairment loss shall be recognized in the consolidated statement of comprehensive income for the year.

An item of tangible asset needs to be derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals shall be determined by comparing proceeds with carrying amount and shall be recognized in the consolidated statement of comprehensive income for the year within other operating

Equity

Equity comprises equity attributable to the Company's owners. Ordinary shares shall be classified as equity. Incremental costs directly attributable to the issue of new shares must be shown in equity as a deduction, net of tax, from the proceeds. Any excess of the fair value of consideration received over the par value of shares issued shall be recorded as share premium in equity.

Provisions

Provisions shall include non-financial liabilities of uncertain timing or amount. They shall be accrued when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision shall be the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

Trade payables and other liabilities

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables shall be stated at their cost.



Berlin, June 9, 2020

TIER Mobility GmbH

Originally signed by Lawrence Leuschner

Lawrence Leuschner
CEO