Annual report 2024

BUILDING ON
NEW FOUNDATIONS
FOR A SUSTAINABLE FUTURE

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Content

Annual report for the year ended 31 December 2024

Annual report 2024

Dear shareholder,

Herewith we present New Sources Energy N.V.'s annual report 2024.

New Sources Energy N.V. as a legal entity has been in existence for half a century. Notwithstanding its age and its past, by phasing out and ending all ties with its past, the Company has positioned itself for a fresh start. We are building a renewable energy business from scratch.

The first half of 2024 was spent on cleaning up the balance sheet, terminating all past relationships and building a new ecosystem of best of class financial and legal advisors with a capital market focus. A new auditor was engaged for the 2024 financial audit and for the first time in 7 years the IFRS compliant annual report 2023 was published and filed with the Dutch financial authorities.

The second half of 2024 was spent on expanding the management team and strengthening the organisation with strategic business partnerships. The implementation of a new ERP system was initiated, anticipating a consolidated group administration and CSRD compliance in 2026. As of 1 January 2025, the Company's financial administration operates on this new automated information system. Moreover, a corporate website was created that meets all requirements for a publicly listed company, such as whistleblower and insider trading registration tools and the publication of its corporate policies, press releases and news items. As part of a revised investor relations strategy, a new corporate identity was revealed, a testimony to truly new beginnings. The Company will operate from here onwards under the brand name NEW SOURCES using corporate website www.newsources.energy.

Most importantly, we have made our best efforts to engage with promising investment opportunities and focus on preparing transactions to acquire valuable energy transition resources in order to position ourselves on a path of growth. Encouraging talks for business collaborations and partnerships have been initiated with renewable energy companies and private equity funds. New Sources enters 2025 with a pipeline of promising business opportunities and potential partnerships that deliver on financial performance. Our management has a finance-first impact focus which translates: *if it's not profitable, it's not sustainable*.

New Sources is about to formalise its Green Finance Framework in order to ringfence and attract financing for renewable energy and energy efficiency investments. This Framework helps to establish clear criteria for what qualifies as a sustainable investment, increasing transparency for our investors and stakeholders and enhancing their trust by demonstrating an unwavering commitment to sustainability. The Framework will be certified in 2025.

Concluding, our organisation is now in an optimal condition, reorganised and compliant, strengthened with modern systems and governance, well positioned for building new business in the renewable energy industry. An unqualified auditor's report of the Company's annual report 2024 is the definitive step to being removed from Euronext's penalty bench and marks the start New Sources of renewable energy.

Drs L.A. Vereecken BSc.MSc.RA CFE
Chief Executive Officer

Management report

The management of New Sources Energy N.V. (NSE or the Company) hereby presents its management report for the financial year ended on 31 December 2024.

General information

- New Sources Energy N.V. is a Dutch public limited liability company incorporated in the Netherlands on 26 October 1978. The Company is registered in the Trade Register of the Dutch Chamber of Commerce (*Kamer van Koophandel*) under number 33154205 and has its statutory seat in Amsterdam.
- New Sources Energy N.V. is publicly listed on Euronext Amsterdam (**NSE.AMS**).
- The company's statutory objective is *to invest in and develop, operate and manage sustainable energy projects in the broadest sense of the word and to establish and acquire, participate in, cooperate with and manage, as well as to finance or cause the financing of other companies, in any legal form whatsoever*.
- NSE's mission statement is *to accelerate the global energy transition towards net-zero by investing in scalable renewable energy resources*.
- NSE's strategic investment and development focus is *to acquire and develop renewable energy resources that are value & impact drivers in the global energy transition towards decarbonisation*.
- NSE's goal is *to become a leading renewable asset owner*.
- NSE has four wholly owned subsidiaries: New Green Investments B.V., Energy Synergie B.V., Nw Surcs Holding B.V. and Nw Surcs Holding I B.V. All these 4 Dutch limited liability companies are ultimately controlled by the Company and remained inactive during the financial year of 2024.
- NSE has a one-tier management structure, consisting of 2 non-executive directors and 1 executive director. Both non-executive directors hold shares and are therefore not independent.
- During 2024 NSE had no staff or personnel on its payroll and engaged board and management members on a consultancy fee basis.
- On 14 June 2024 Em.Prof.Dr. A.J.M. van Wijk joined the management team as CTO.
- On 1 December 2024 G.A. Sterrenberg started as NSE's controller.
- During 2024 NSE's re-organisation was finalised. All past business activities and business relationships were ended in order to be ready for a new business start.
- NSE has the option to issue preference shares in special situations, such as that of a hostile takeover.
- NSE focuses on investing in and developing energy transition companies that produce or support the production of green electrons and green molecules. "*Green electrons*" produce electricity from non-emitting sources, largely wind and solar. "*Green molecules*" store energy for future use, akin to how hydrocarbons stored in oil, gas and coal operate today, and include hydrogen and synthetic fuels, which are essential for several heavy industries and fields like shipping and aviation for the foreseeable future.

Financial information

- During 2024 the Company did not have activities and generated no revenues.
- During 2024 the Company did not have intellectual property rights.

  At 8 December 2024 the Company entered into a Collaboration Agreement related to the business goals of realising and operating a large-scale liquid hydrogen production plant in Egypt. In relation to the Collaboration the Company also entered in a Convertible Loan Agreement of € 500 thousand. In the Collaboration Agreement the Company has agreed objectives in relation to ownership, control and management of the project, funding, legal and operational structure, and phasing of the project.

  At 31 December 2024 the € 500 thousand loan, as well as the related interest, have been converted into shares, in line with the Convertible Loan Agreement. In May 2025, the Company and counterparty reached a, to be formalised, agreement to terminate the Collaboration Agreement. Based on the agreement, the Company does not have to distribute the shares to the counterparty.
- During 2024 the shareholders' equity increased with € 110 thousand to € 202 thousand. The company's working capital increased with € 192 thousand to € 285 thousand. There were € 91 thousand (including interest) in convertible loans outstanding and € 93 thousand in director and management fees.
- The negative result after taxes for the financial year 2024 amounted to € 904 thousand and was added to the negative other reserves.
- At the year-end 2024, the total accumulated losses had amassed to € 2.426 thousand. Considerable tax losses carry forward exist that have not been valued from a prudence concept point of view since no profits have been realised to date.
- NSE is reporting as a holding company under IFRS.

Significant risks and uncertainties

- The Board is responsible for maintaining effective risk management and regularly reviews the Company's internal financial, compliance and operational processes and controls to ensure these are operating properly and will make recommendations as appropriate. The Company's risk management objectives and policies have been reviewed to take account of the Company's current situation and activities and ensure that appropriate risk mitigation measures are implemented to avoid or mitigate risks whilst facilitating the Company's strategic and commercial objectives. In the year ended 31 December 2024, no material issues have been identified in the Company's risk management policies and controls.
- In accordance with Best Practice Provision 1.4.3. of the Dutch Corporate Governance Code (the "**Code**"), the Company's Board of Directors is of the opinion that to the best of its knowledge:
  - the annual report provides sufficient insights into any failings in the effectiveness of the internal risk management and control systems, taking into account that currently limited formalized controls can be implemented due to the current size of the Company;
  - the aforementioned systems provide reasonable assurance that the financial reporting does not contain any material inaccuracies;
  - based on the current state of affairs of the Company, and referring to the paragraph going concern, it is justified that the financial reporting is prepared on a going concern basis; and

- the annual report states those material risks and uncertainties that are relevant to the expectation of the Company's continuity for the period of twelve months after the preparation of the annual report.

— Below is a summary of key risks that, alone or in combination with other events or circumstances could have a material adverse effect on the Company's business, financial condition, result of operations and prospects. In making the selection, the Company has considered circumstances such as the probability of the risk materialising, the potential impact which the materialisation of the risk could have on the Company's business, financial condition and prospects, and the attention that management would, on the basis of current expectations, have to devote to these risks if they were to materialise.

— Although the Company believes that the risk and uncertainties described below are the material risks and uncertainties concerning the Company, they are not the only risks and uncertainties relating to the Company. Other risks, events, facts, facts or circumstances not presently known to the Company, or that the Company currently deems to be immaterial could, individually or cumulatively, prove to be important and may have a signific ant negative impact on the Company's business, financial conditions, results of operations and prospects.

— The following strategic risks are identified by the Company, including its measures:

- The risk of not completing an acquisition or investment transaction. During 2024 the Company has identified more than 10 investment opportunities and has engaged in detailed discussions and negotiations with several of these parties. Meanwhile, the Company has signed several letters of intent. The Company has high standards for potential acquisitions or investments and is positive that it will enter into transactions with parties in 2025.

- The risk of not finding sufficient suitable investment partners may materially negatively impact the Company's operations and profitability. The Company has identified renewable energy investment partners and believes that the Company's investment and business objectives, both financial as non-financial, are aligned with these partners so that creating long-term shareholder value in collaboration is reasonable assured.

— The following operational risks are identified by the Company, including its measures:

- The risk of being dependent on a small group of individuals. The Company has a one-tier board and a management team, which comprises of highly experience professionals with complementary skillsets and expertise. All of the directors have a duty to the Company to properly perform the duties assigned to each member and to act in the Company's corporate interest. This is further mitigated by comprehensive corporate governance procedures and controls. In case operations increase management will revisit its governance structure to ensure that this remains appropriate in the circumstance.

- The risk of starting up new operations. As a result of its reorganisation, NSE has created a clean slate and a fresh start, however there are no operations yet. Neither does it have a track record as a renewable energy company to look back upon. The Company has skilled directors and managers who are seasoned entrepreneurs, with vast networks of investors and advisors, who have a deep and broad reach in the international technical universities as well as the international business community. The risk is further mitigated by collaborating and co-investing with reputable renewable energy investors.

- The risk of occupational fraud. Occupational or internal organisational fraud occurs when an employee, manager or executive of an organization deceives the Company, i.e. embezzlement, cheating on taxes, and misrepresenting information to investors and shareholders. NSE has implemented as part of its fraud risk assessment, internal controls both at organisational and process level, such as codes of conduct, whistleblowing procedures, and third-party due diligence to mitigate the risks, and follow-up of recommendations for remedial actions. Increasingly, technology threatens organizations such as cybercrime, hacking and as a potential consequence unauthorised access to data, theft of intellectual property or damages to the system. As part of the new IT systems the Company is implementing a Zero Trust model, continuous employee training, regular security audits, and effective response plans for breaches.

- The following financial and legal risks are identified by the Company, including its measures:
  - The risk of not having sufficient budget. The Company's expenses for the period to date have been low and are not expected to substantially exceed the budgeted expenses before the first investment transaction has been realised. The directors and its partners have been willing to convert their fees into shares stressing their commitment to be invested in the future of the Company. The Company also has the ability to place convertible loans, bonds or emit shares to raise additional capital in the event that the budget is substantially exceeded. As part of future transactions financing will be secured separately.
  - The risk of not being in compliance with EU laws and IFRS. Before 2023 NSE had repeatedly not complied with the Euronext rules and as a consequence was placed on the penalty bench. NSE's financial accounts of 2024 have been audited by an external auditor for the first time ever since 2017, and hence NSE expects to be removed from the penalty bench in 2025.
  - The risk of not being in compliance with other laws and regulations. The Company is obliged to comply with all other Dutch and EU legislation, including MAR and the Dutch Corporate Governance Code. The Company has implemented robust policies and procedures and works closely with its experienced legal and financial advisors to ensure compliance of all applicable laws and regulations.
  - The risk of third-party claims. In May 2025, the Company and counterparty reached a, to be formalised, agreement to terminate the Collaboration Agreement. The Company is supported by external legal counsel. There are no other third-party claims, and the Company does not currently expect any other claims in the near future given its recent past and the current status. In the event of another claim, the Company would engage its external legal counsel to provide legal support.

Financial performance indicators

- The Company presents the following relevant financial indicators for 2024:
  - **Working Capital** (current assets -/- current liabilities) = € 192 thousand (2023: € 92 thousand)
  - **Current ratio** (current assets/current liabilities) = 1,6 (2023: 3,1)
  - **Debt to equity ratio** (total liabilities/shareholder equity) = 1,5 (2023: 0,5)

  Other financial performance indicators are deemed not to be relevant since the Company had just been reorganised and started its new business operations. No revenues were generated in 2024.

Personnel-related information

- Although NSE does not currently have any personnel, the Company recognises the benefits of having a diverse board and workforce as an important element in maintaining a competitive advantage and strives to meet a balanced male/female ratio. NSE's diversity policy includes, and makes use of, differences in the background, gender, geographical and industry experience, skills and other distinctions between people. All appointments are made on merit, in the context of the diversity, experience, independence, knowledge and skills the Company as a whole requires to be effective.

Information regarding financial instruments

- At NSE's Annual General Meeting of Shareholders (the "**AGM**") on 28 June 2024 the AGM agreed to three financial instruments:
  - Convertible loans - The placement and conversion of all convertible loans for strengthening the Company's working capital and to realise its business plan could not be executed due to statutory limitations. During 2024 two convertible loans have been issued and converted for in total € 550 thousand, excluding 10% interest. At 31 December 2024 2 convertible loans for in total € 91 thousand were not converted into common shares and were outstanding.
  - Warrants - The granting of 24 million unlisted warrants issuable until 28 December 2025, i.e. latest 18 months after approval by the AGM. At 31 December 2024, Mr. H Kamsteeg was entitled to 3 million warrants with an exercise price of € 0,05 per share.
  - Preference shares – The placement of preference shares issuable until 28 December 2025, i.e. latest 18 months after approval by the AGM. With this option the Company is prepared for unexpected and possibly hostile events that can loom up suddenly, and in those situations being able to assess its position and explore better alternatives, in the interest of the Company and its affiliated businesses.

Information regarding environmental and social aspects of the business

- NSE is in the process of formulating a Green Finance Framework (or "**Framework**") in order to ringfence and promote investments in renewable energy and energy efficiency. NSE aims to mitigate climate change by providing clear guidelines and standards for financing its activities. Its Framework helps to establish clear criteria for what qualifies as a sustainable investment, increasing transparency for investors and stakeholders and enhancing their trust by demonstrating an unwavering commitment to sustainability. As a result, it helps to mobilise public and private sector funding for renewable energy projects, making it easier to attract capital to its sustainable initiatives. NSE considers green finance frameworks essential for driving the energy transition to a low-carbon economy and facilitating the achievement of environmental goals. Leading Second-Party Opinion provider Morningstar Sustainalytics is engaged to certify the Framework in 2025.

- NSE is considering as a company a Dark Green (or "**Dark Green**") rating by Second-Party Opinion provider Standards & Poor (S&P) Shades of Green (formerly Cicero) in 2025 once the first investments have been made. NSE believes that this rating will make it easy for investors to finds NSE's climate risk information. Since there are hundreds of different providers of ratings and rankings with different scopes and methodologies, S&P's Shades of Green distinguishes itself in this field by focusing on climate change and using three shades of green to indicate relative climate risk. For its highest rating 'Dark green' solutions are judged to be in line with the Paris Agreement on climate change and incorporate resiliency planning for climate impacts. The latest climate science feeds into S&P's methodology, which looks at both emissions reduction and climate resiliency plans. The methodology aims to improve the understanding that the energy sector needs to transition to low-carbon to avoid the most damaging climate impacts.

Corporate governance statement

- NSE has implemented the Dutch Corporate Governance Code and endorses its principles. Any substantial change in the Company's corporate governance structure and compliance with the Code will be submitted to the AGM of Shareholders for discussion under a separate agenda item.
- NSE is committed to integrity, maintaining high standards of corporate governance to underpin the Company's values and enable delivery of shareholder value. To support this, policies and procedures have been adopted to ensure fair and responsible practices are consistently adopted and any possible breaches or issues may be navigated in the best interests of the Company and its shareholders. The board recognises that these policies and procedures need to be regularly reviewed, and as appropriate, updated. The policies and procedures currently in place are published on the Company's new website (www.newsources.energy) and include a Code of Conduct, Rules of the Board, Audit Committee Rules, Whistleblowing Policy, Diversity Policy, Climate & Environmental Policy, Insider Trading Policy, Privacy Policy, Related Party Transactions Policy, Renumeration Policy and Bilateral Policy.

Deviations from the Dutch Corporate Governance Code

- Given NSE's current size, the fact that activities are being started up, but also from a cost consideration point of view, the Company intends to tailor its compliance with the Code to the situation after acquisitions and investments have been made and will, until such time, not comply with a number of the best practise provisions. The current deviations from the Code provisions relating to the board and its committees are summarised below.
    - Independent board members – considering the current nature of the Company there are no independent board members as part of those charged with governance. In case of future investments, the Company will reconsider this.
    - Committees – The Audit Committee consist out of all Board members. The Company has not yet appointed an Investment Committee, a Disclosure Committee, or a Renumeration Committee. The responsibilities of these committees are now held by the full Board.

– Secretary to the Board - No secretary to the board has been appointed. Until the Company has made its first investments, the board has no need for a secretary to the board given the Company's activities.

General details of the board of directors

- NSE maintains a one-tier board which is composed of executive directors and non-executive directors. The board currently consists of one executive director and two non-executive directors. All directors are Dutch nationals and reside in the Netherlands. Directors are appointed for a period of four years. At year-end the board of directors consist of the following members:
  - Mrs. A.M. Dirkes - Non-executive director (Chairman)
  - Mr. A.M. Mirck - Non-executive director
  - Mr. L.A. Vereecken - Executive director (CEO)
- As a result of the Company's diversity policy the non-executive board currently consists of 1 female and 2 male directors. Although the Company has no employees on its payroll, it has a diversity policy in place for its future employees ensuring a culture in which every employee feels valued and respected, ensuring equal opportunities for employees regardless of identity and facilitating diversity in employee progression to the top of the organisation.
- The executive director(s) manage the Company in consultation with the non-executive directors. The executive director(s) account for its actions to the non-executive directors and to the AGM. The non-executive directors supervise the general affairs of the Company and the policy of the executive director(s). In discharging their duties, the directors are guided by the Company's interest. The executive director(s) shall provide the non-executive director in good time with the information and documents necessary for the performance of its duties. The directors are appointed by the AGM.
- In accordance with the Articles of Association ("**Articles**"), the Board has adopted rules governing the board's principles and best practices, describing the duties, tasks, composition, procedures and decision making of the board as well as the supervising duties of the non-executive directors.
- Resolutions of the board are adopted by unanimous vote where possible. Where this is not possible, resolutions of the board are adopted by a majority vote of the directors present or represented. Resolutions can only be adopted if at least half of the directors are present or represented. Each director has one vote. In case of a tie of votes, if the board regulations allow, the chairman decides.
- In general, the board meets monthly. Meetings are chaired from and take place in Amsterdam or such other place in the Netherlands as the directors agree. Insofar as practicable, directors attend board meetings in person. Those directors who are unable to join in person participate virtually by means of video or teleconferencing.
- The Articles provide that one executive director will be appointed by the AGM upon the binding nomination of the board. The AGM can reject the nomination by majority representing at least two-thirds of the votes cast on the common shares, representing more than half of the issued capital of the Company. If the nomination is rejected with the requisite majority, the Board will make a binding nomination of a different person. If the nomination is not rejected with the requisite majority, the person nominated will be appointed.
- The Articles provide that a director may be suspended or dismissed by the corporate body that appointed such director at any time. A resolution of the AGM to suspend or remove the executive

director it appointed other than pursuant to a proposal by the board requires a majority representing at least two-thirds of the votes cast on the common shares, representing more than half of the issued capital of the Company.

- In 2024 New Sources Energy had no vacancies for an (internal) audit committee, a disclosure committee, a renumeration committee, an investment committee, or a company secretary.

Personal details of the board of directors

- **Mrs. A.M. Dirkes**
  Chairman, Non-Executive Director (1961, Dutch national)
  Annemieke embarked on her professional journey with managing software companies. After which she became an entrepreneur, serving as an independent consultant and advisor specialising in executive search for c-suite positions, catering to diverse sectors. Annemieke is a versatile entrepreneur, proficient moderator, and popular speaker. With her experience and background, she is frequently asked to act as a boardroom advisor. Annemieke studied law in the Netherlands and has worked in the EU, the USA, the Middle-East and Asia.
- **Mr. A.M. Mirck**
  Non-Executive Director (1955, Dutch national)
  André is the ex-CEO and a major shareholder of NSE. He is founder of Foto Factotum and acted as supervisory board member of Real Time Company. He was chairman of both the board of directors and later the board of supervisors of Vivenda Media Groep N.V. Today he is founder/director of the South African company, Development of Ecological Property (pty) Ltd., a property development company for off-the-grid living.
- **Drs L.A. Vereecken BSc.MSc.RA CFE**
  Chief Executive Officer (1968, Dutch national)
  Leonard is a major shareholder, an investor and an entrepreneur with a sustainability focus. He has wide transactional experience and is considered a corporate finance specialist. As a former Dutch entrepreneur of the year, he is impact driven and a strong advocate of sustainable entrepreneurship. Mr. Vereecken studied business studies, economics, law and IT, both in the UK and in the Netherlands. He holds a postdoctoral degree in accountancy and is a member of the Royal Netherlands Institute of Chartered Accountants and the Association of Certified Fraud Examiners. He is registered as a Dutch chartered accountant (RA) and as a Certified Fraud Examiner (CFE). Leonard started his career in banking and auditing with Barclays de Zoete Wedd (later Credit Suisse) and Moret Ernst & Young (later EY) and has worked in the EU, the USA, the Middle East, India and Asia.

Board resignations

- During 2024 the following directors resigned:
  - On 22 April 2024 Mr. J.D. Kleyn resigned as non-executive director for health reasons.

Board retirements

- The retirement schedule of the current board of directors is as follows:

Name:	*Appointment:*	*Appointed for:*
Mrs. A.M. Dirkes	2023	4 years

- Mr. A.M. Mirck 2017 8 years (once extended)
- Mr. L.A. Vereecken 2023 4 years

Limitation on supervisory positions

- The Dutch law restricts the number of non-executive or supervisory director positions persons can hold on the boards of certain large Dutch companies. The Company does not currently qualify as a large company under these provisions.

Board meeting attendance

- The Board of Directors meets 10 times during the year with a meeting each month, except for the months of July and August.

Committees of the board

- The board may decide to install committees whenever it deems appropriate.
- The board intends to install the following committees:
  - Audit committee - comprises out of all non-executive directors and topics are discussed whenever deemed necessary, but not less than twice per year. Separate by-laws governing the audit committee will be prepared.
  - Disclosure committee - comprises executive and non-executive directors. Its remit is to assess whether specific information falls within the scope of the definition of inside information as included in the insider trading policy of the Company.
  - Investment committee - comprises executive and/or non-executive directors, together with one or more expert advisors. Its remit is to screen investment opportunities in line with the Company's investment strategy.
  - Renumeration committee – comprises executive and non-executive directors and meets whenever deemed necessary, but not less than once per year. Separate by-laws governing the Renumeration Committee will be adopted.

Corporate Sustainability Reporting

- NSE actively supports the UN Sustainable Development Goals and the Company's policy on Corporate Sustainability Reporting means it will inform stakeholders specifically on the SDG 7, 8, 9 and 13 impact of its investments in renewable energy, energy efficiency and renewable energy support solutions.
- It is the Company's mission to accelerate positive contributions to the EU's ambition to be climate-neutral before 2050 for an economy with net-zero greenhouse gas emissions. The Company aims to become an important player in global decarbonisation efforts by creating significant positive impact on climate change through investments in renewable energy resources and supporting technologies.
- CSRD became effective as of 5 January 2023. The Company is in the process of setting up an ERP system in order to secure that it will be fully CSRD complaint in 2026. In November 2024, the EU made an

announcement that it was considering consolidating the CSRD, CSDDD, and EU Taxonomy into one Omnibus to reduce the regulatory burden for companies, after growing concerns mounted over the complexity of the three rules and the time and resources it would take for companies to comply with them. The Omnibus will look to reduce regulatory barriers and address member country pushback by shifting scope, timelines, and compliance requirements for the three sustainability rules under one regulation.

— The Company is currently assessing the impact of the Omnibus developments and when and how the Company will comply with CSRD.

EU taxonomy

— The EU taxonomy regulation and the Sustainable Finance Disclosure Regulation (SFDR) sprouted from the EU's Green Deal. Logically, since the Company exclusively invests in renewable energy initiatives and its support systems, NSE's key goals are fully aligned with both regulations and its environmental objectives. As a result, sustainability is an integral component of NSE's risk management. NSE's economic activities directly contribute to climate change mitigation and adaptation but also to the sustainable use and protection of water and marine resources. NSE does not violate any of the remaining 3 environmental objectives.

— Since the EU taxonomy regulation provides a framework for the concept of sustainability, exactly defining when a company or enterprise is operating sustainably or environmentally friendly so that environmentally friendly business practices and technologies are promoted and rewarded.

— The EU Taxonomy is a foundational and critical component of NSE's Green Finance Framework.

Other information

Conflicts of interest

— Dutch law prohibits a director from participating in the deliberation or decision-making of a board resolution if he or she has a direct or indirect personal interest conflicting with the interests of the Company and its business. A conflict of interest exists in any event if, in the situation at hand, the director is deemed unable to serve the interests of the Company and its business with the required level of integrity and objectivity.

— The Articles and the board rules require each director to immediately report any actual or potential personal conflict of interest concerning him or herself or any other director to the chairman of the board and to the other directors, and to provide all information relevant to the conflict. The board must then determine whether it qualifies as a conflict of interest, in which case the conflicted director may not participate in the decision-making and deliberation process on the relevant topic. If all directors are conflicted and as a consequence no resolution can be adopted by the board, the resolution may still be adopted by the board.

— Non-compliance with the provisions on conflicts of interest may render the resolution voidable (*vernietigbaar*) and a non-complying director may be held liable towards the Company. As a general rule, the existence of a (potential) conflict of interest does not affect the authority to represent the Company and would therefore not affect the validity of contracts entered into by the Company.

— The following circumstances could lead to a potential conflict of interest for the directors:

- The directors and their affiliated entities will be free to pursue, for their own account, any investments or business opportunity, some of which may overlap with opportunities that are suitable for the Company without being required to present such opportunities to the board. This overlap could create conflicts of interest, such as in determining to which entity a particular investment opportunity should be presented. These conflicts may not be resolved in favour of the Company and a potential target business may be presented to another entity affiliated with the directors;
- Directors are not required to commit full-time to the Company's affairs. They may allocate their time to other businesses because they might have an interest therein, leading to potential conflicts of interest in their determination as to how much time to devote to the Company's affairs (and indirectly the shareholders), which could have a negative impact on the Company's success. As a consequence, the effective return for Shareholders may be lower or non-existent;
- One or more of the directors may negotiate employment or a consultancy arrangement with a target business in connection with a particular investment. Such negotiations would take place simultaneously with the negotiation of an investment and may provide for them to receive compensation following such an investment. This may cause them to have conflicts of interest in determining whether a particular proposed investment is the most advantageous for the Company and thereby the shareholders, as the personal and financial interests of such directors may influence their decisions in identifying and selecting a target business; and
- There are no other potential conflicts of interest between the private interests or other duties of the members of the board vis-à-vis the interests of the Company. There is no family relationship between any director.

Liability and insurance

- Under Dutch law, a director may be liable to the Company for damages in the event of improper or negligent performance of their duties. They may be jointly and severally liable for damages towards the Company for infringement of the Articles or of certain provisions of the Dutch Civil Code (*Burgerlijk Wetboek*). In addition, they may be liable towards third parties for infringement of certain provisions of the Dutch Civil Code. In certain circumstances, they may also incur additional specific civil, administrative and criminal liabilities. The directors of the Company will be insured under an insurance policy against damages resulting from their conduct when acting in their capacities as such members or officers.

Indemnification

- The Articles provide for an indemnity for the executive and non-executive directors. Subject to Dutch law and not in any case of wilful misconduct or gross negligence (*opzet of grove nalatigheid*), every person who is or formerly was a director shall be indemnified out of the assets of the Company against all costs, charges, losses and liabilities incurred by such director in the proper execution of their duties or the proper exercise of his or her powers in any such capacities in the Company including, without limitation, a liability incurred in defending proceedings in which judgment is given in such director's favour or in which he or she is acquitted, or which are otherwise disposed of without a finding or admission of material breach of duty on his/her part.

Control relationship within the company

- New Sources Energy had 117.858.811 common shares outstanding as at 31 December 2024, an increase of 35.000.000 common shares from the 82.858.811 common shares outstanding as at 1 January 2024. During 2024 new common shares were issued as a direct result of two convertible loans, however two other convertible loans, bonuses and director and management fees could not be converted into commons shares in support of the Company's reorganisation because of statutory limitations.

- No shares having been issued to which special rights are attached. In respect to the issued common shares, there are no restrictions in any form of any right.

- Of the 24 million warrants that were granted (to be issued until 28 December 2025), 3 million warrants were issued against an exercise price of € 0,05 per common share.

- There are no preference shares outstanding on 31 December 2024. NSE has the possibility to issue preference shares which may be issued in case of a future capital raise, to finance acquisitions or anticipating a hostile takeover.

In accordance with the Articles, issuance of shares is made pursuant to a resolution of the AGM. Issuance of shares is made pursuant to a resolution of the board, if and to the extent designated for that purpose by the AGM. This designation may each time be separated for no longer than five years and each time for no longer than five years. The designation must specify the aggregate nominal amount for which shares may be issued pursuant to a resolution of the board. A resolution to designate will also determine the number of shares of each kind that may be issued. A resolution of the AGM designating the board as the corporate body authorized to issue shares may only be revoked upon proposal by the board, unless otherwise provided.

A resolution of the AGM to issue shares or to designate the board as the corporate body authorised to issue shares can only be taken up on the proposal of the board.

- When deciding to issue shares, the issue price and further conditions of the issue are determined by the board.

- In respect of shares issued pursuant to a resolution of the board, the board may determine that the issue shall be added to the company's reserves.

- The Articles provide that the board is authorised to enter into legal acts regarding non-cash contributions on shares and the other legal acts referred to in Section 2:94 of the Dutch Civil Code without the prior approval of the AGM.

The transfer of rights held by a shareholder in respect of shares which are included in the official giro system shall be made in accordance with the provisions of the Dutch Securities Giro Act. Exceptions to this for the transfer of shares not included in the official giro system are registered by notarial deed or exclusively in accordance with the Securities Giro Act with the required formal consent of the board.

- According to the register of the AFM and information known to the Company, on 31 December 2024 there are 4 shareholders with a substantial holding, i.e. a real interest greater than 3% of the share capital or the right to exercise a voting right of at least 3% to which a person is entitles or is considered to be entitled:

    - Mr. G. Töth 15,5%
    - Mr. H. Kamsteeg 7,0%

– Mr. L.A. Vereecken 6,9%

– Erven J.D. Kleyn 3,3%

— Refer to the section 'financial information' in this report regarding the issued shares which are not distributed to a third party. There are no significant agreements to which the Company is a party, that are created, amended or dissolved under the condition of a change of control of the Company after a public offer is made. The Company has no agreements with any director that provide for a payment on termination of engagement following a public offer for the company's shares.

Going concern

During 2024, management has put significant efforts into identifying potential investments for which management now has to obtain funding. The going concern of the Group is linked to the continuing efforts of management, and success thereof, to raise new funds to invest in portfolio companies.

At year-end 2024, the financial position of the Group includes a EUR 501 thousand cash position which can be freely used by management. At the end of May 2025, the remaining cash balance is sufficient to continue activities for approximately half a year. In 2024, the Group had negative operating cashflow of € 263 thousand. The forecasted cashflow for 2025 assumes a similar negative operating cashflow, without considering potential funding and investments, and hence the current cash position is not sufficient to meet the expected cashflow for the next 12 months after the date of the financial statements.

In order to mitigate the above risks management identified the following combination of required mitigating measures:

- **Finding additional resources of funding.** During 2024, management successfully raised resources to fund the 2024 cash-need. To fund the forecasted cash deficit, management expects being able to continue to obtain similar funding in 2025 and 2026. In May 2025, management committed to fund the Company for another € 100 thousand.
- **Pay out management fees in shares instead of cash.** In 2024 management agreed to settle a total of € 562 thousand in shares instead of cash, which significantly reduced the cash-need. Management can do this also in 2025 and 2026.
- **Reduce costs.** Considering the structure of the Group most of the costs are scalable, therefore management can reduce costs in order to limit the cash-need. As the Group does not have long-term commitments the activities can be significantly reduced, which would lower the cash-need significantly.

As the company is still in the process of meeting potential investors to obtain funding, and the fact that the outcome of the mitigating measures is uncertain, management identified a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. However, considering the combination of mitigating measures available, the going concern basis remains appropriate for preparing the financial statements.

Outlook

The International Energy Agency (IEA) publishes an annual outlook. NSE concurs with the key findings of their *2024 Outlook*:

— The Company observes three overarching and inter-related themes:

  - The first is *energy security*, corresponding to the imperatives of the present given escalating risks in the Middle East.
  - The second relates to *the prospects for clean energy transitions*, which have accelerated rapidly in recent years, but which need to move much faster to meet climate goals.
  - The third theme is *uncertainty*, an ever-present factor in any forward-looking analysis but particularly visible this year.
- The potential for near-term disruption to oil and gas supply is high due to conflict in the Middle East. Around 20% of today's global oil and liquefied natural gas (LNG) supplies flow through the Strait of Hormuz, a maritime chokepoint in the region.
- However, while geopolitical risks remain elevated, an easing in underlying market balances and prices is on the horizon as slowing oil demand growth sees spare crude oil production capacity rise to 8 million barrels per day by 2030. A wave of new LNG projects is set to add almost 50% to available export capacity by 2030.
- In all IEA's scenarios, growth in global energy demand slows thanks to efficiency gains, electrification and a rapid buildout of renewables. By 2030, nearly every other car sold in the world is electric, although delays in the roll-out of charging infrastructure or in policy implementation could lead to slower growth.
- Clean energy meets virtually all growth in energy demand in aggregate between 2023 and 2035, leading to an overall peak in demand for all three fossil fuels before 2030, although trends vary widely across countries at different stages of economic and energy development.
- Electricity demand grows much faster than overall energy demand, thanks to existing uses, notably cooling, and new ones such as electric mobility and data centres. Renewables lead the expansion in electricity generation, with sufficient speed to meet in aggregate all the increases in demand. There is scope to go even faster: today's solar manufacturing capacity hovers around 1 100 GW per year, potentially allowing for deployment almost three-times higher than in 2023.

Based on the abovementioned observations, NSE focuses on the following renewable energy categories: hydropower energy, solar energy, wind energy, and renewable energy production, transport, storage and support solutions, with a particular focus on hydrogen as an energy carrier.

In 2024, NSE, supported by its technology and financing partners, started actively pursuing attractive business opportunities and consequently identified and initiated exploratory talks with potential strategic partners with promising renewable energy production cases and new technologies that are accelerating renewable energy production and supporting the green energy transition.

Amsterdam, 30 May 2025

Drs L.A. Vereecken BSc.MSc.RA CFE
Chief Executive Officer
New Sources Energy N.V.

Chairman's report

I am pleased to present my report for the past financial year. A positive and constructive year in which the planned progress was made on the Company's reorganisation and strategy.

With an ever faster changing economy in combination with unforeseen political developments, climate effects are starting to have a more noticeable presence in everyone's everyday life. A total departure from fossil fuels driven economies, though necessary, is proving not so easy. Society's electrification is well on its way but proves challenging for electricity grids and as a result is negatively impacting business plans and innovations. In the transition one is experiencing increasing pressure on its energy supply, often determined by one's geographical position influencing the ability to provide stability, both environmentally as well as economically.

New Sources is focussing on those arbitrage opportunities that provide answers to growing green energy demand resolving the energy imbalances we now see so clearly emerging in the world around us. Clearly this is not a short-term exercise. The Board is very conscious that the Company's focus on the current potential investment targets would capitalise on innovative opportunities that drive long-term value for investors. Early progress against this strategy has been encouraging and the Board is closely engaged with management on this delivery. Our investor relations team will stress our long-term strategy in its communications intrinsic to the long-term timelines of the energy transition.

In 2024 New Sources has remodelled itself as a modern organisation, maximally supported by automated processes and digitalisation. Our lean and nimble management team hires the best of class external professionals whenever needed. Close cooperation with our strategic partners has already proven its value and will continue to do so in the future.

After more than one year our organisation is now compliant with all rules and regulations whilst getting prepared for Omnibus compliance in 2026.

On behalf of the Board of Directors, I would like to offer a sincere thank you to all members and partners of our organisation for their dedication and hard work during the past year. They have with their commitment and dedicated efforts contributed to the formation of the new foundations under the future of New Sources.

Mrs. A.M. Dirkes
Chairman

Directors' remuneration report

- The NSE's policy is to remunerate directors fairly for their contribution and role within the Company. The Company adheres to the basic principles that its remuneration policy is in line with the market.
- The fixed remuneration for a non-executive director is € 36 thousand per annum and for the chairman of the board € 54 thousand per annum. Non-executive directors will not receive any variable remuneration such as short-term incentives or long-term incentives.
- The remuneration policy is set by the board of directors. Given the Company's status and history, the directors received an increase in their renumeration considering the time spent, monies invested, and the risks involved in reorganising the Company and assuring its continuity. The AGM of 28 June 2024 agreed the following remuneration of the executive-director: € 203 thousand per annum and a performance-based bonus of 11.000.000 common shares (based on agreed-upon milestones), which was granted on 31 December 2024.
- In case of any severance payments for the CEO, the Company will comply with the Code and therefore any severance payments will not exceed once the annual salary.

The table below shows the remuneration (in thousands) awarded to the directors in the financial year of 2024.

Non-executive directors

Name	**Position**	**2024**	**2023**
Mr. J.D. Kleyn	Non-executive director (Chair)	€ -	€ 117
Mrs. A.D. Dirkes	Non-executive director (Chair)	€ 50	€ 7
Mr. A.D. Mirck	Non-Executive director	€ 36	€ 17

The fees of the non-executive directors over 2024 have not been paid out in cash and will be converted into common shares in 2025. The fee for Mrs. Dirkes was adjusted for her change of positions during the year on a pro-rata basis (she was formally appointed chair of the Board as of 12 June 2024).

During 2024, no other allowances were paid to non-executive directors.

Executive directors

Name	**Position**	**2024**	**2023**
Mr. L.A. Vereecken	Executive director (CEO)	€ 386	€ 122

During 2024 Mr. Vereecken was not paid his yearly remuneration a € 203 thousand. However, he was awarded a one-off sign-on fee of € 203 thousand which will be converted into common shares in 2025.

Furthermore, based on his performance in 2024, he will be entitled to a performance-based bonus of 11.000.000 common shares which is the equivalent of € 165 thousand. This will be settled in 2025.

Finally, during 2024, car allowances were paid to him amounting to € 18 thousand.

Directors' statement

The directors are responsible for preparing the Company's annual report. The Company's annual report comprises the management report and the financial statements. The directors are responsible for preparing the annual report in accordance with applicable law and regulations. The directors are required by law to prepare the annual report for each financial year. The directors have prepared the annual report in accordance with International Financial Reporting Standards ("**IFRS**") as adopted by the European Union and the relevant provisions of the Dutch Civil Code. The directors must not approve the annual report unless they are satisfied that it gives a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the annual report, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable IFRS as adopted by the European Union and the relevant provisions of the Dutch Civil Code have been followed, subject to any material departures disclosed and explained in the Annual Report; and
- prepare the annual report on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose, with reasonable accuracy at any time, the financial position of the Company and enable them to ensure that the annual report complies with applicable law. The directors have assessed whether the risk assessment executed showed any material failings in the effectiveness of the Company's internal risk management and control systems. Though such systems are designed to manage and control risks, they can provide reasonable, but not absolute, assurance against material misstatements. Based on this assessment, to the best of our knowledge and belief, no material failings of the effectiveness of the Company's internal risk management and control systems occurred, and the internal risk and control systems provides reasonable assurance that the 2024 financial statements do not contain any errors of material importance.

With reference to section 5.25c paragraph 2c of the Dutch Act on Supervision, each of the Directors, whose names and functions are listed in the Board of Directors section, confirm that, to the best of their knowledge:

- the Company's financial statements which have been prepared in accordance with IFRS as adopted by the European Union and the relevant provisions of the Dutch Civil Code, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;
- the Management Report gives a true and fair view on the situation on the balance sheet date, the development and performance of the business and the position of the Company of which the financial information is included in the Management Report and includes a description of the principal risks and uncertainties that the Company faces; and
- having taken all matters considered by the board and brought to the attention of the board during the financial year into account, the directors consider that the annual report, taken as a whole is fair, balanced and understandable. The directors believe that the disclosures set out in the annual report provide the information necessary for shareholders to assess the Company's position and, performance.

Amsterdam, 30 May 2025

Signed by:

Drs L.A. Vereecken BSc.MSc.RA CFE
Chief Executive Officer
New Sources Energy N.V.

Non-executive directors:

A.M. Dirkes
A.M. Mirck

Financial statements

- Consolidated financial statements
- Separate financial statements

Consolidated financial statements

— Consolidated statement of financial position as at 31 December 2024
— Consolidated statement of profit or loss and comprehensive income for the year 2024
— Consolidated statement of changes in equity for the year 2024
— Consolidated statement of cash flows for the year 2024
— Notes to the consolidated financial statements

Consolidated statement of financial position as at 31 December 2024

	Note	31 December 2024	31 December 2023
		€ 1,000	€ 1,000
Assets			
Tangible fixed assets	4	8	-
Non-current assets		**8**	**-**
Other receivables	6	-	111
Cash and cash equivalents	7	501	25
Current assets		**501**	**137**
Total assets		**509**	**137**

	Note	31 December 2024	31 December 2023
		€ 1,000	€ 1,000
Equity	8		
Share capital		3.535	2.486
Share premium		16.833	17.295
Other reserves		-20.168	-19.689
Total equity attributable to the owners of the company		**200**	**92**
Non-controlling interest		-	-
Total equity		**200**	**92**
Non-current Liabilities			
Loans and borrowings	9	-	-
Total non-current Liabilities		-	-
Current Liabilities			
Loans and borrowings		91	-
Tax		27	-
Other payables		191	44
Total current liabilities	10	309	44
Total liabilities		**309**	**44**
Total equity and liabilities		**509**	**137**

The notes on pages 26 to 52 are an integral part of these consolidated financial statements.

Consolidated statement of profit or loss and comprehensive income for the year 2024

	Note	2024 € 1,000	2024 € 1,000	2023 € 1,000	2023 € 1,000
Continuing operations					
Revenue	12	-		-	
Revenue		-		-	
Other expenses	13	893		413	
Operating loss		-893		-413	
Finance costs	14	-11		-5	
Loss before taxation			-904		-418
Income tax			-		-
Loss after taxation from continuing operations			-904		-418
Total comprehensive loss attributable to the owners of the company			-904		-418
Earnings per share (in € per Share)					
Earnings per share			-0,011		-0,006
Diluted earnings per share			-0,011		-0,006

The notes on pages 26 to 52 are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity for the year 2024

	Note	Issued share capital € 1,000	Share premium € 1,000	Other reserves € 1,000	Total € 1,000
Balance at 1 January 2024		2.486	17.295	-19.689	92
Transactions with the owners of the company					
— Issued shares in portfolio	8	887	-385		502
— Issued and converted loans	8	95	-43		52
— Issued shares related to share based payments	16	67	-34	-33	-
— Share based payments expense for the year	16			458	458
Result of the year 2024				-904	-904
Balance at 31 December 2024:		**3.535**	**16.833**	**-20.168**	**200**
Balance at 1 January 2023		1.793	17.284	-19.270	-194
Transactions with the owners of the company					
— Issued shares shareholder loans	8	170	-6		164
— Issued and convertible loans	8	135	15		150
— Issued and converted fees	16	209	2		211
— Issued shares related to share based payments	16	180	-	-180	-
— Share based payment expense for the year	16			180	180
Result of the year 2023				-418	-418
Balance at 31 December 2023:		**2.486**	**17.295**	**-19.689**	**92**

The comparative figures are restated for comparative purposes.
The notes on pages 26 to 52 are an integral part of these consolidated financial statements.

Consolidated statement of cash flows for the year 2024

	2024	2023 Restated
	€ 1,000	€ 1,000
Cash flows from operating activities		
Loss for the period	-904	-418
Adjusted for:		
- Depreciation of fixed assets	1	-
- Impairment of receivables	41	-
- Equity settled share-based payments	458	180
- Equity settled remuneration and director fees	-	212
- Interest expenses	11	5
- Release of accrual	-	-80
- Other	2	-2
	-391	-103
Changes in:		
— Other receivables	61	-105
— Other payables	225	-9
Cash generated from operating activities	-105	-217
Interest paid	-1	-5
Net cash from operating activities	**-106**	**-222**
Cash flows from investing activities		
- Investments in fixed assets	-8	-
Net cash from (used in) investing activities	-8	-
Cash flows from financing activities		
Proceeds from issue of share capital	-	-
Proceeds from issue of convertible notes	90	150
Proceeds from loans and new borrowings	500	80
Net cash from (used in) financing activities	**590**	**230**
Net increase/decrease in cash and cash equivalents	476	8
Cash and cash equivalents at 1 January	25	17
Cash and cash equivalents at 31 December 2024	**501**	**25**

The comparative figures are restated due to error accounting, refer to Note 2(f).
The notes on pages 26 to 52 are an integral part of these consolidated financial statements.

Notes to the consolidated financial statements for the year 2024

1 The company and its operations

(a) Reporting entity and relationship with parent company

New Sources Energy N.V. (the "**Company**") is a public limited liability company domiciled in the Netherlands. The Company was incorporated in the Netherlands. The Company's registered office is at Apollolaan 151, 1077AR Amsterdam, the Netherlands. The Company was founded on 26 October 1978 and is registered in the Trade Register of the Amsterdam Chamber of Commerce under number 33154205.

The Company is publicly listed on Euronext Amsterdam (**NSE.AMS**).

These consolidated financial statements comprise the Company and its subsidiaries (collectively the "**Group**" and individually "**Group companies**"). The Company is a holding company. The main activities of the group of which the Company is the parent are related to investments in renewable energy assets. The activities of the Company and the Group are focussing on the market of the European Union.

A list of entities the Company participates in is included in note 23 of the separate financial statements.

(b) Financial reporting period

These financial statements cover the year 2024, which ended at the balance sheet date of 31 December 2024.

(c) Going concern

During 2024, management has put significant efforts into identifying potential investments for which management now has to obtain funding. The going concern of the Group is linked to the continuing efforts of management, and success thereof, to raise new funds to invest in portfolio companies.

At year-end 2024, the financial position of the Group includes a € 501 thousand cash position which can be freely used by management. At the end of May 2025, the remaining cash balance is sufficient to continue activities for approximately half a year. In 2024, the Group had negative operating cashflow of € 263 thousand. The forecasted cashflow for 2025 assumes a similar negative operating cashflow, without considering potential funding and investments, and hence the current cash position is not sufficient to meet the expected cashflow for the next 12 months after the date of the financial statements.

In order to mitigate the above risks management identified the following combination of required mitigating measures:

- **Finding additional resources of funding.** During 2024, management successfully raised resources to fund the 2024 cash-need. To fund the forecasted cash deficit, management expects being able to continue to obtain similar funding in 2025 and 2026. In May 2025, management committed to fund the Company for another € 100 thousand.
- **Pay out management fees in shares instead of cash.** In 2024 management agreed to settle a total of € 562 thousand in shares instead of cash, which significantly reduced the cash-need. Management can do this also in 2025 and 2026.
- **Reduce costs.** Considering the structure of the Group most of the costs are scalable, therefore management can reduce costs in order to limit the cash-need. As the Group does not have long-term commitments the activities can be significantly reduced, which would lower the cash-need significantly.

As the company is still in the process of meeting potential investors to obtain funding, and the fact that the outcome of the mitigating measures is uncertain, management identified a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. However, considering the combination of mitigating measures available, the going concern basis remains appropriate for preparing the financial statements.

2 Basis of preparation

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as endorsed by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.

The accounting policies applied in preparing these consolidated financial statements are set out below. These policies have been consistently applied throughout the period and to each subsidiary within the Group.

The consolidated financial statements were authorised for issue by the Board of Directors on 29 May 2024.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost convention except where stated.

(c) Functional and presentation currency

These consolidated financial statements are presented in euro, which is the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

(d) Use of judgements and estimates

In preparing these consolidated financial statements, management has made judgements and estimates about the future, including climate-related risks and opportunities, that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Group's risk management and climate-related commitments where appropriate. Revisions to estimates are recognised prospectively.

Judgements

No significant judgements were applied in these consolidated financial statements.

Assumptions and estimation uncertainty

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the year ended 31 December 2024 is included in the following note:

- Note 18: uncertainty regarding an ongoing dispute

(e) Changes in material accounting policies

There were no significant changes in material accounting policies.

(f) Correction of errors

During 2024, the Group discovered that items (mainly related to share-based payments and board remuneration), included in the 2023 cashflow statement, were incorrectly presented as cash-item under the financing cash flows. The errors have been corrected by restating the 2023 numbers in the cashflow statement. The impact on the cash flows statement is as follows:

For the year ended 31 December 2023	As previously reported EUR 1,000	Adjustments EUR 1,000	As restated EUR 1,000
Net cash from operating activities	-330	108	-222
Net cash from (used in) investing activities	-	-	-
Net cash from (used in) financing activities	338	-108	230
Net increase/ decrease in cash and cash equivalents	8	-	8

3 Material accounting policies

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements, except if mentioned otherwise. Not all accounting policies are material but will most likely become material as the Company becomes more active and are therefore included.

(a) Principles for consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the noncontrolling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable IFRS Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

(ii) Transaction between entities within the group

Transactions and balances between entities forming part of the Group together with any unrealised income and expenses arising from intra-group transactions are eliminated in the preparation of the consolidated financial statements of the Group. Unrealized gains on transactions between Group entities are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

(b) Financial instruments

(i) Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus (or minus), for an item not at Fair Value through Profit and Loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Recognition and initial measurement

On initial recognition, a financial asset is classified as measured at: amortised cost; Fair Value through OCI (FVOCI) – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets – Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Financial assets – Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Share capital

Common shares

The share capital consists of common shares.

Incremental costs directly attributable to the issue of common shares, net of any tax effects, are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with IAS 12.

Preference shares

The Group has the option to issue preference shares to protect against for example a hostile takeover. At year-end 2024 no preference shares were issued.

Compound financial instruments

Compound financial instruments issued by the Group comprise convertible loans in EUR, which can be converted by the holder at a point in time to a fixed number of common shares.

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured.

Interest related to the financial liability is recognised in profit or loss. On conversion, the financial liability is reclassified to equity and no gain or loss is recognised.

(c) Impairment

(i) Financial assets

IFRS 9 requires entities to assess on a forward-looking basis the expected credit losses associated with their debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Loss allowances for trade receivables are measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group’s historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

The Group's assets subject to credit risk in the scope of IFRS 9 include, cash and cash equivalents and other receivables.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

When the time value of money is material, ECLs are discounted at the effective interest rate of the financial asset.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery.

(d) Cash and cash equivalents

Cash comprises cash on hand, current accounts with banks, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less. For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits defined above. Cash and cash equivalents are initially measured at fair value, and subsequently at amortised costs.

(e) Operating profits/loss

Operating profit/loss is the result generated from the continuing principal revenue producing activities of the Group as well as other income and expenses related to operating activities. Operating profit/loss excludes net finance costs and income taxes.

(f) Finance income and finance costs

The Group's finance income and finance costs include:

- interest expense;

Interest expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest expense, the effective interest rate is applied to the amortised cost of the liability. If the Group revises its estimates of contractual payments, it recalculates amortised cost of the financial liability as the present value of the estimated future contractual cash flows that are discounted at the financial instrument's original effective interest rate. The adjustment is recognised in profit or loss as income or expense.

(g) Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Interest and penalties related to income taxes, including uncertain tax treatments, are accounted for under IAS 37 Provisions, Contingent Liabilities and Contingent Assets and IFRIC 23 regarding uncertain tax positions.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Segment reporting

Based on the current nature of the Group there is no split in segments applicable to these financial statements. All activities are currently within the parent company and these activities are all related to the same purpose and hence segment. The Board of Directors, who are considered CODM, monitor all activities of the Group as if it is one segment.

As such, the group has one reportable segment and therefore does not disclose the segment reporting requirements in accordance with IFRS 8.

Share-based payment arrangements

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using listed share price.

That cost is recognised in other expense, together with a corresponding increase in equity (other capital reserves), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

(h) New and amended standards adopted by the Group

The following amendments are effective for the period beginning 1 January 2024:

- IFRS 16 Leases (Amendment - Liability in a Sale and Leaseback)
- IAS 1 Presentation of Financial Statements (Amendment – Classification of Liabilities as Current or Non-Current)
- IAS 1 Presentation of Financial Statements (Amendment – Non-current Liabilities with Covenants)

Adopting these new standards did not result in significant changes to these financial statements.

(i) New standards and interpretations not yet adopted

The standards and interpretations that are issued, but not yet effective up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

The impact of the following amended standards and interpretations are currently being investigated by the Group but are not expected to have a significant impact on the Group's financial statements, except for IFRS 18.

The following amendments are effective for the period beginning 1 January 2025:

- Lack of Exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates

The following amendments are effective for the period beginning 1 January 2026:

- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures*
- Annual Improvements to IFRS Accounting Standards
- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

The following amendments are effective for the period beginning 1 January 2027

- IFRS 18 *Presentation and Disclosure in Financial Statements*
- IFRS 19 *Subsidiaries without Public Accountability: Disclosures*

4 Tangible fixed assets

ICT hardware

At year-end the Company owned ICT hardware.

	2024 € 1,000	2023 € 1,000
Laptops, phones and printers	8	-
	8	-

All assets were acquired during 2024. Depreciation for the year was € 0,5 thousand.

5 Deferred taxes

Tax losses carried forward

At the year-end of 2024, the total of accumulated losses had amassed to € 2.426 thousand. Deferred taxes are not recognised since there is currently no outlook on future taxable profits.

Unrecognised tax losses carried forward expire as follows:

Year	2024 € 1,000
Never expire	2.426
Accumulated tax losses	**2.426**

6 Other receivables

	2024 € 1,000	2023 € 1,000
Tax receivable (VAT)	-	4
Issued capital called but not paid-up	-	66
Other receivables	-	41
	-	111

The tax receivable concerned VAT (BTW) and amounted to nil (2023: € 4).

All receivables have an estimated maturity shorter than one year. The fair value of the trade and other receivables approximates the book value.

7 Cash and cash equivalents

	2024 € 1,000	2023 € 1,000
Bank accounts	501	25
	501	25

The Group held cash and cash equivalents of € 501 at 31 December 2024 (2023: € 25). The cash and cash equivalents are held with bank and financial institution counterparties, which are rated AA- to AA+, based on rating agency's ratings.

Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. There are no restrictions on the Group's cash balances. The carrying value of cash and cash equivalents approximates its fair value.

8 Shareholders' equity

Share capital and share premium

	Common shares 2024 € 1,000	Common shares 2023 € 1,000
On issue at 1 January 2024	82.858.811	59.751.066
Issued for cash[1]	3.181.945	23.107.745
Issued as management bonus[1]	2.236.842	-
Issued shares not distributed[2]	29.581.213	-
On issue at 31 December 2024	117.858.811	82.858.811

1) The following parties were awarded the following number of common shares:

Mr. H. Kamsteeg: 3.181.945

Payment of convertible loan from Mr. H. Kamsteeg (€ 52) on 27 June 2024, including 10% interest. The convertible loan was converted at a share price of € 0,0165 per share on 31 December 2024. The lender was issued respectively 3.181.945 common shares.

Conor Group B.V.: 2.236.842

Part payment of performance-based shares to Conor Group B.V., the CEO's management company, was granted 2.236.842 common shares.

2) As per 31 December 2024, the shares that result from the conversion of a convertible loan of € 500.000 (excluding interest) have not been distributed and are still in possession of the Company. Refer to note 18.

Common shares and preference shares

With reference to Section 2:67(1) of the Dutch Civil Code, the register share capital of the Company amounts to € 8.400. The registered share capital consists of 280.000.000 shares with a nominal value of € 0,03 each and is divided between:

- 140.000.000 common shares; and
- 140.000.000 preference shares.

Of the Company's outstanding shares, 117.858.811 (2023: 82.858.811) common shares and 0 preference shares have been issued. 29.581.213 shares were not distributed as at 31 December 2024.

In 2024, 35.000.000 new common shares were issued in connection with the conversion of loans and director fees.

Share premium

The share premium concerns equity from the issuing of shares in so far as this exceeds or falls below the nominal value of the shares (i.e. increase or decrease).

Reserves required by the Articles of Association (statutory reserves)

The reserves required by the Articles of Association are recognised pursuant to articles 25 of the Articles of Association.

Unappropriated result

Appropriation of profit of 2023

The financial statements for the reporting year 2023 have been adopted by the AGM on 28 June 2024. The loss over the reporting period 2023 has been added to the negative general reserves.

Proposal for profit appropriation 2024

The financial statements for the reporting year 2024 show a loss. The loss over the reporting period 2024 is proposed to be added to the negative general reserves.

Basic earnings per share

Basic earnings per share are calculated by dividing net loss attributable to equity holders of NSE by the weighted average number of shares outstanding.

Basic Earnings per Share	2024 € 1.000	2023 € 1.000
Net loss from continued operation attributable to equity holders of NSE	-904	-418
Weighted average number of shares outstanding in thousands	82.858	71.305
Basic earnings per share (€ per Share)	-0,011	-0,006
Diluted earnings per share (€ per Share)	-0,011	-0,006

In case the warrants granted during the year (as disclosed in note 11) would be utilised in the future this will have a diluting effect on the earnings per share.

9 Loans and borrowings

	2024 € 1,000	2023 € 1,000
Debt to shareholders	-	-
Convertible loans	-	-
	-	-

Movement schedule 2024

	Cash movements € 1,000	Non-cash movements € 1,000	Total € 1,000
Opening balance 1 January 2024	-	-	-
Issued during the period	590	46	636
Interest and amortisation	-	-	-
Converted	-	-555	-555
Interest	-	10	10
Ending balance 31 December 2024 (included under current liabilies)	590	-499	91

Movement schedule 2023

	Cash movements € 1,000	Non-cash movements € 1,000	Total € 1,000
Opening balance 1 January 2023	-	79	79
Issued during the period	230	-	230
Interest and amortisation	-	-	-
Converted	-	-314	-314
Interest	-	5	5
Ending balance 31 December 2023	230	-230	-

Debt to shareholders

There were no debts to shareholders during the year or at year-end.

Convertible loans

	2024
	€ 1,000
Proceeds from issue of convertible loans	640
Amount classified as payment	-4
Net proceeds	636
Amount classified as equity	-555
Accrued interest	10
Carrying amount of liability at 31 December 2024 (included under current liabilities)	91

The convertible loans were issued on 27 June 2024 (€ 50) and 9 December 2024 (€ 500) at an interest rate of 10% and against an exercise price of respectively € 0,0165 and € 0,017 per common share. These convertible loans were converted at year-end into in total 32.763.158 common shares.

The remaining carrying amount consist out of two convertible loans issued on 27 June 2024 (€ 50 and € 40) at an interest rate of 10% and against an exercise price of € 0,0165 to related parties (board members). Both convertible loans matured at 31 December 2024 and are expected to be settled in 2025. The conversion features were not split from the instruments considering the limited quantitative impact.

10 Current liabilities

	2024	2023
	€ 1,000	€ 1,000
Loans and borrowings - current	91	-
Taxes (VAT)	27	-
Suppliers and trade creditors	98	32
Director renumeration (refer to note 16)	93	11
Shareholders	-	1
	309	44

All current liabilities fall due in less than one year. The carrying amount of trade and other payables is considered a reasonable approximation of their respective fair value, due to their short-term nature.

11 Financial instruments

Financial instruments issued

The AGM of 28 June 2024 agreed to issue the following financial instruments:

- **Convertible loans** – The placement and conversion of one or more convertible loans for a total of 24 million against an exercise price of € 0,03 per common share. At 31 December 2024 there were two convertible loans outstanding, refer to note 9.
- **Share-based payments** – The placement and conversion of a management bonus for a total of 11 million against an exercise price of € 0,03 per common share. At 31 December 2024 there were 11 million common shares outstanding, refer to note 16.
- **Warrants** – The granting of 24 million unlisted warrants against an exercise price of € 0,05 per common share, to be issued until 28 December 2025, i.e. latest 18 months after approval by the AGM. At 31 December 2024 3 million warrants had been issued by the Company to Mr. H. Kamsteeg.
- **Preference shares** – The issuance of preference shares, with or without the issuance of a call option, until 28 December 2025. At 31 December 2024 no preference shares were issued.

Financial instruments by category

Financial instruments not measured at fair value includes shareholder loans, cash and cash equivalents, trade and other receivables, trade and other payables, and loans and borrowings.

Due to their short-term nature, the carrying value of cash and cash equivalents, trade and other receivables, and trade and other payables approximates their fair value. At year-end 2024, the fair value of the convertible loans approaches the carrying amount.

	Amortised cost 31 December 2024 € 1,000	Amortised cost 31 December 2023 € 1,000
Financial assets		
Other receivables	-	111
Cash and cash equivalents	501	25
Total financial assets	**501**	**137**
Financial liabilities		
Convertible loans	91	-
Tax	27	-
Trade and other payables	98	44
Director renumeration	93	44
Total financial liabilities	**309**	**44**

Risk management

The Group is exposed to credit risk, liquidity risk, and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. Risk management is carried out under policies approved by the board of directors of the Company and of relevant subsidiaries.

Credit risk

The Group is exposed to credit related losses in the event of non-performance by counterparties to financial instruments but does not expect any counterparties to fail to meet their obligations.

Credit risk arises from Cash and cash equivalents, and other receivables. The Group has policies in place to ensure that transactions are made to parties with an appropriate credit history. Cash transactions are limited to high credit quality financial institutions.

The Group applies IFRS 9. IFRS 9 establishes a three-stage impairment model, based on whether there has been a significant increase in the credit risk of a financial asset since its initial recognition. These three stages then determine the amount of impairment to be recognised as expected credit losses (ECL) (as well as the amount of interest income to be recorded) at each reporting date:

- Stage 1: Credit risk has not increased significantly since initial recognition – recognise 12 months ECL (i.e., the portion of lifetime ECLs that represent the ECLs that result from default events that are possible within the 12-months after the reporting date), and recognise interest on a gross basis
- Stage 2: Credit risk has increased significantly since initial recognition – recognise lifetime ECL (i.e., ECLs that result from all possible default events over the expected life of a financial instrument), and recognise interest on a gross basis
- Stage 3: Financial asset is credit impaired – recognise lifetime ECL, and present interest on a net basis (i.e. on the gross carrying amount less credit allowance).

The Group considers the probability of default upon initial recognition of the assets and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is significant increase in credit risk the Group compares the risk of a default occurring on the asset at the reporting date with the risk of default as the date of initial recognition.

For other receivables (with a maturity of 12 months or less), 'lifetime expected credit losses' are recognised (the 'simplified approach') and is determined to be immaterial considering the remaining book value at year-end.

The Group's maximum exposure to credit risk for the components of the statement of financial position is the carrying amounts as shown below:

	2024 € 1,000	2023 € 1,000
Other receivables	-	111
Cash and cash equivalents	501	25
	501	**137**

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses.

The following are the undiscounted contractual maturities of the financial liabilities, including estimated interest payments as at the reporting date per 2024:

	Carrying amount € 1,000	Contractual cash flows € 1,000	Up to 12 months € 1,000	Between 2 and 5 years € 1,000	Over 5 years € 1,000
Loans and borrowings	91	91	91	-	-
Other payables	98	98	98	-	-
	189	**189**	**189**	**-**	**-**

The following are the undiscounted contractual maturities of the financial liabilities, including estimated interest payments as at the reporting date per 2023:

	Carrying amount € 1,000	Contractual cash flows € 1,000	Up to 12 months € 1,000	Between 2 and 5 years € 1,000	Over 5 years € 1,000
Loans and borrowings	-	-	-	-	-
Other payables	44	44	44	-	-
	44	**44**	**44**	**-**	**-**

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Group's exposure to the risk of changes in market interest rates is primarily limited to cash balances on which interest is earned.

If interest rates had been 1% higher/lower and all other variables were held constant, the Group's profit for the year in 2024 would be € 0 higher/lower (2023: € 0 higher/lower).

Capital management

The Group manages its net debt (total cash divided by gross debt) as capital. The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, to provide returns for shareholders, to maintain an optimal capital structure to reduce the cost of debt.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

	2024	2023
	€ 1,000	€ 1,000
Total cash	501	25
Gross debt	309	44
Net debt ratio	**0,62**	**1,76**

12 Revenue streams

The Group did not generate revenues in 2024 and 2023.

13 Other expenses

	2024 € 1,000	2023 € 1,000
Auditor expenses[1]	54	-
Office expenses	11	-
Sales expenses	38	-
External advisors' expenses	91	17
Management fees[2]	458	100
Directors' fees[2]	94	299
Listing expenses	78	72
ICT expenses	22	2
Administrative expenses	4	2
Other expenses[3]	43	-80
Other expenses	**893**	**413**

1) Due to the absence of an auditor in 2023 the auditors expenses were nil in 2023 as referred to in Section 2:382a(1) and (2) of the Dutch Civil Code. The presented amount for 2024 represents the costs related to audit procedures performed in 2024. The total audit fees for the audit of the 2024 financial statements amount to € 170.000.
2) These concern payments to ex-directors and directors for both 2024 and 2023 (refer to note 16).
3) These concern mainly in 2024 the writing off of a receivable to Mr. Mouthaan (former executive board member) in relation to incorrectly paid fees. For 2023, it relates to a release of an expense accrual from previous years.

14 Interest expenses and similar charges

	2024 € 1,000	2023 € 1,000
Convertible loans	10	5
Other	1	-
	11	5

15 Tax on result

	2024 € 1,000	2023 € 1,000
Tax benefit for current financial year	-	-
Income tax benefit	-	-

Future tax profits can be compensated with deductible tax losses from prior year(s).

Reconciliation of effective tax rate

	2024 € 1,000	 %
Loss before tax	904	
Tax using the Netherlands tax rate of 25,8%	-233	-25.8
Unrecognized tax assets	233	25.8
Income tax expense	-	-

The total effective tax rate percentage in 2024 is 0% as the result of the consolidated loss before tax against the tax rate in the Netherlands.

Uncertainty over income tax treatments

No uncertain tax treatments have been applied during the period.

16 Remuneration of executive and non-executive directors

The AGM of 14 December 2023 agreed the following changes in remuneration: € 36 per annum for the non-executive directors, € 54 per annum for the chairman of the board, and € 100 per annum for the executive-director.

The AGM of 28 June 2024 agreed the following rise in remuneration: € 203 per annum for the executive director. The non-executive directors' remuneration remained unchanged.

The director fees as referred to in Section 2:383(1) of the Dutch Civil Code, charged in the financial year to the company, its subsidiaries and consolidated other companies amounted to € 289 thousand, € 203 to the executive director in 2024 and € 86 to the non-executive directors.

Including in key management personnel are the Board of Directors and the CTO.

Key management personnel compensation comprised the following:

	2024 € 1.000	2023 € 1.000
Short-term employee benefits	104	219
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	458	180
	562	**399**

The table above can be broken down per person as follows:

Remuneration 2024

Name	Position	Expenses 2024 (in € thousand)
Mr. A.D. Mirck	Non-executive director	€ 36
Mrs. A.D. Dirkes	Non-executive director (Chairman)	€ 50
Mr. J.D. Kleyn	Resigned († 11 June 2024)	€ -
Mr. L.A. Vereecken	Executive director (CEO)	€ 386
Mr. A.J.M. van Wijk	Key management personnel (CTO)	€ 90

Remuneration 2023

Name	Position	Expenses 2023 (in € thousand)
Mr. F. Mouthaan	Resigned	€ 58
Mr. A.D. Mirck	Non-executive director	€ 42
Mrs. A.D. Dirkes	Non-executive director	€ 7

Mrs. E. Hermans	Resigned	€ -
Mr. J.D. Kleyn	Non-executive director (Chairman)	€ 117
Mr. L.A. Vereecken	Executive director (CEO)	€ 122
Mr. R.G.J. Houweling	Resigned	€ 25
Mr. L.D. Witte	Resigned	€ 25

Non-executive directors

All the 2024 and 2023 director fees have not been paid out in cash but will be converted into common shares in 2025. Mrs. Dirkes' board fees of € 57 thousand (including 2023: € 7 thousand) will be converted into 3.803.653 common shares. The fee for Mrs. Dirkes was adjusted for her change of positions during the year on a pro-rata basis (she became chair of the Board as of 12 June 2024).

Mr. Mirck's 2024 board fees of € 36 thousand will be converted in 2025 into 2.400.000 common shares against the closing share price of 31 December 2024.

Furthermore, during 2024, other allowances were paid to non-executive directors amounting to nil.

Executive directors and key management personnel

During 2024 Mr. Vereecken was not paid his yearly remuneration a € 203 thousand. However, he was awarded a one-off sign-on fee of € 203 thousand which will be converted into common shares in 2025 (13.533.333).

Furthermore, over 2024, he was granted a performance-based bonus (as referred to in the pre-activation remuneration policy) of 11.000.000 common shares which is the equivalent of € 165 thousand and will be fully paid in shares in 2025 of which 2.236.842 common shares were issued at 31 December 2024.

Finally, during 2024, car allowances were paid to him amounting to € 18 thousand.

During 2024 Mr. van Wijk, who is considered key management personnel, was not paid his yearly remuneration a € 120 thousand. However, he was awarded a one-off sign-on fee of € 90 thousand which will be converted into common shares in 2025 (6.000.000).

Share based payments

During 2024, the Group had the following share-based payment arrangements.

- Sign-on bonus

The 2024 sign-on bonuses are as follows:

- Sign-on bonus of € 203 thousand for Mr. L.A. Vereecken
- Sign-on bonus of € 90 thousand for Mr. A.J.M. van Wijk

In 2025, the sign-on bonus will be converted in common shares of the Company at the closing share price of 31 December 2024 i.e. € 0,015 per share.

There are no conditions attached to the shares awarded as a sign-on bonus. The sign-on bonus shall be provided in connection with the services received by the Company from the individuals involved during 2024 and shall be settled in shares. The transaction is in scope of IFRS 2 as the Company is receiving services as consideration for its own equity instruments. As the settlement is in common shares the arrangement is classified as an equity-settled share-based payment.

As the Directors are not required to complete a specified period of service before becoming unconditionally entitled to the shares and there are no leaver conditions on the shares the equity instruments vest at the grant date and the Company should recognise an expense equal to the amount of the sign-on bonus and the corresponding entry recorded in to share capital and reserves as at 31 December 2024.

- Performance based bonus (as referred to in the pre-activation remuneration policy)

The performance-based bonus is as follows:

- Granting of 11 million shares, split in 7 different milestones to Mr. L.A. Vereecken.

Each milestone is a separate grant, where every milestone can be met independently and respective shares to be issued upon achieving that milestone. And that apart from the Mr. Vereecken being in service when the milestone is achieved, there are no other employment conditions attached to this bonus.

The milestone bonus is awarded to Mr. Vereecken for his services because of achieving pre-determined milestones. The bonus shall be settled in shares, therefore the transaction is considered a share-based payment transaction as the Company is receiving services as consideration for its own equity instruments. For equity-settled share-based payment arrangements, the Company should recognise share-based payment expenses based on the grant date fair value (IFRS 2.11), with no subsequent reassessment of the fair value of the equity instruments granted.

Per IFRS 2.IG1, grant date is the date at which the entity and the employee (or other party providing similar services) agree to a share-based payment arrangement, being when the entity and the counterparty have a shared understanding of the terms and conditions of the arrangement. As the Remuneration Policy was approved at the Annual General Meeting on 28 June 2024, this is the grant date.

The grant date fair value multiplied by the number of equity instruments for which the performance conditions are expected to be satisfied is the estimated share-based payment cost. This is recognised over the vesting period as an expense, with a corresponding entry to equity.

The vesting period is the period during which all the specified vesting conditions are to be satisfied for the Director to be entitled unconditionally to the equity instruments. The milestone bonus includes a separate non-market performance vesting condition for each of the 7 grants. The Company estimated the length of the expected vesting period at grant date, based on the most likely outcome of the performance condition. This was determined to be 31 December 2024.

The fair value of the performance-based bonus is determined to be the share price at the grant date (of € 0,015 per share).

Reconciliation of outstanding shares

	2024	
	Number of shares	Weighted average exercise price EUR
Outstanding at 1 January	-	-
Forfeiting during the year	-	-
Granted during the year	30.533.333	0,015
Exercised during the year	-2.236.842	0,015
Outstanding and Exercisable at 31 December	28.296.491	0,015

17 Workforce

The average number of advisors in full-time employees (FTE) engaged by the Group was 1,8 (2023: 0), all in the Netherlands, split by the following categories:

	2024	2023
Management team	1,6	-
Financial administration	0,2	-
	1,8	-

The management team consists of the Company's CEO and CTO, respectively Messrs Vereecken (CEO) and Van Wijk (CTO), assisted by Controller Mr. Sterrenberg. All 3 professionals are engaged by means of a management fee agreement. In 2024 the CEO and CTO have not been paid out in cash but received sign-on bonuses of respectively € 203 thousand and € 90 thousand at the signing of their management fee agreement, which will be converted in shares.

18 Commitments and contingencies

There were no capital commitments, no contingent liabilities, and no guarantees and pledged assets in 2024 and 2023.

At 8 December 2024, the Company entered into a Collaboration Agreement related to the business goals of realising and operating a large-scale liquid hydrogen production plant in Egypt. In relation to the Collaboration the Company also entered in a Convertible Loan Agreement of € 500 thousand. In the Collaboration Agreement the Company has agreed objectives in relation to ownership, control and management of the project, funding, legal and operational structure, and phasing of the project.

At 31 December 2024, the € 500 thousand loan, as well as the related interest, have been converted into shares, in line with the Convertible Loan Agreement. In May 2025, the Company and counterparty reached a, to be formalized, agreement to terminate the Collaboration

Agreement. Based on the agreement, the Company does not have to distribute the shares to the counterparty. This transaction will be accounted for in equity.

19 Related parties

Identification of related parties

In the normal course of business, the Group enters into various transactions with related parties. Parties are considered to be related if one party has the ability to control or exercise significant influence over the other party in making financial or operating decisions. Transactions vary from financing activities to regular purchases and sales transactions. There are no significant provisions for doubtful debts or individually significant bad debt expenses recognised on outstanding balances with related parties.

The following parties are considered related parties of the Group:

- The Group's directors and CTO:
  - Mrs. A.M. Dirkes
  - Mr. A.M. Mirck
  - Mr. L.A. Vereecken / Conor Group B.V.
  - Mr A.J.M. van Wijk
- Subsidiaries of the Group, as detailed in note 4.
- Stichting Preferente Aandelen New Sources Energy

Ultimate controlling party

During 2024, there were no ultimate controlling parties or changes in this position.

Transactions with key management

Refer to note 16 for further details on the transactions with key management.

Loans to directors

During 2024, there were no unsecured loans awarded to directors.

Other related party transactions

All outstanding balances with related parties are priced on an arm's length basis and are to be settled in cash within two months of the end of the reporting period. None of the balances are secured. No expense has been recognised in the current year or prior year for bad of doubtful debts in respect of amounts owed by related parties. No guarantees have been given or received to or from related parties.

20 Subsequent events

For developments in relation to the Collaboration Agreement refer to note 18. No other significant subsequent events identified.

Separate financial statements

- Separate statement of financial position as at 31 December 2024
- Separate statement of profit or loss for the year 2024
- Notes to the separate financial statements

Separate statement of financial position as at 31 December 2024

(Before appropriation of result)

	Note	2024		2023	
		€ 1,000	€ 1,000	€ 1,000	€ 1,000
Fixed assets					
Tangible fixed assets	23	8		-	
Total fixed assets		8		-	
Current assets					
Other receivables	25	-		111	
Cash and cash equivalents	26	501		25	
Total current assets			509		137
Total assets			**509**		**137**
Shareholders' equity	27				
Issued share capital		3.535		2.486	
Share premium		16.833		17.295	
Other reserves		-19.264		-19.271	
Result for the year		-904		-418	
Total equity			200		92
Non-current liabilities	28		-		-
Current liabilities	29		309		44
Total equity and liabilities			**509**		**137**

The notes on pages 56 to 61 are an integral part of these separate financial statements.

Separate statement of profit or loss for the year 2024

	Note	2024 € 1,000	€ 1,000	2023 € 1,000	€ 1,000
Net turnover	31		-		-
Gross turnover result			-		-
General and administrative expenses	32		-893		413
Net turnover result			**-893**		**-413**
Interest expenses and similar charges	33	-11		-5	
			-11		-5
Result before tax			**-904**		**-418**
Tax on result	34	-		-	
			-		-
Result after tax			**-904**		**-418**

The notes on pages 56 to 61 are an integral part of these separate financial statements.

Notes to the separate financial statements for the year 2024

21 General

These separate financial statements and the consolidated financial statements together constitute the statutory financial statements of New Sources Energy N.V. (hereafter: 'the Company'). The financial information of the Company is included in the Company's consolidated financial statements, as presented on pages 21 to 51.

22 Basis of preparation

These separate financial statements have been prepared in accordance with Title 9, Book 2 of the Dutch Civil Code. For setting the principles for the recognition and measurement of assets and liabilities and determination of results for its separate financial statements, the Company makes use of the option provided in section 2:362(8) of the Dutch Civil Code. These principles also include the classification and presentation of financial instruments, being equity instruments or financial liabilities. In case no other principles are mentioned, refer to the accounting principles as described in the consolidated financial statements. For an appropriate interpretation of these statutory financial statements, the separate financial statements should be read in conjunction with the consolidated financial statements.

Information on the use of financial instruments and on related risks for the group is provided in the notes to the consolidated financial statements of the group.

All amounts in the separate financial statements are presented in € thousand, unless stated otherwise.

Participating interests in group companies

Group companies are all entities in which the Company has directly or indirectly control. The Company controls an entity when it is exposed, or has rights, to variable returns from its involvement with the group company and has the ability to affect those returns through its power over the group company. Group companies are recognised from the date on which control is obtained by the Company and derecognised from the date that control by the Company over the group company ceases. Participating interests in group companies are accounted for in the separate financial statements according to the equity method, with the principles for the recognition and measurement of assets and liabilities and determination of results as set out in the notes to the consolidated financial statements.

Participating interests with a negative net asset value are valued at nil. This measurement also covers any receivables provided to the participating interests that are, in substance, an extension of the net investment. In particular, this relates to loans for which settlement is neither planned nor likely to occur in the foreseeable future. A share in the profits of the participating interest in subsequent years will only be recognised if and to the extent that the cumulative unrecognised share of loss has been absorbed. If the Company fully or partially guarantees the debts of the relevant participating interest, or if has the constructive obligation to enable the participating interest to pay its debts (for its share therein), then a provision is recognised accordingly to the amount of the estimated payments by the Company on behalf of the participating interest.

Share of result of participating interests

The share in the result of participating interests consists of the share of the Company in the result of these participating interests. Results on transactions involving the transfer of assets and liabilities between the Company and its participating interests and mutually between participating interests themselves, are eliminated to the extent that they can be considered as not realised.

The Company makes use of the option to eliminate intragroup expected credit losses against the book value of loans and receivables from the Company to participating interests, instead of elimination against the equity value / net asset value of the participating interests.

Corporate income tax

The Company does not have a fiscal unity with its wholly owned subsidiaries.

23 Tangible fixed assets

	2024 € 1,000	2023 € 1,000
ICT hardware (refer to note 4)	8	-
	8	-

24 Financial fixed assets

	2024 € 1,000	2023 € 1,000
Subsidiaries	-	-
	-	-

List of subsidiaries

Set out below is a list of the subsidiaries of the Group during 2023 and 2024.

Subsidiaries	Participation	Place and country of seat	Principal activity
Energy Synergie B.V.	100%	Amsterdam, Netherlands	Engineering & advisory
New Green Investments B.V.	100%	Amsterdam, Netherlands	Holding company
Nw Surcs Holding B.V.	100%	Amsterdam, Netherlands	Holding company
Nw Surcs Holding I B.V.	100%	Amsterdam, Netherlands	Holding company

Valuation of subsidiaries

	2024 € 1,000	2023 € 1,000
Energy Synergie B.V.	-	-
New Green Investments B.V.	-	-
Nw Surcs Holding B.V.	-	
Nw Surcs Holding I B.V.	-	
	-	-

Both wholly owned subsidiaries Energy Synergie B.V. and New Green Investments B.V. have been dormant and have been valued at nil both in 2024 and 2023. Both wholly owned and newly established subsidiaries Nw Surcs Holding B.V. and Nw Surcs Holding I B.V. have been dormant and have been valued at nil in 2024.

25 Other receivables

	2024 € 1,000	2023 € 1,000
Tax receivable (VAT)	-	4
Issued capital called but not paid-up	-	66
Other receivables	-	41
	-	111

In the notes to the consolidated financial statements information is included about the Group's other receivables (note 6).

26 Cash and cash equivalents

	2024 € 1,000	2023 € 1,000
Bank accounts	501	25
	501	25

In the notes to the consolidated financial statements information is included about the Group's cash and cash equivalents (note 7).

27 Shareholders' equity

Reference is made to note 8 to the equity note in the consolidated financial statements.

28 Non-current liabilities

In the notes to the consolidated financial statements information is included about the Group's loans and borrowings (note 9).

29 Current liabilities

	2024 € 1,000	2023 € 1,000
Loans and borrowings - current	91	-
Suppliers and trade creditors	98	32
Tax (VAT)	27	-
Director renumeration	93	11
Shareholders	-	1
	309	44

30 Financial instruments

In the notes to the consolidated financial statements information is included about the Group's financial instruments (note 11).

31 Net turnover

The Company did not generate any net turnover in 2024 and 2023.

32 General and administrative expenses

	2024 € 1,000	2023 € 1,000
Auditor expenses[1]	54	-
Office expenses	11	-
Sales expenses	38	-
External advisors' expenses	91	17
Management fees	458	100
Directors' fees[2]	94	299
Listing expenses	78	72
ICT expenses	22	2
Administrative expenses	4	2
Other expenses[3]	43	-80
General and administrative expenses	**893**	**413**

1) Due to the absence of an auditor in 2023 the auditors expenses were nil in 2023 as referred to in Section 2:382a(1) and (2) of the Dutch Civil Code. The presented amount for 2024 represents the costs related to audit procedures performed in 2024. The total audit fees for the audit of the 2024 financial statements amount to € 170.000.

2) These concern payments to ex-directors and directors for both 2024 and 2023 (refer to note 16).

3) These concern mainly in 2024 the writing off of a receivable to Mr. Mouthaan (former executive board member) in relation to incorrectly paid fees. For 2023, it relates to a release of an expense accrual from previous years.

33 Interest expenses and similar charges

	2024 € 1,000	2023 € 1,000
Convertible loans	10	5
Other	1	-
	11	5

34 Tax on result

	2024 € 1,000	2023 € 1,000
Tax benefit for current financial year	-	-
Income tax benefit	-	-

In the notes to the consolidated financial statements information is included about the Group's tax on result (note 15).

35 Workforce

The average number of full-time employees (FTE), all in the Netherlands, employed by the Company was 1,8 (2023: 0) split by the following categories:

	2024	2023
Management team	1,6	-
Financial administration	0,2	-
	1,8	-

36 Subsequent events

For developments in relation to the Collaboration Agreement refer to note 18. No other significant subsequent events identified.

Amsterdam, 30 May 2025

Signed by:

Drs L.A. Vereecken BSc.MSc.RA CFE
Chief Executive Officer
New Sources Energy N.V.

Non-executive directors:

A.M. Dirkes
A.M. Mirck

Other information

Distribution of profit

The board of directors makes a proposal to pay a dividend which is dealt with as a separate agenda item at the AGM. Distributions are charged to the company's distributable reserves. The company's reserve policy and dividend policy are determined by the board and may be amended by the board. Distributions may only be made to the extent that shareholders' equity exceeds the amount of the paid and called-up part of the capital plus the reserves that must be maintained by law or under the Articles of Association.

Auditor’s report of the independent auditor

The auditor’s report with respect to the consolidated and separate financial statements is set out on the next pages.

Independent auditor's report

To: the General Meeting of Shareholders of New Sources Energy N.V.

Report on the audit of the financial statements 2024 included in the annual report

Our opinion

In our opinion:

- the accompanying consolidated financial statements give a true and fair view of the financial position of New Sources Energy N.V. as at 31 December 2024 and of its result and its cash flows for the year then ended, in accordance with IFRS Accounting Standards as endorsed by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.
- the accompanying company financial statements give a true and fair view of the financial position of New Sources Energy N.V. as at 31 December 2024 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the financial statements 2024 of New Sources Energy N.V. (the Company) based in Amsterdam. The financial statements include the consolidated financial statements and the company financial statements.

The consolidated financial statements comprise:

1. the consolidated statement of financial position as at 31 December 2024;
2. the following consolidated statements for the year 2024: the profit or loss, comprehensive income, changes in equity and cash flows; and
3. the notes comprising material accounting policy information and other explanatory information.

The separate financial statements comprise:

1. the separate statement of financial position as at 31 December 2024;
2. the separate statement of profit or loss for the year 2024; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of New Sources Energy N.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in respect of going concern, fraud and non-compliance with laws and regulations and the key audit matters were addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to the 'Going concern' section in the notes of the financial statements, which indicates that the going concern of the company is dependent the ability of management to successfully fund the future cash-need of the Company. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In order to determine that there is no situation of inevitable discontinuity and conclude on the adequacy of the going concern related disclosure, we have performed, inter alia, the following procedures:

- we compared the management board's considerations on going concern risks with our own views;
- we evaluated the plausibility of assumptions relating to the forecasted available future cash flows from operating, financing, divestment and investment activities;
- we evaluated the likelihood of success of remaining possible mitigating measures on aforementioned scenarios and considered viability of the business to determine that there is no situation of inevitable discontinuity;
- we inquired the management board and inspected documents supporting that continuity is possible, such as correspondence with potential investors and other relevant parties;
- we assessed the appropriateness of the disclosure on page 26 of the financial statements against the findings of our procedures on the management board's going concern assessment and the reporting framework requirements;

We conclude that the management board's assumptions and the abovementioned disclosure are appropriate.

Information in support of our opinion

Summary

Materiality
• Materiality of EUR 10 thousand • 1% of expected total expenses

Group audit
• Performed substantive procedures for 100% of total assets • Performed substantive procedures for 100% of expenses

Risk of material misstatements related to Fraud, NOCLAR and Going concern risks
• Fraud risks: presumed risk of management override of controls identified and further described in the section ‘Audit response to the risk of fraud and non-compliance with laws and regulations’. • Non-compliance with laws and regulations (NOCLAR) risks: no reportable risk of material misstatements related to NOCLAR risks identified. • Going concern risks: going concern risks identified and described in the section ‘Material uncertainty related to going concern’.

Key audit matter
• Accounting treatment of raised capital through debt conversion in shares

Materiality

Based on our professional judgement we determined the materiality for the financial statements as a whole at EUR 10 thousand. The materiality is determined with reference to expected total expenses (1% thereof). We consider total expenses as the most appropriate benchmark because of the start-up nature of the Group and in absence of any other results. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the Board of Directors that misstatements identified during our audit in excess of EUR 500 would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

The Company is at the head of a group of components (hereafter "Group"). The financial information of this Group is included in the financial statements of the Company.

We performed risk assessment procedures throughout our audit to determine which of the Group's components are likely to include risks of material misstatement to the Group financial statements. We only identified risks of material misstatement at the head of the components, the Company, and therefore did not identify underlying components associated with a risk of material misstatement. To appropriately respond to those assessed risks, we planned and performed further audit procedures. We involved no component auditors.

We have performed substantive procedures for 100% of Group expenses and 100% of Group total assets. At group level, we assessed the aggregation risk in the remaining financial information and concluded that there is less than reasonable possibility of a material misstatement.

We consider that the scope of our group audit forms an appropriate basis for our audit opinion. Through performing the procedures mentioned above we obtained sufficient and appropriate audit evidence about the Group's financial information to provide an opinion on the financial statements as a whole.

Audit response to the risk of fraud and non-compliance with laws and regulations

In chapter 'Significant risks and uncertainties' of the management report, the Board of Directors describes its procedures in respect of the risk of fraud and non-compliance with laws and regulations. As part of our audit, we have gained insights into the Company and its business environment and the Company's risk management in relation to fraud and non-compliance. Our procedures included, among other things, assessing the Company's code of conduct, whistleblowing procedures and its procedures to investigate indications of possible fraud and non-compliance. Furthermore, we performed relevant inquiries with management, those charged with governance and other relevant functions. We have also incorporated elements of unpredictability in our audit, inherent to a first year audit we tested new accounts compared to prior year, including opening balances.

As a result from our risk assessment, we did not identify laws and regulations that likely have a material effect on the financial statements in case of non-compliance. Our procedures did not result in the identification of a reportable risk of material misstatement in respect of non-compliance with laws and regulations. Further, we assessed the presumed fraud risk on revenue recognition as not significant, because of the absence of any revenue or other income.

Based on the above and on the auditing standards, we identified the following presumed fraud risk that is relevant to our audit, and responded as follows:

Management override of controls (a presumed risk)

Risk:

- Management is in a unique position to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

Responses:

- We evaluated the design and the implementation of internal controls that mitigate fraud risks, such as processes related to journal entries.
- As part of the fraud risk assessment, we performed a data analysis of the journal entries population to determine if high-risk criteria for testing applies and evaluated relevant estimates and judgments for bias by the Company's management with respect to management's judgments and assumptions.

- We identified and selected journal entries and other adjustments made at the end of the reporting period for testing.

Our evaluation of procedures performed related to fraud did not result in a key audit matter. We communicated our risk assessment, audit responses and results to management and those charged with governance. Our audit procedures did not reveal indications and/or reasonable suspicion of fraud and non-compliance that are considered material for our audit.

Our key audit matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matter to the Board of Directors. The key audit matter is not a comprehensive reflection of all matters discussed. In addition to the matter described in the section: 'Material uncertainty related to going concern' we have determined the matter described below to be a key audit matter.

Accounting treatment of raised capital through debt conversion in shares

Description

The Company can be described as a startup company with limited funds which required management to raise capital throughout the year. Considering the limited available funds several creditors were paid through conversion of debt in shares, including remuneration of members of the Board of Directors. Throughout 2024, capital was raised through debt conversion in shares. This way of settling creditors also had a diluting impact on existing shareholders. The conversions are presented as part of the consolidated statement of changes in equity and detailed in note 9 and 16.

As these agreements were considered to be more complex and in combination with the overall amount compared to balance sheet ratios (such as liquidity and solvability), we consider the accounting treatment of debt conversion in shares a key audit matter.

Our response

Our audit response consisted of:

- Inspection of the relevant agreements in relation to the converted amounts, conversation rates and other relevant conditions;
- Inquiry with the Board of Directors regarding the business rationale of the agreements, including the arm's length nature of the board remuneration;
- Assessment of the legal and accounting treatment of the aforementioned agreements; and
- Evaluation the adequacy of the disclosures included in the financial statements regarding these agreements and the effect thereof on the shareholders ownership percentages.

Our observation

The results of our procedures performed were satisfactory. We concur with the accounting treatment of the various convertible loan agreements and that these are adequately disclosed in the financial statements.

Unaudited corresponding figures

We have not audited the 2023 financial statements. Consequently, we have not audited the corresponding figures in following consolidated and separate statements: the profit or loss, comprehensive income, changes in equity, cash flows and the related notes.

Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report and other information.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is less than the scope of those performed in our audit of the financial statements.

The Board of Directors is responsible for the preparation of the other information, including the information as required by Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Engagement

We were initially appointed by the General Meeting of Shareholders as auditor of New Sources Energy N.V. on 14 December 2023, as of the audit for the year 2024.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audits of public-interest entities.

Description of responsibilities regarding the financial statements

Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Board of Directors is responsible 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 that respect the Board of Directors, is responsible for the prevention and detection of fraud and non-compliance with laws and regulations, including determining measures to resolve the consequences of it and to prevent recurrence.

As part of the preparation of the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the Board of Directors should prepare the financial statements using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion. Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

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. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A further description of our responsibilities for the audit of the financial statements is included in the appendix of this auditor's report. This description forms part of our auditor's report.

Rotterdam, 30 May 2025

KPMG Accountants N.V.

F.J. van het Kaar RA

Appendix:

- Description of our responsibilities for the audit of the financial statements

Appendix

Description of our responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining 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 the risk resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining 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;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
- concluding on the appropriateness of the Board of Directors' use of the going concern basis of accounting, 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 a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are responsible for planning and performing the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements. We are also responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We bear the full responsibility for the auditor's report.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit. In this respect we also submit an additional report to the audit committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audits of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.