

ANNUAL REPORT 2023

Green Vision Holding B.V.

Date : 13 November 2024
Status : Final report

Table of contents

1. Accountants report	
1.1 General	3
2. Management Board's report	3
3. Consolidated financial statements	
3.1 Consolidated balance sheet as at 31 December 2023	10
3.2 Consolidated income statement for the year 2023	12
3.3 Consolidated cash flow statement for the year 2023	13
3.4 Notes to the consolidated financial statements	15
3.5 Notes to the consolidated balance sheet	24
3.6 Notes to the consolidated income statement	43
3.7 Other notes	47
4. Company-only financial statements	
4.1 Company-only balance sheet as at 31 December 2023	48
4.2 Company-only abridged profit and loss account for the year 2023	50
4.3 Notes to the company-only financial statements	51
4.4 Notes to the company-only balance sheet	52
4.5 Other notes	56
5. Other information	
5.1 Independent auditor's report	58

1. Accountants report

1.1 General

Incorporation company

The Company was incorporated on July 17, 2002.

Activities

The activities of Green Vision Holding B.V., having its legal seat at Enschede, primarily consist of: Development, production and marketing of products and components for energy and heat conversion, as well as management activities.

Board

The board is formed by Hydrogen Solutions B.V. and mr. H.J. Kleef.

2. Management Board's report

1. Management Board's report

1.01 Policy, state of affairs and previous expectations

HoSt Group, headquartered in Enschede, has strengthened and expanded its renewable gas portfolio with hydrogen technology by the acquisition of HyGear, a subsidiary of Xebec Adsorption Inc. The Arnhem-based company is a global leader in small-scale on-site industrial hydrogen systems. This union of technologies allows HyGear to accelerate the next phase of growth and, as a full technology package provider, allows HoSt to provide an exclusive, comprehensive and competitive solution for various renewable gas technologies.

With more than 50 project references worldwide, and as one of the few companies with a long-standing and proven track record in hydrogen production, this new strategically strong combination with HoSt creates technological, expertise and innovation synergies.

Jelle Klein Teeselink, CEO of the HoSt Group explains: "The combination of these companies leads to a bundling of proprietary, complementary energy technology resources, driving decarbonization and energy transition. It provides a fundamental knowledge base, reinforcement and direction for the indispensable acceleration of renewable gas and hydrogen development and deployment in different markets and geographies. HoSt is excited and looks forward to the strategic fit that strengthens the mission of both companies."

Renewable energy synergy

In light of the technology synergies, HoSt's core portfolio consists of CO₂-neutral and CO₂-negative clean energy technologies for decentralized renewable gas, renewable heat and renewable energy generation, and further includes CO₂ capture technology, a compatible combination with HyGear's Steam Methane Reforming (SMR) technology. Renewable natural gas, produced from organic waste through anaerobic digestion and biogas reprocessing, can be converted into renewable hydrogen that produces hydrogen with a CO₂-negative footprint. Renewable gases, which replace exhausting fossil fuels with high emissions, and the hydrogen revolution promote a low-carbon economy and energy system.

From the acquisition by HoSt in February 2023, HyGear optimized its product portfolio, market focus and organization.

Technology & commercial synergy

The collaboration with HoSt Group resulted in an order for a new type of oxygen generator in second half of 2023 and also led to orders in early 2024 for the delivery of the first two De.OXO biogas systems. HyGear's De.OXO system is a compact, self-contained system designed for oxygen removal from biogas.

Moreover, 4 international turnkey projects were completed as well as 6 funded Research projects, including the development of an unique system for Carbon Capture.

HyGear will remain focused on innovation and is in ongoing development for the on-site production of sustainable hydrogen in three different areas: electric steam methane reforming, electrolysis, hybrid reforming, plus CO₂ capture. These technologies are being developed partly in cooperation with ambitious partners in a European subsidy context. Three new projects were started to optimize our solutions for water electrolysis and steam methane reforming. We are convinced these developments will strengthen the market position of HyGear as leader in the on-site production of hydrogen with low or no CO₂ emissions.

Market focus

Combining the expertise and resources of HyGear and HoSt, further market penetration was realized as well as new business opportunities, such as the North American biogas market.

As well as a more focused approach on the glass, metal, hydrogenation market and the transport & logistics market especially in Europe and North America. Through the HoSt Group, interesting requests are also coming in for hydrogen projects. The HoSt USA office also adopted HyGear technology in its sales strategy.

The marketing activities of HyGear were intensified. This together, resulted into a long sales funnel of potential business opportunities for HyGear.

Organization

The new management of HyGear professionalized several organizational aspects: business processes (financial and otherwise), operational efficiency and systems, and strategic management.

The HoSt Group has its own production facility in Poland with a large and experienced team. Series production of the HyGear technology was relocated to its new sister company in Poland. The production of prototypes will remain at the production location in Arnhem. This relocation and concentration of production increases scalability, lead time and operational control. And also allows us to streamline and optimize the production process and reduces sensitivity to market fluctuations. This made many of the production positions in Arnhem redundant. The redundancy of these employees was organized by mutual agreement, and with HyGear's active involvement these employees were given other positions outside HyGear.

The focused market approach on North American and Europe resulted in downsizing our organization in Singapore. The resulting redundant positions in Singapore were also phased out by mutual agreement in compliance with the regulations in force there. Our intention is to close this operation after completion of the necessary administrative steps. The physical office has been terminated. We have taken care of the remaining colleague field service expert with a professional payroll organization.

Also, the stake of the intended joint organization HyGear-Buse United Kingdom was sold to Buse UK in September 2023 and is now changed for HyGear to a regular sales and commercial support operation.

To properly support current and future HyGear installations, HyGear also had a challenge in acquiring good service engineers. To support our global customers, we started to internationalize the services organization by working from multiple locations. This allowed us to retain our Field Service Engineer in Singapore, we appointed an Engineer to Turkey and in close cooperation with the HoSt team in Latvia we obtained additional field service engineering capacity.

With the period of uncertainty about Xebec's continued existence, a number of experts also left early. Of these, some have also already returned. Despite the changes in the organization, the team remains motivated and we

1.02 Corporate Structure

By the end of 2023, the stake in Buse-Hygear Ltd was sold to Buse and the HyGear Asia organization is an organization with no active assets in it and the intention is to close this organization after succesfull completion of administrative requirements.

The intention is to transfer HyGear into an independent profitable business unit within the HoSt Group.

In addition to HoSt, the existing bondholders have an 5% participation in Green Vision Holding BV in the form of certificates of shares.

Board of Directors

Since the acquisition of Green Vision Holding in February 2023 the Board exists of following persons and positions:

- Mr. J. Klein Teeselink, CEO of HoSt Group
- Mr. H.J. Kleef, CEO of HyGear

1.03 Financial developments

Annual accounts 2021/2022

The annual reports 2021/2022 have been completed during 2023.

The key figures about solvency and liquidity of Green Vision Holding B.V. on the balance sheet date per 31 December 2023 and 2022 are as follows:

	<u>31-12-2023</u>	<u>31-12-2022</u>
Equity ratio (equity / total assets)	31,5% +/+	89,4% -/-
Net working capital	€ 96.472 +/+	€ 20.232.885 -/-
Current-ratio	1.02	0.30

During 2023 there was a decrease in revenue (2023: EUR 6,9 million and 2022: EUR 7,9 million).

During 2023 there was an operating result of EUR 25,3 million positive (2022: EUR 6,1 million negative). The positive operating result is fully caused by the one-off release of debts towards Xebec Adsorption Inc. and NPEX bond holders for the total amount of EUR 28,6 million. When you normalize the operating result for this release of debts, then there will remain an operating loss of EUR 3,3 million. This remaining loss is mainly caused by the following circumstances:\

- Less new turn-key contracts than expected in 2023 due to less new contracts were signed in 2022 and 2023 because of hard market conditions and from the past less focus on sales of commercial projects.
- Restructuring expenses due to downsizing of workforce and outsourcing of production to a sister company in Poland.

The total result over 2023 is EUR 25,5 million positive (2022: EUR 6,9 million negative). The difference between the operating loss and the nett loss is especially caused by the financial expenses of EUR 0,1 million and financial income due to GAAS contracts of 300k.

1.04 Risks and risk management

Our company develops, build, installs and operates capital intensive equipment, often used in long term contracts. This inherently imposes risks that they tried to reduce as much as possible. The overview below describes the most important risks but is not exhaustive.

Competition risk

The markets for industrial process gases and hydrogen for transportation applications is large and characterised by several large players, both national and international, that can be regarded as competitors. There is a risk that one of these players can become more successful than HyGear at some point in time. This could result in a situation where HyGear cannot (fully) realise their future expectations.

In order to reduce these risks, we invested a lot in product development, compared to the size of our company. Our focus is to make our technology more efficient, more cost effective and more reliable, while at the same time we focus on development of new products and technologies that allow us to offer a broader package to our customers and we will be able to serve a broader customer base.

Cost risks

A large portion of the expenses of our company are fixed, amongst other wage costs, housing and administrative charges. The fixed character of these expenses imposes the risk that if gross margins reduces, the situation could occur that they have insufficient financial means to pay their suppliers or service providers. To mitigate this risk, they focus on the growth of the revenue and the payment schedules which are included within the contract.

Due the war in Ukraine and COVID, costs have increased. The risk exist that the purchase prices will increase but also the timely availability of the parts could be a risk. To mitigate this risk, we updated the purchase prices on a quarterly basis.

An additional risk is the increase in the energy prices. To mitigate the risk, we have negotiated periodic indexations with the clients.

Risks of supplier limitations

Their company depends on external suppliers for components and sub-modules. In most cases these components can be supplied by multiple sources, but in some cases, supply is limited to one or two parties. Examples are catalysts and adsorbents. If one or more of these companies would, either temporarily or fully, stop the supply of these components, it could lead to manufacturing or maintenance delays. For this reason, we are actively striving for dual- or multi sourcing for all components. As part of the continuous development of our products we are also searching for new suppliers to limit this risk.

Liquidity risk

Green Vision Holding B.V. is responsible for the obligations. The payments will be done from the cash flow from operations. In order to mitigate this risk, management generate quarterly rolling forecasts of cash flow for a year in advance.

Reputation risk

The hydrogen production systems of their company have been supplied on a commercial basis since 2009. The design life of the most critical components is 15 years. Therefore, they had not been able to prove yet that these systems will actually last as long as they projected. If degradation risks would occur after longer time and multiple systems fail, this could lead to reputation risks and increasing maintenance expenses (if it concerns Gas as a Service supply modes).

Administrative risk

After the acquisition and the subsequent reorganisation of the company, we were confronted with the departure of several employees in the financial administration department, which led to an insufficiently functioned administrative organisation and internal control, backlog in the administration, and the hiring of different interim controllers. Due to these changes of employees and several interim controllers involved, there is a risk that the financial records were not entirely accurate and complete for 2022. We are not aware of any inaccurate or incomplete records for 2023, but there is always a residual risk that such errors remain unidentified. A lot of work has already been done to improve this situation and we are still working to improve the administrative organization and internal control of the company and to resolve all backlogs.

Political and country risk

The mostly European political regulations may vary and are currently promoting electrolysis over SMR. This results into wait-and-see attitude to invest in SMR plants yet, and at the same time high electricity prices and limitation in the power grids limit the implementation of electrolyzers. All these risks could have negative effects on our business and can't be mitigated. We actively promote biomethane and electrolyzers as alternative for the standard SMR. Moreover, we expect that the North American market will remain interested in SMR in combination with Carbon Capture as their current regulation is more focused on low carbon intensity.

Continuity paragraph

At the beginning of 2023 Green Vision Holding B.V. was still part of the Xebec Group with Xebec Adsorption Inc. as ultimate parent company of Green Vision Holding B.V. In late 2022 and beginning of 2023 there took place the M&A process to restructure Xebec Group and privatizing the company Green Vision Holding B.V.

The M&A process has come to an end with final acquisition of the shares in Green Vision Holding B.V. by Hydrogen Solutions B.V. which is a 100% group company of HoSt Holding B.V. (HoSt Group) in Enschede. This acquisition finally took place on 6 February 2023 and gives comfort and certainty to the continuity of HyGear for coming years.

As part of this acquisition the management team of HyGear was replaced completely and this made it possible to reorganize the company heavily during the first 9 months of 2023. This new Director and management team of HyGear should ensure a more stable situation for the company in what they can cope with the different challenges as described in this report.

With the reorganization the number of FTE's was reduced from 80 FTE to 42 FTE, the physical manufacturing of products is mainly outsourced to a group company in Poland, downsizing the Singapore office and the fixed costs base of the company was strongly reduced.

Moreover the company strategy was refocused to the existing core markets with expansion into mobility and biohydrogen markets and the geographical areas Europe & North America. The R&D was more directed to strengthen our own portfolio, such as carbon capture, hydrogen and biogas purification and electrolyzers. Within the HyGear organization project management was implemented and supported by dedicated new software.

Cooperation with the HoSt Group for combined activities such as finance, HR, sales, services and engineering were implemented in a positive way and remaining the HyGear operation operating as a separate business unit.

As part of the reorganization was clearing up a lot of administrative backlogs, implementing project management, implementing indexation of the new energy contract, more transparent and periodic company meetings with the staff, together with preparation of the overdue financial statements for 2021 and 2022 and related obligations to comply with legislation. This process resulted in the fact that the financial statements 2023 were finalized in November 2024. As per 1 November 2024 HoSt Holding B.V. has provided a letter of comfort stating that they will provide financial support to Green Vision Holding until 1 December 2025.

On February 6, 2023, Hygear Solutions B.V. acquired Green Vision Holding B.V. and its group companies. Effects of the acquirement are:

- Xebec group has released all intercompany loans against the Group Companies
- All NPEX Bonds nominal value has been changed from EUR 1.000 per bond to EUR 400 per bond;
- NPEX bonds are redeemable at 1 february 2028;
- For the period 1 March 2023 up and until 28 February 2024, no interest is payable for the NPEX bonds;
- As of 1 March 2024, interest on all NPEX bonds amounting 5%

Given the situation with acquisition of the company in February 2023, as the new Board, we do expect challenges for future in 2024 and 2025 but the board has the reasonable expectation that the new created situation for the company is very positive. Combined with the provided comfort we therefore believe that the valuation principles are based on going concern can be maintained. The accounting policies of valuation and determination of result are therefore based on the assumption of continuity of the company.

1.05 Culture and behaviour – soft controls

General culture of the company is characterized by entrepreneurship, innovation focused and hands-on. Regarding innovation and try-out of new ideas there is significant freedom for personnel to come-up and execute ideas.

There is an open culture and the organization is always open to improvement. The employee satisfaction survey is an example of this. In addition, all employees are periodically informed about strategic, financial or operational topics. Each month business lunches are held in which employees enjoy lunch in an informal setting and are being updated by management about current developments within the company. Quarterly, employees are being updated by mean of a more formal presentation about financial, commercial and operational results of the company of last quarter.

Integrity is seen as a central starting point for the company and soft controls play an important role in this. Directors and management of the company tries to be very clear about desirable and undesirable behavior of employees. In this respect exemplary behavior of Directors and management is of great importance to get employees on the same level. HyGear is a company of hands-on doing and acting as we are willing to act, but is not a company with formal manuals and written guidelines. The company has an open culture with short lines of communication between the Board and people in the field which enables short lines of for collecting and giving feedback from the organization.

Attention is also paid to the development and training of the employee, as well as the option of flexible working hours and working from home. The company is international oriented and has a great diversity of nationalities working in the company. We try to stimulate the fitness of employees by offering a bicycle plan arrangement in which people can lease a bicycle based on financially favorable conditions and we reward employees who travel to work by bicycle with the Project "Fietsend naar je Werk".

Human resources:

At the end of 2023 we had an average of 48,1 FTE (compared to 71,0 FTE in 2022) within the Netherlands and 1,4 FTE abroad (in 2022 at Xebec Asia 8,0 FTE in 2022).

For the further development of our products the employees are important. To make sure that the employees can develop their selves they have the option to follow additional education besides their job. In addition to this HyGear hired also some students who will combine their study with a parttime job.

1.06 Financial Instruments Risk Management Policy

Currency risks

The expenses from our operation in Singapore, like salaries, rental and small investments, are paid in Singapore Dollar (SGD). We consider this a very limited currency risk because of the size of this operation, relative to the size of the company.

Our contracts with customers are all nominated in Euro, so there are no currency risks coming from this.

The company does not make use of financial instruments, like derivatives.

1.07 Code of Conduct Application and Compliance

Within the organization great value is attached to diversity and integration. We aim for a working environment in which the employees set a good example.

Employees are also expected to act as ambassadors for the company outside the organization. Our reputation and the integrity of our organization are of great importance for good business operations. In this regard, internal reporting of (suspected) unethical behaviour by or within our company is essential. We therefore encourage employees to report behaviour that violates the rules and guidelines. New employees are periodically invited to the onboarding day. On this day they are informed about the background of the company and the norms and values we expect from people. There is no obligation for the company to have a code of conduct and the company does not have a formal code of conduct. Based on the open and transparent culture in the company we use exemplary behaviour as the most important method to achieve the desired behaviour of employees. This seems to work quite well and important is that the exemplary behaviour is shown by all different levels in the company.

Creating a safe workplace is also essential for us. Our core values are responsibility, accountability, clear expectations and ethics. Training in safety and learning from mistakes contribute to continuous improvement of safety.

1.08 Future expectations

Management view on the future

The European governmental regulations to stimulate green hydrogen increases the interest for electrolyzers on behalf of natural gas SMR production. However the costs of electricity and the lack of capacity in the grids makes it difficult to realize a positive economical business case. This seems to result into delayed investment decisions in our markets for process industry. At this moment only Germany is willing to adjust from the European Regulations and is accepting biomethane as feed for green hydrogen as well. We assume that more countries may follow this adjustment. The US and UK market are focussing more on low carbon intensity and as such our SMR technology may have extra possibilities in the North American market. The intended recruitment of a HyGear business Development Manager North America will help us to further expand in the North American market. For the energy transition, HyGear receives many requests for hydrogen refuelling stations, but the market demand of trucks and/or heavy usage vehicles still has to be developed. Next year long range transport trucks with hydrogen fuel cells will become available. We are convinced the growth of the hydrogen market will come, but it may take longer than expected in governmental regulations. HyGear has the unique advantage of being technically agnostic with own patented technology to produce hydrogen on-site or by SMR, by electrolysis or by hybrid SMR plus carbon capture. In addition its range of independent subsystems for purification, recycling and carbon capture creates a strong position to expand in the existing core markets as well as explore for new markets as well.

Arnhem, 8 November 2024

On behalf of Green Vision Holding B.V.,

J. Klein Teeselink / CEO HoSt Group

H.J. Kleef / CEO HyGear

3. Consolidated financial statements

3.1 Consolidated balance sheet as at 31 December 2023

(After proposal appropriation of result)

	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
Assets		
Fixed assets		
Intangible assets	144.196	174.754

Property, plant and equipment	3.305.702	5.778.777

Financial assets		
Other receivable	7.551.055	7.946.165

Current assets		
Inventories and work in progress		
Inventories	1.299.535	1.992.423
Work in progress	1.625.857	-

	2.925.392	1.992.423

Construction contracts (assets)	442.674	915.596

Receivables		
Trade receivables	613.641	679.595
Receivables from shareholders	-	9.964
Other accounts receivable	1.365.093	4.034.659

	1.978.734	4.724.218

Cash and cash equivalents	565.175	1.057.982

	<u>16.912.928</u>	<u>22.589.915</u>
	=====	=====

	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
Equity and liabilities		
Group equity	5.332.933	-20.196.094

Provisions		
Other provision	75.000	318.805

Long-term liabilities		
Payables to banks	4.923.125	12.790.803
NOW repayment debt	766.367	753.297

	5.689.492	13.544.100

Current liabilities		
Current portion of long term debts	5.815	451.577
Trade payables	438.825	1.535.738
Current payables to group companies	1.205.000	21.159.047
Payables relating to taxes and social security contributions	129.442	293.443
Construction contracts (liabilities)	209.087	1.072.667
Current other payables, liabilities and accrued expenses	3.827.334	4.410.632

	5.815.503	28.923.104

	<u>16.912.928</u>	<u>22.589.915</u>
	=====	=====

3.2 Consolidated income statement for the year 2023

	2023	2022
	€	€
Net turnover	6,951,214	7,954,775
Cost of sales	-3,698,944	-6,568,347
Gross margin	3,252,270	1,386,428
Wages and salaries	3,412,695	3,392,043
Social security charges and pensions cost	627,455	1,203,566
Other expenses of employee benefits	150,955	243,060
Amortization of intangible fixed assets	30,558	33,473
Depreciation of property, plant and equipment	326,393	654,108
Housing expenses	1,305,809	971,230
Operating and machine expenses	20,422	65,736
Selling expenses	-99,735	458,460
Car expenses	35,723	87,358
Office expenses	132,014	107,091
General expenses	634,581	324,491
	6,576,870	7,540,616
Total of operating result	-3,324,600	-6,154,188
Other interest and similar income	307,855	235,996
Release of liabilities	28,661,031	-
Interest and similar expenses	-114,093	-1,050,557
	28,854,793	-814,561
Total of result of activities before tax	25,530,193	-6,968,749
Income tax expense	-	7,242
Total of result after tax	25,530,193	-6,961,507

3.3 Consolidated cash flow statement for the year 2023

	2023	2022
	€	€
Total of cash flows from (used in) operating activities		
Operating result	-3.324.600	-6.154.188
Adjustments for		
Depreciation	536.922	714.899
Other reductions in value of intangible and tangible fixed assets	-	-701.244
Decrease in provisions	-243.805	-
Exchange rate differences	-580	-
	<u>292.537</u>	<u>13.655</u>
Changes in working capital		
Decrease (increase) in inventories	-932.969	1.047.274
Decrease (increase) in construction contracts	-390.658	-416.690
Decrease (increase) in trade receivables	65.954	252.342
Decrease (increase) in other receivable	2.679.530	-779.745
Increase (decrease) in other payables	6.862.772	7.929.142
	<u>8.284.629</u>	<u>8.032.323</u>
Total of cash flows from (used in) operations	<u>5.252.566</u>	<u>1.891.790</u>
Interest received	307.855	235.996
Interest paid	-114.093	-1.050.557
Income tax paid	-	7.242
	<u>193.762</u>	<u>-807.319</u>
Total of cash flows from (used in) operating activities	<u>5.446.328</u>	<u>1.084.471</u>
Total of cash flows from (used in) investment activities		
Purchase of property, plant and equipment	-261.810	-2.492.628
Purchase of financial assets	-	-1.339.770
Proceeds from sales of property, plant and equipment	2.228.521	1.643.941
Mutation of financial assets	395.110	-
Total of cash flows from (used in) investment activities	<u>2.361.821</u>	<u>-2.188.457</u>
Total of cash flows from (used in) financing activities		
Proceeds from borrowings	-843.920	997.190
Repayments from borrowings	-7.456.450	-916.802
Current portion of long-term loans	-	451.577
Total of cash flows from (used in) financing activities	<u>-8.300.370</u>	<u>531.965</u>
Net cash flow	<u>-492.221</u>	<u>-572.021</u>
Exchange rate and translation differences on cash	-586	587.969
Total of increase (decrease) in cash and cash equivalents	<u>-492.807</u>	<u>15.948</u>

Movement in cash and cash equivalents

Cash and cash equivalents at the beginning of the period	1.057.982	1.042.034
Increase (decrease) cash and cash equivalents	-492.807	15.948
Cash and cash equivalents at the end of the period	<u>565.175</u>	<u>1.057.982</u>

3.4 Notes to the consolidated financial statements

Entity information

Registered address and registration number trade register

The registered and actual address of Green Vision Holding B.V. is Thermen 10, 7521 PS in Enschede, Nederland. Green Vision Holding B.V. is registered at the Chamber of Commerce under number 08106903.

General notes

The most important activities of the entity

The activities of Green Vision Holding B.V. and its group companies consists mainly of piloting for third parties, the development and manufacturing of on-site hydrogen generators based on steam reforming technology, the development and manufacturing of fuel cell products and the research and development of hydrogen technologies.

The location of the actual activities

Green Vision Holding was acquired by Xebec Adsorption Inc. on December 31, 2020. Xebec Adsorption Inc. owns all shares of Xebec Europe B.V., which own all shares of Green Vision Holding B.V. Green Vision Holding B.V. forms the mother company of a group. The group structure and consolidation is as follows:

- HyGear Technology and Services B.V., Arnhem, 100%
- HyGear Operations B.V., Arnhem, 100%
- HyGear B.V., Arnhem, 100%
- HyGear Fuel Cell Systems B.V., Arnhem, 100%
- HyGear Hydrogen Plant B.V., Arnhem, 100%
- HyGear Asia Pte Ltd, Singapore, 100%
- Buse - HyGear Ltd United Kingdom, Birmingham, 50%

Disclosure of going concern

Continuity paragraph

At the beginning of 2023 Green Vision Holding B.V. was still part of the Xebec Group with Xebec Adsorption Inc. as ultimate parent company of Green Vision Holding B.V. In late 2022 and beginning of 2023 there took place the M&A process to restructure Xebec Group and privatizing the company Green Vision Holding B.V.

The M&A process has come to an end with final acquisition of the shares in Green Vision Holding B.V. by Hydrogen Solutions B.V. which is a 100% group company of HoSt Holding B.V. (HoSt Group) in Enschede. This acquisition finally took place on 6 February 2023 and gives comfort and certainty to the continuity of HyGear for coming years.

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With the reorganization the number of FTEs was reduced from 80 FTE to 42 FTE, the physical manufacturing of products is mainly outsourced to a group company in Poland, downsizing the Singapore office and the fixed costs base of the company was strongly reduced.

Moreover the company strategy was refocused to the existing core markets with expansion into mobility and biohydrogen markets and the geographical areas Europe & North America. The R&D was more directed to strengthen our own portfolio, such as carbon capture, hydrogen and biogas purification and electrolyzers. Within the HyGear organization project management was implemented and supported by dedicated new software. Cooperation with the HoSt Group for combined activities such as finance, HR, sales, services and engineering were implemented in a positive way and remaining the HyGear operation operating as a separate business unit.

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- For the period 1 March 2023 up and until 28 February 2024, no interest is payable for the NPEX bonds
- As of 1 March 2024, interest on all NPEX bonds amounting 5%

Given the situation with acquisition of the company in February 2023, as the new Board, we do expect challenges for future in 2024 and 2025 but the board has the reasonable expectation that the new created situation for the company is very positive. Combined with the provided comfort we therefore believe that the valuation principles are based on going concern can be maintained. The accounting policies of valuation and determination of result are therefore based on the assumption of continuity of the company.

Disclosures about estimates, judgements, assumptions and uncertainties

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

General accounting principles

The accounting standards used to prepare the financial statements

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

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

Green Vision Holding B.V. has issued a 403-statement regarding the entities: HyGear Operations B.V., HyGear B.V., HyGear Fuel Cell Systems B.V., and HyGear Hydrogen Plant B.V. As a result, Green Vision Holding B.V. is liable for the debts of these entities.

Leases

Lessor accounting for leases (Gas-as-a-Service (GaaS) revenue)

As part of its normal business activities, the Group enters into lease contracts whereby gas generation technologies are manufactured and placed at customer premises in order for the customer to have on demand gas supply. Depending on the lease contracts, the Group either classifies the leases as operating or finance leases.

To classify each lease, the Group makes an overall assessment of whether the lease transfers to the lessee substantially all of the risks and rewards of ownership incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease term is for the major part of the economic life of the assets.

If an arrangement contains lease and non-lease components, the Group applies Dutch GAAP to allocate the consideration in the lease arrangement.

Income from operating lease contracts is recognised using the straight-line method over the lease term. The income from these leases is presented in the consolidated statement of profit or loss under revenue.

Amounts due from lessees under finance leases are recognised at the amount of the Group's net investment in the leases (finance lease receivables). Finance lease income, presented within finance income, is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Subsequent to initial recognition, the Group reviews the estimated unguaranteed residual value and applies the expected credit loss model to recognise a provision on its finance lease receivables.

Finance leases

The corporation has lease contracts whereby it retains substantially all the risks and rewards of ownership of these assets. These assets are recognised on the balance sheet upon commencement of the lease contract at the lower of the fair value of the asset or the discounted value of the minimum lease payments. The lease instalments to be paid are divided into a repayment and an interest portion, using the annuity method. The liabilities under the lease, excluding the interest payments, are included under long-term debts.

The interest component is included in the consolidated income statement for the duration of the contract on the basis of a fixed interest percentage of the average remaining redemption component. The assets are depreciated over the remaining economic life or, if shorter, the duration of the contract.

Operating leases

The corporation has lease contracts whereby a large part of the risks and rewards associated with ownership are not for the benefit of or incurred by the corporation. The lease contracts are recognised as operational leasing. Lease payments are recorded on a straight-line basis, taking into account reimbursements received from the lessor, in the consolidated income statement for the duration of the contract.

Financial instruments

Financial instruments include both primary financial instruments, such as receivables and payables, and financial derivatives.

The notes to the specific items of the balance sheet disclose the fair value of the related instrument if this deviates from the carrying amount. If the financial instrument is not recorded in the balance sheet the information on the fair value is disclosed in the notes to the 'Contingent rights and obligations'.

For the principles of primary financial instruments, reference is made to the recognition per balance sheet item.

Securities included in financial and current assets are stated at fair value, if these are related to securities held for trading or if they relate to equity instruments not held for trading, as well as derivatives of which the underlying object is listed on a stock exchange. All other on-balance financial instruments are carried at (amortised) cost.

Accounting principles

Intangible assets

Intangible fixed assets are stated at historical cost less amortisation. Impairments are taken into consideration; this is relevant in the event that the carrying amount of the asset is higher than its realisable value.

Software

Software licenses acquired are capitalised at acquisition cost and amortised over their estimated future useful lives. Expenditures that are attributable to the production of identifiable and unique software products controlled by the Group are capitalised. When internally produced, such assets are capitalised if future economic benefits are probable to flow from the asset, and the expenditure can be reliably measured. Costs associated with maintaining computer software and research expenditure are recognised in profit or loss as it is incurred.

Development costs

Research costs are recognised in the profit and loss account. Expenditure on development projects is capitalised as part of the production cost if it is likely from both a commercial and technical perspective that the project will be successful and the cost can be determined reliably. A legal reserve has been formed within equity with regard to the recognised development costs for the capitalised amount. The amortisation of capitalised development costs commences at the time when the commercial production starts and takes place over the expected future useful life of the asset.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Assets under construction are not depreciated.

Cost includes expenditures that are directly attributable to the acquisition or manufacturing of the asset, including borrowing costs capitalised in terms of the Group's accounting policies.

Manufacturing price is comprised of the cost of raw materials and consumables, plus expenditure directly attributable

to an asset's manufacturing and installation, including labour costs. Internal hours worked are capitalised at fixed rates that included a systematic allocation of fixed and variable production overheads that are incurred in converting materials into finished goods.

Subsequent costs, such as replacement of parts or major inspections, are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost can be measured reliably. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Repairs and maintenance costs are charged to the consolidated statement of profit or loss and other comprehensive income during the year in which they are incurred.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives. All assets have residual values of nil. The major categories of property, plant and equipment are amortised on a straight-line basis, with amortisation recognised in profit or loss. The useful lives are as follows:

Machinery and equipment 5 years
Lease equipment 15 years
Productive equipment 15 years
Furniture and fixtures 5 years
Transport equipment 5 to 10 years

The Group allocates the amount initially recognized in respect of an item of property, plant and equipment to its significant components and amortises each such component separately. Residual values, method of amortisation and useful lives of the assets are reviewed annually and adjusted if appropriate.

An item of property, plant or equipment is derecognised upon disposal (date that the recipient obtains control) or when no future economic benefits are expected to arise from the continued use of the asset. The carrying amount of a replaced asset is derecognized when replaced. Gains and losses on disposals of property, plant and equipment are determined as the difference between the sales proceeds and the carrying amount of the asset and are included as part of other gains and losses in the consolidated statement of profit or loss and other comprehensive income.

Financial assets

Participations, over which significant influence can be exercised, are valued according to the net asset value method. In the event that 20% or more of the voting rights can be exercised, it may be assumed that there is significant influence.

The net asset value is calculated in accordance with the accounting principles that apply for these financial statements; with regard to participations in which insufficient data is available for adopting these principles, the valuation principles of the respective participation are applied.

If the valuation of a participation based on the net asset value is negative, it will be stated at nil. If and insofar as Green Vision Holding B.V. can be held fully or partially liable for the debts of the participation, or has the firm intention of enabling the participation to settle its debts, a provision is recognised for this.

Newly acquired participations are initially recognised on the basis of the fair value of their identifiable assets and liabilities at the acquisition date. For subsequent valuations, the principles that apply for these financial statements are used, with the values upon their initial recognition as the basis.

The amount by which the carrying amount of the participation has changed since the previous financial statements as a result of the net result achieved by the participation is recognised in the non-consolidated income statement.

Participations over which no significant influence can be exercised are valued at historical cost. The result represents the dividend declared in the reporting year, whereby dividend not distributed in cash is valued at fair value.

In the event of an impairment loss, valuation takes place at the recoverable amount; an impairment is recognised and charged to the non-consolidated income statement.

Participations, in which the company exercises joint control with other participants (joint ventures), are valued according to the equity method based on the net asset value.

When assets are transferred or sold by the company to a joint venture, the company that part of the result in the profit and loss account that corresponds to the relative importance of the other participants in the joint venture. No result is recognized as the non-monetary assets contributed by the participants are approximately equal in terms of use (in the same business activity) and fair value.

Any unjustified results are deducted from the net asset value of the joint venture. Any losses the company accounts for current assets or impairment of fixed assets on the other hand, direct and complete.

When assets are sold by the joint venture to the company, the company accounts for its share in the profit or loss of the joint venture on that sale only in the profit and loss account if the asset in question has been sold or resold to a third party. However, if there is a current loss assets or an impairment of fixed assets, the company takes its share this loss immediately.

Receivables recognised under financial fixed assets are initially valued at the fair value less transaction costs. These receivables are subsequently valued at amortised cost price, which is, in general, equal to the nominal value. For determining the value, any depreciation is taken into account.

Deferred tax assets are recognised for all deductible temporary differences between the value of the assets and liabilities under tax regulations on the one hand and the accounting policies used in these

financial statements on the other, on the understanding that deferred tax assets are only recognised insofar as it is probable that future taxable profits will be available to offset the temporary differences and available tax losses.

The calculation of the deferred tax assets is based on the tax rates prevailing at the end of the reporting year or the rates applicable in future years, to the extent that they have already been enacted by law.

Deferred tax assets are valued at their nominal value.

Impairment of non-current assets

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

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

The realisable value is initially based on a binding sale agreement; if there is no such agreement, the realisable value is determined based on the active market, whereby usually the prevailing bid price is taken as market price. For the determination of the value in use, an estimate is made of the future net cash flows in the event of continued use of the asset / cash-generating unit; these cash flows are discounted.

If it is established that an impairment that was recognised in the past no longer exists or has reduced, the increased carrying amount of the asset concerned is set no higher than the carrying amount that would have been determined if no impairment value adjustment for the asset concerned had been reported. An impairment of goodwill is not reversed.

Inventories

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

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

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

Construction contracts

Construction contracts commissioned by third parties comprises the balance of project costs realised, profit attributed, and if applicable, recognised losses and instalments already invoiced. When the outcome of a construction contract can be estimated reliably and its probable that the contract will be profitable, contract revenue is recognised over the period of the contract by reference to the stage of the completion. Contract costs are recognised as expenses by reference to the stage of completion of the contract activity at the end of the reporting period. When it is probable that total contracts costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Expenditure relating to project costs for work not yet performed is recognised under inventories. When the outcome of a construction contract can not be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

The company uses the 'percentage-of-completion' method to determine the appropriate amount to recognise in a given period. The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract.

Costs incurred in the year in connection with future activity on a contract are excluded from contract

costs in determining the stage of completion. Construction contracts are separately presented in the balance sheet. Construction contracts with a debit balance will be presented under current assets. Construction contracts with a credit balance will be presented under current liabilities.

Receivables

Receivables are initially valued at the fair value of the consideration to be received. Receivables are subsequently valued at the amortised cost price. If there is no premium or discount and there are no transaction costs, the amortised cost price equals the nominal value of the accounts receivable. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues. Interest gains are recognised using the effective interest method. Provisions for bad debts are deducted from the carrying amount of the receivable.

Cash and cash equivalents

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

Share in group equity not accrued to legal entity

Non-controlling interests in group equity are stated at the amount of the net interest in the net assets of group companies concerned.

Where the group corporation in question has an equity deficit, the negative value and any other losses are not allocated to the non-controlling interest, unless the non-controlling interest holders have a constructive obligation and are able to clear the losses. As soon as the group company manages to post an equity surplus, profits are allocated to the participating interest.

Provisions

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

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

Non-current liabilities

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

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

Current liabilities

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

Accounting principles for determining the result

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

Revenue recognition

Net turnover comprises the income from the supply of goods and services and realised income from construction contracts after deduction of discounts and such like and of taxes levied on the turnover. Turnover includes the change in work-in-progress.

The gross margin includes the net turnover, change in finished products and work-in-progress, capitalised production costs of own assets, other operating income, costs of raw materials and consumables and costs of work contracted out, and other external costs.

Revenues from the goods supplied are recognised when all significant risks and rewards in respect of the goods have been transferred to the buyer.

Revenues from the services rendered are recognised in proportion to the services delivered, based on the services rendered up to the balance sheet date in proportion to the total of services to be rendered.

If the outcome of a project can be estimated reliably, contract revenue and contract costs are recognised as net revenue and expenses in the income statement by reference to the stage of completion of the contract as at the balance sheet date. The progress made on the contract is determined based on the contract costs incurred as at the balance sheet date in proportion to the total estimated contract costs. If the result of the contract cannot (yet) be estimated reliably, the revenue is recognised in the income statement for the amount of the contract costs incurred from which it is likely that they can be recovered; the contract costs are then recognised in the income statement for the period in which they were incurred. As soon as the result can be estimated reliably, revenue recognition takes place in accordance with the PoC method in proportion to the stage of completion of the contract as at the balance sheet date. The result is the difference between the contract revenue and - costs.

Contract revenue is the contractually agreed revenues and revenues from extra work and less work, claims and compensations if and insofar as it is likely that they are realised and can be estimated reliably. Contract costs are the expenditures directly related to the project, which in general can be attributed to project activities and allocated to the project, and other costs which can be attributed under the contract to the commissioner of the project. If it is probable that the total contract costs exceed the total revenue, the expected losses will be directly recognised in the income statement. This loss is taken into account in the cost price of the operating result.

Wages

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

Applied policy of pension costs

Green Vision Holding B.V. applies the liability approach to account for all pension schemes. The premium payable during the reporting year is recorded as an expense. Changes in the pension provision are also charged to the result. The contributions are recorded as personnel costs from the date that they become payable. Prepaid contributions are reported as accrual if this results in a repayment or a reduction in future payments. Contributions that are not yet paid are included as a liability in the balance sheet.

Amortisation of intangible assets

Intangible fixed assets, including goodwill are amortised from the date of initial use over the expected future economic life of the asset, while taking into account any applicable restrictions with respect to capitalised goodwill.

Future amortisation is adjusted if there is a change in estimated future useful life.

Gains and losses from the occasional sale of property, plant or equipment are included in depreciation.

Depreciation of property, plant and equipment

Tangible fixed assets are depreciated from the date of initial use over the expected future economic life of the asset, while taking into account any applicable restrictions with respect to buildings, investment property, other tangible fixed assets. Land is not depreciated.

Future depreciation is adjusted if there is a change in estimated future useful life.

Gains and losses from the occasional sale of property, plant or equipment are included in depreciation.

Other operating expenses

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

Financial income and expenses

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

Exchange differences that arise from the settlement or translation of monetary items are recorded in the profit and loss account in the period in which they occur, unless hedge-accounting is applied. Dividends to be received from participations and securities not carried at net asset value are recognised as soon as Green Vision Holding B.V. has acquired the right to them.

Changes in the value of financial instruments recognised at fair value are recorded in the consolidated income statement.

Income tax expense

Tax on the result is calculated based on the result before tax in the consolidated income statement, taking account of the losses available for set-off from previous financial years (to the extent that they have not already been included in the deferred tax assets) and exempt profit components and after the addition of non-deductible costs. Due account is also taken of changes which occur in the deferred tax assets and deferred tax liabilities in respect of changes in the applicable tax rate.

In the financial statements of group companies a tax charge is calculated on the basis of the accounting result. The corporate income tax that is due by these group companies is charged into the current accounts with Green Vision Holding B.V.

Cash flow statement

The cash flow statement has been prepared using the indirect method. The cash items disclosed in the cash flow statement comprise cash at banks and in hand except for deposits with a maturity longer than three months. Cash flows denominated in foreign currencies have been translated at average estimated exchange rates. Exchange differences affecting cash items are shown separately in the cash flow statement. Interest paid and received, dividends received and income taxes are included in cash from operating activities. Dividends paid are recognised as cash used in financing activities. The purchase consideration paid for the acquired group corporation has been recognised as cash used in investing activities where it was settled in cash. Any cash at banks and in hand in the acquired group corporation have been deducted from the purchase consideration. Transactions not resulting in inflow or outflow of cash, including finance leases, are not recognised in the cash flow statement. Payments of finance lease instalments qualify as repayments of borrowings under cash used in financing activities and as interest paid under cash generated from operating activities.

3.5 Notes to the consolidated balance sheet

Assets

Fixed assets

	31-12-2023	31-12-2022
	€	€
Intangible assets		
Development costs	142.348	162.683
Other intangible assets	1.848	12.071
	<u>144.196</u>	<u>174.754</u>

Intangible assets

The movements in intangible fixed assets can be summarized as follows:

	Develop- ment costs	Other intangible assets	Total
	€	€	€
Balance as at 1 January 2023			
Cost or manufacturing price	2.290.600	116.313	2.406.913
Accumulated amortization	-249.395	-104.242	-353.637
Accumulated impairment	-1.878.522	-	-1.878.522
Book value as at 1 January 2023	<u>162.683</u>	<u>12.071</u>	<u>174.754</u>
Movements			
Amortisations	-20.335	-10.223	-30.558
Balance movements	<u>-20.335</u>	<u>-10.223</u>	<u>-30.558</u>
Balance as at 31 December 2023			
Cost or manufacturing price	2.290.600	116.313	2.406.913
Accumulated amortization	-269.730	-114.465	-384.195
Accumulated impairment	-1.878.522	-	-1.878.522
Book value as at 31 December 2023	<u>142.348</u>	<u>1.848</u>	<u>144.196</u>

In 2021 an impairment has been processed amounting EUR 1,878,522 referring to the development costs, due to lower contribution of the HyRec and the HyGen 150. The following assumptions are taken into account:

- Expected contribution margins has been set to 10% (HyRec) and 7.5% (HyGen 150);
- Expected future revenue is based on existing and updated sales funnel;
- Expected future free cashflow is based on a 10 year forecast;
- Used WACC is 14%.

The sensitivity of the used WACC:

- If the WACC increases with 2%, the negative effect will be EUR 14,614
- If the WACC decreases with 2%, the positive effect will be EUR 31,057

Intangible assets: Economic life

	<u>Develop- ment costs</u>	<u>Other intan- gible assets</u>
Amortisation rate	10,00	20,00

	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
Property, plant and equipment		
Machinery	41.334	65.090
Other tangible assets	3.264.368	4.125.148
Property, plant and equipment in progress and prepayments of property, plant and equipment	-	1.588.539
	<u>3.305.702</u>	<u>5.778.777</u>
	<u><u>3.305.702</u></u>	<u><u>5.778.777</u></u>

Property, plant and equipment

The movements in tangible fixed assets can be summarized as follows:

	Machinery	Other tangible assets	Property, plant and equipment in progress and pre-payments of property, plant and equipment	Total
	€	€	€	€
Balance as at 1 January 2023				
Cost or manufacturing price	1.241.807	16.287.497	1.588.539	19.117.843
Accumulated revaluations	-	382	-	382
Accumulated depreciation	-1.176.717	-4.068.828	-	-5.245.545
Accumulated impairment	-	-8.093.903	-	-8.093.903
Book value as at 1 January 2023	65.090	4.125.148	1.588.539	5.778.777
Movements				
Additions	-	-	261.810	261.810
Depreciation	-23.756	-482.226	-	-505.982
Depreciation revaluations	-	-382	-	-382
Disposals	-	-1.125.413	-1.850.349	-2.975.762
Depreciation on disposals	-	747.241	-	747.241
Balance movements	-23.756	-860.780	-1.588.539	-2.473.075
Balance as at 31 December 2023				
Cost or manufacturing price	1.241.807	15.162.083	-	16.403.890
Accumulated depreciation	-1.200.473	-3.803.812	-	-5.004.285
Accumulated impairment	-	-8.093.903	-	-8.093.903
Book value as at 31 December 2023	41.334	3.264.368	-	3.305.702

In 2021 an impairment has been processed amounting EUR 9,793,684, due to lower contribution of the different contracts. The following assumptions are taken into account:

- Expected future cashflows has been updated with current estimations for expenses and income;
- Used WACC is 14%.

The sensitivity of the used WACC:

- If the WACC increases with 2%, the negative effect will be EUR 244,573
- If the WACC decreases with 2%, the positive effect will be EUR 279,270

Property, plant and equipment: Economic life

	Machinery	Other tangi- ble assets
Depreciation rate	20,00	-
Start of the range of the depreciation rate	-	6,67
End of the range of the depreciation rate of property, plant and equipment	-	20,00

Financial assets

Finance leases

The Group has entered into finance leases on GaaS contracts consisting of gas generating systems. These leases have terms of 15 years, which represents substantially all of the economic life of the systems.

Future minimum rentals receivable under non-cancellable finance leases are as follows:

	Other recei- vable
	€
Balance as at 1 January 2023	
Principal value	7.946.165
Balance as at 1 January 2023	<u>7.946.165</u>
Movements	
Impairments	-804.514
Current portion	409.404
Balance movements	<u>-395.110</u>
Balance as at	
31 December 2023	
Principal value	8.355.569
Accumulated impairments	-804.514
Balance as at	
31 December 2023	<u><u>7.551.055</u></u>

Current assets

Inventories and work in progress

	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
Inventories		
Raw materials / assemble parts	1.391.009	2.103.111
Provision	-91.474	-110.688
	<u>1.299.535</u>	<u>1.992.423</u>
Work in progress		
Work in progress	<u>1.625.857</u>	<u>-</u>
Construction contracts (assets)		
Accumulated project revenues of construction contracts	4.626.168	7.205.465
Advances received for construction contracts	-4.183.494	-6.289.869
	<u>442.674</u>	<u>915.596</u>

Receivables

Disclosure of receivables with a maturity exceeding one year

The current assets do not include any receivables with remaining terms of more than one year (2022: € 0).

	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
Trade receivables		
Trade receivables	<u>613.641</u>	<u>679.595</u>
Other accounts receivable		
Taxes and social security charges	144.746	14.132
Other amounts receivable	1.220.347	4.020.527
	<u>1.365.093</u>	<u>4.034.659</u>
<i>Taxes and social security charges</i>		
Value added tax	87.971	-
Company tax	56.775	-
Wage tax	-	14.132
	<u>144.746</u>	<u>14.132</u>
<i>Other amounts receivable</i>		
Government grants	1.217.600	2.432.292
Prepaid insurances	1.378	16.320
Wage to be paid	1.369	-
Invoice received in advance	-	1.219.544
NOW to be received	-	352.371
	<u>1.220.347</u>	<u>4.020.527</u>

	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
Cash and cash equivalents		
Cash in banks and cash on hands	563.805	1.045.266
Short-term deposits	1.370	12.716
	<u>565.175</u>	<u>1.057.982</u>
	<u><u>565.175</u></u>	<u><u>1.057.982</u></u>

The Rabobank has issued bank guarantees in total of EUR 276,000.

Equity and liabilities

Group equity

The shareholders' equity is explained in the notes to the non-consolidated balance sheet.

Provisions

	<u>2023</u>	<u>2022</u>
	€	€
Provisions		
Balance as at 1 January	318.805	318.805
Increase/decrease	-243.805	-
Balance as at 31 December	<u>75.000</u>	<u>318.805</u>

The provision relates to an onerous contract and is the impairment of the assets related to this contract.

Long-term liabilities

Long-term liabilities

	Balance as at 31 December 2023	Repayment due	Remaining pay-back time > 1 year	Remaining pay-back time > 5 year	Interest percentage
	€	€	€	€	%
Payables to banks	4.928.940	5.815	4.923.125	-	-
NOW repayment debt	766.367	-	766.367	-	-
Total	<u>5.695.307</u>	<u>5.815</u>	<u>5.689.492</u>	<u>-</u>	

	<u>2023</u>	<u>2022</u>
	€	€
<i>Subordinated loan DRL 2017-05</i>		
Balance as at 1 January		
Principal amount	285.765	285.765
Cumulative repayments	-285.765	-
Balance as at 1 January	<u>-</u>	<u>285.765</u>
Movements		
Repayment	<u>-</u>	<u>-285.765</u>
Balance as at 31 December		
Principal amount	-	285.765
Cumulative repayments	-	-285.765
Balance as at 31 December	<u>-</u>	<u>-</u>

On May 19, 2017 an subordinated bridge loan was issued by DRL Resource Management B.V. for an amount of EUR 285,765. These loans bear 7% interest on an annual basis. Interest is paid quarterly. The loans are repayable per June 2023. The loan are subordinated to the NPEX bonds 2017-2023. The loan is fully repaid in 2022.

<i>Subordinated loan DRL 2018-06</i>		
Balance as at 1 January		
Principal amount	214.340	214.340
Cumulative repayments	-214.340	-
Balance as at 1 January	<u>-</u>	<u>214.340</u>
Movements		
Repayment	<u>-</u>	<u>-214.340</u>
Balance as at 31 December		
Principal amount	-	214.340
Cumulative repayments	-	-214.340
Balance as at 31 December	<u>-</u>	<u>-</u>

On July 1, 2018 an subordinated dividend loan was issued by DRL Resource Management B.V. for an amount of EUR 214,340. The DRL loan bears 7.5% interest on an annual basis. Interest is paid quarterly. The loan is subordinated on the NPEX bonds 2018-2024. The loan is fully repaid in 2022.

	<u>2023</u>	<u>2022</u>
	€	€
<i>Bridgeloan DRL 2017-05</i>		
Balance as at 1 January		
Principal amount	182.837	182.837
Cumulative repayments	-182.837	-
Balance as at 1 January	<u>-</u>	<u>182.837</u>
Movements		
Repayment	<u>-</u>	<u>-182.837</u>
Balance as at 31 December		
Principal amount	-	182.837
Cumulative repayments	-	-182.837
Balance as at 31 December	<u>-</u>	<u>-</u>

On June 19, 2017 an subordinated dividend loan was issued by DRL Resource Management B.V. for an amount of EUR 182,837. These loan bear 7% interest on an annual basis. Interest is paid quarterly. The loans are repayable six months after redemption of the 2017-2023 NPEX bonds. The loan is subordinated to the NPEX bonds 2017-2023. The loan is fully repaid in 2022.

	<u>2023</u>	<u>2022</u>
	€	€
<i>NPEX Bond 2019-2025 8%</i>		
Balance as at 1 January		
Principal amount	5.201.209	5.172.476
Cumulative repayments	-275.393	-275.393
Balance as at 1 January	<u>4.925.816</u>	<u>4.897.083</u>
Movements		
Increase	15.409	28.733
Revaluation	-2.999.400	-
Balance movements	<u>-2.983.991</u>	<u>28.733</u>
Balance as at 31 December		
Principal amount	5.216.618	5.201.209
Cumulative repayments	-275.393	-275.393
Accumulated currency translation differences	-2.999.400	-
Balance as at 31 December	<u>1.941.825</u>	<u>4.925.816</u>

On June 24, 2019 HyGear Technology & Services BV concluded a nominal EUR 4,999,000 public bond placement via NPEX. The bonds are included at amortised cost, being the amount received taking account of any premium or discount, less transaction costs. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised as interest in the income statement over the period of the bonds using the effective interest method.

Until 6 February 2023: The bonds, having a nominal value of EUR 1,000 each, carry an 8% annualised interest rate and a six-year duration. Interest is paid monthly and the bonds are redeemable on June 24, 2025. Early redemption is possible after three years. All Green Vision Holding B.V. group companies (refer to Note 12) are jointly and severally liable for interest payments and redemptions.

The bonds are subordinated to the loans from the Coöperatieve Rabobank U.A., a loan from the Ministry of Economic Affairs, a loan from De Lage Landen Financial Services B.V., a loan from the DBS bank and future loans.

Since bond holders have not exercised their right for early repayment due to the Xebec acquisition, these bonds are still deemed as Long Term.

Following the acquisition of Green Vision Holding by Hydrogen Solutions BV, a restructuring of the NPEX bonds has taken place. This resulted in the following changes:

- All NPEX Bonds nominal value has been changed from EUR 1,000 per bond to EUR 400 per bond
- NPEX bonds are redeemable at 1 February 2028
- For the period 1 March 2023 up and until 28 February 2024, no interest is payable for the NPEX bonds.
- As of 1 March 2024, interest on all NPEX bonds amounting 5%.

	2023	2022
	€	€
<i>NPEX Bond 2018-2024 7,5%</i>		
Balance as at 1 January		
Principal amount	5.047.590	5.023.295
Cumulative repayments	-85.032	-85.032
Balance as at 1 January	<u>4.962.558</u>	<u>4.938.263</u>
Movements		
Increase	6.310	24.295
Revaluation	-2.997.376	-
Balance movements	<u>-2.991.066</u>	<u>24.295</u>
Balance as at 31 December		
Principal amount	5.053.900	5.047.590
Cumulative repayments	-85.032	-85.032
Accumulated currency translation differences	-2.997.376	-
Balance as at 31 December	<u><u>1.971.492</u></u>	<u><u>4.962.558</u></u>

On July1, 2018 HyGear Technology & Services BV concluded a nominal €4,999,000 public bond placement via NPEX. The bonds are included at amortised cost, being the amount received taking account of any premium or discount, less transaction costs. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised as interest in the income statement over the period of the bonds using the effective interest method.

Until 6 February: The bonds, having a nominal value of EUR 1,000 each, carry a 7.5% annualised interest rate and a six-year duration. Interest is paid monthly, and the bonds are redeemable on June 16, 2024. Early redemption is possible after three years. All Green Vision Holding B.V. group companies (refer to Note 12) are jointly and severally liable for interest payments and redemptions. Under the terms of the bond placement the shareholders of Green Vision Holding BV have signed a non-withdrawal statement. This stipulates that shareholder will refrain from dividend payments, capital repayments or any other cash pay-outs for the whole bond duration that would result in Green Vision Holding BV's solvency ratio declining below 35%. The bonds are subordinated to the loans from the Coöperatieve Rabobank U.A., a loan from the Ministry of Economic Affairs and future bank loans.

Since bond holders have not exercised their right for early repayment due to the Xebec acquisition, these bonds are still deemed as Long Term.

Following the acquisition of GreenVision Holding by Hydrogen Solutions BV, a restructuring of the NPEX bonds has taken place. This resulted in the following changes:

- All NPEX Bonds nominal value has been changed from EUR 1,000 per bond to EUR 400 per bond
- NPEX bonds are redeemable at 1 February 2028
- For the period 1 March 2023 up and until 28 February 2024, no interest is payable for the NPEX bonds.
- As of 1 March 2024, interest on all NPEX bonds amounting 5%.

	2023	2022
	€	€
<i>NPEX Bond 2017-2023 7%</i>		
Balance as at 1 January		
Principal amount	2.527.323	2.513.162
Cumulative repayments	-34.224	-34.224
Balance as at 1 January	<u>2.493.099</u>	<u>2.478.938</u>
Movements		
Increase	1.397	14.161
Revaluation	-1.495.860	-
Balance movements	<u>-1.494.463</u>	<u>14.161</u>
Balance as at 31 December		
Principal amount	2.528.720	2.527.323
Cumulative repayments	-34.224	-34.224
Accumulated currency translation differences	-1.495.860	-
Balance as at 31 December	<u><u>998.636</u></u>	<u><u>2.493.099</u></u>

On March 1, 2017 HyGear Technology & Services BV concluded a nominal EUR 2,499,000 public bond placement via NPEX. The bonds are included at amortised cost, being the amount received taking account of any premium or discount, less transaction costs. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised as interest in the income statement over the period of the bonds using the effective interest method.

Until 6 February 2023: The bonds, having a nominal value of EUR 1,000 each, carry a 7% annualised interest rate and a six-year duration. Interest is paid monthly and the bonds are redeemable on February 28, 2023. Early redemption is possible after three years. All Green Vision Holding B.V. group companies (refer to Note 12) are jointly and severally liable for interest payments and redemptions. Under the terms of the bond placement the shareholders of Green Vision Holding BV have signed a non-withdrawal statement. This stipulates that the former shareholders will refrain from dividend payments, capital repayments or any other cash pay-outs for the whole bond duration that would result in Green Vision Holding BV's solvency ratio declining below 35%.

Following the acquisition of GreenVision Holding by Hydrogen Solutions BV, a restructuring of the NPEX bonds has taken place. This resulted in the following changes:

- All NPEX Bonds nominal value has been changed from EUR 1,000 per bond to EUR 400 per bond
- NPEX bonds are redeemable at 1 February 2028
- For the period 1 March 2023 up and until 28 February 2024, no interest is payable for the NPEX bonds.
- As of 1 March 2024, interest on all NPEX bonds amounting 5%.

	2023	2022
	€	€
<i>Rabo lening A 2017-2023</i>		
Balance as at 1 January		
Principal amount	238.096	238.096
Cumulative repayments	-210.634	-169.423
Balance as at 1 January	27.462	68.673
Movements		
Repayment	-27.462	-41.211
Balance as at 31 December		
Principal amount	238.096	238.096
Cumulative repayments	-238.096	-210.634
Current portion	-	-27.462
Balance as at 31 December	-	-

Loan A was issued by the Rabobank on November 16, 2017 for an amount of EUR 238,096. The loan carries a fixed 4.5% interest rate and is redeemable via monthly instalments of EUR 4,579, starting in May 2018 and ending in February 2023. Early redemption is possible. This loan is secured by the Group as per general terms and conditions of Rabobank Nederland. The loan is fully repaid in 2023.

For the purpose of the Rabobank financing, the following securities were provided:

- a pledge on inventories, transport equipment, receivables from third parties and inventory;
- a corporate guarantee credit.

<i>Rabo lening B 2017-2023</i>		
Balance as at 1 January		
Principal amount	666.666	666.666
Cumulative repayments	-433.821	-350.490
Balance as at 1 January	232.845	316.176
Movements		
Repayment	-232.845	-83.331
Balance as at 31 December		
Principal amount	666.666	666.666
Cumulative repayments	-666.666	-433.821
Current portion	-	-240.752
Balance as at 31 December	-	-7.907

Loan B was issued by the Rabobank on November 16, 2017 for a nominal amount of EUR 666,666. The loan carries a fixed 2.4% interest rate and is redeemable via monthly instalments of EUR 9,259, starting in May 2018 and ending in November 2024. Early redemption is possible. This loan is secured by the Group as per general terms and conditions of Rabobank Nederland. The loan is fully repaid in 2023.

For the purpose of the Rabobank financing, the following securities were provided:

- a pledge on inventories, transport equipment, receivables from third parties and inventory;
- a corporate guarantee credit.

	<u>2023</u>	<u>2022</u>
	€	€
<i>Rabo lening C 2017-2023</i>		
Balance as at 1 January		
Principal amount	95.238	95.238
Balance as at 1 January	<u>95.238</u>	<u>95.238</u>
Movements		
Repayment	-95.238	-
Balance as at 31 December		
Principal amount	95.238	95.238
Cumulative repayments	-95.238	-
Current portion	-	-95.238
Balance as at 31 December	<u>-</u>	<u>-</u>

Loan C was issued by the Rabobank on November 16, 2017 for an amount of EUR 95,238. The loan carries a fixed 4.65% interest rate and is redeemable via a 100% instalment of EUR 95,238, in November 2024. Early redemption is possible. This loan is secured by the Group as per general terms and conditions of Rabobank Nederland. The loan is fully repaid in 2023.

For the purpose of the Rabobank financing, the following securities were provided:

- a pledge on inventories, transport equipment, receivables from third parties and inventory;
- a corporate guarantee credit.

Lease VW Arteon

Balance as at 1 January		
Principal amount	48.131	48.131
Cumulative repayments	-10.806	-1.549
Balance as at 1 January	<u>37.325</u>	<u>46.582</u>
Movements		
Repayment	-37.325	-9.257
Balance as at 31 December		
Principal amount	48.131	48.131
Cumulative repayments	-48.131	-10.806
Current portion	-	-9.418
Balance as at 31 December	<u>-</u>	<u>27.907</u>

The loan issued by Rabobank November 2021 for an amount of EUR 48,131 for a car is repayable over 5 years via monthly instalments. The loan is fully repaid in 2023.

	<u>2023</u>	<u>2022</u>
	€	€
<i>Lease DBS VW Golf</i>		
Balance as at 1 January		
Principal amount	147.962	33.878
Cumulative repayments	-58.480	-13.572
Balance as at 1 January	<u>89.482</u>	<u>20.306</u>
Movements		
Increase	-	114.084
Repayment	-89.482	-44.908
Balance movements	<u>-89.482</u>	<u>69.176</u>
Balance as at 31 December		
Principal amount	147.962	147.962
Cumulative repayments	-147.962	-58.480
Current portion	-	-21.604
Balance as at 31 December	<u>-</u>	<u>67.878</u>

The loan issued by DBS on September 21, 2018 for an amount of SGD 62,930 for a car is repayable over 7 years via monthly instalments. The loan is fully repaid in 2023.

<i>Lease trailers</i>		
Balance as at 1 January		
Principal amount	450.750	450.750
Cumulative repayments	-138.310	-98.744
Balance as at 1 January	<u>312.440</u>	<u>352.006</u>
Movements		
Repayment	<u>-312.440</u>	<u>-39.566</u>
Balance as at 31 December		
Principal amount	450.750	450.750
Cumulative repayments	-450.750	-138.310
Current portion	-	-40.988
Balance as at 31 December	<u>-</u>	<u>271.452</u>

The loan issued by Rabobank on May 2, 2019 for an amount of EUR 450,750 for two H2 trailers is repayable over 10 years via monthly instalments. In the agreements the trailers are included as collateral for the lease issued by Rabobank. The loan is fully repaid in 2023.

	<u>2023</u>	<u>2022</u>
	€	€
<i>Lease heftruck</i>		
Balance as at 1 January		
Principal amount	39.130	39.130
Cumulative repayments	-16.860	-11.513
Balance as at 1 January	<u>22.270</u>	<u>27.617</u>
Movements		
Repayment	<u>-5.283</u>	<u>-5.347</u>
Balance as at 31 December		
Principal amount	39.130	39.130
Cumulative repayments	-22.143	-16.860
Current portion	-5.815	-5.595
Balance as at 31 December	<u>11.172</u>	<u>16.675</u>

The loan issued by Toyota on November 1, 2019 for an amount of EUR 39,130 for a forklift truck is repayable over 7 years via monthly instalments.

<i>Lease Rabobank 70048076</i>		
Balance as at 1 January		
Principal amount	54.085	-
Cumulative repayments	-10.240	-
Balance as at 1 January	<u>43.845</u>	<u>-</u>
Movements		
Increase	-	54.085
Repayment	-43.845	-10.240
Balance movements	<u>-43.845</u>	<u>43.845</u>
Balance as at 31 December		
Principal amount	54.085	54.085
Cumulative repayments	-54.085	-10.240
Current portion	-	-10.520
Balance as at 31 December	<u>-</u>	<u>33.325</u>

The loan issued by Rabobank in 2022 for an amount of EUR 54.085. The loan is fully repaid in 2023.

	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
NOW repayment debt		
NOW repayment debt	<u>766.367</u>	<u>753.297</u>

Of the total amount, EUR 177.600 relates to short-term debts.

Current liabilities

	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
Current portion of long term debts		
Repayment obligations	5.815	451.577
	<u> </u>	<u> </u>
Trade payables		
Accounts payable	438.825	1.535.738
	<u> </u>	<u> </u>
Current payables to group companies		
Current account Hydrogen Solutions B.V.	1.205.000	-
Current account Xebec Adsorption Inc.	-	21.159.047
	<u> </u>	<u> </u>
	1.205.000	21.159.047
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>
	2023	2022
	€	€
<i>Current account Hydrogen Solutions B.V.</i>		
Balance as at 1 January	-	-
	<u> </u>	<u> </u>
Movements		
Issue in financial year	1.205.000	-
	<u> </u>	<u> </u>
Balance as at 31 December		
Principal amount	1.205.000	-
	<u> </u>	<u> </u>
Balance as at 31 December	1.205.000	-
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>
On the average balance at the beginning and end of the financial year 6,2% interest was charged.		
<i>Current account Xebec Adsorption Inc.</i>		
Balance as at 1 January	21.159.047	14.522.032
Increase/decrease	-21.159.047	6.637.015
	<u> </u>	<u> </u>
Balance as at 31 December	-	21.159.047
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>
The current account Xebec Adsorption Inc. is released in 2023.		
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>
	31-12-2023	31-12-2022
	€	€
Payables relating to taxes and social security contributions		
Value added tax	-	293.443
Wage tax	129.442	-
	<u> </u>	<u> </u>
	129.442	293.443
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>
Construction contracts (liabilities)		
Accumulated project revenues of construction contracts	-3.429.861	-3.047.617
Advances received for construction contracts	3.638.948	4.120.284
Capitalised expenses for not yet provided services of construction contracts	-	-
	<u> </u>	<u> </u>
	209.087	1.072.667
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>

	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
Current other payables, liabilities and accrued expenses		
Government grants	2.813.388	3.054.505
Invoices to be received	262.860	-
Reservation holiday allowance / days	193.131	308.888
Reservation accountants costs	149.771	217.895
Payables shareholders	-	662.320
Accruals	-	46.767
Other liabilities	408.184	120.257
	<u>3.827.334</u>	<u>4.410.632</u>

Contingent assets and liabilities

Disclosure of off-balance sheet commitments

Rental obligations

There is a rent agreement of EUR 400.000 with IPKW for the rent of building and land with a duration of 5 years.

The nature of off-balance sheet liabilities

As of January 1 2021, Xebec Europe B.V., along with Green Vision Holding B.V. and its subsidiaries Hygear Technology & Services B.V., Hygear B.V., Hygear Fuel Cell Systems B.V., Hygear Hydrogen Plant B.V., and Hygear Operations B.V., formed a corporate income tax fiscal unity.

On February 6, 2023, the share purchase agreement was signed, making Host Holding B.V. the new owner of Green Vision Holding B.V. As a result, the fiscal unity with Xebec Europe B.V. was dissolved. As part of the share purchase agreement, the former shareholder Xebec relinquished all of its claims on Green Vision Holding B.V. and its subsidiaries. Additionally, as part of the purchase agreement, an amendment to the bond conditions was agreed upon with bondholders, which resulted in a reduction of the debt owed to bondholders. This resulted in a debt cancellation gain ('kwijtscheldingswinst') of € 28.642.000 for the 2023 fiscal year.

Starting from February 6 2023, Green Vision Holding B.V., along with Hygear Technology & Services B.V., Hygear B.V., Hygear Fuel Cell Systems B.V., Hygear Hydrogen Plant B.V., and Hygear Operations B.V., form a new corporate income tax fiscal unity.

Since the fiscal unity involving Xebec Europe B.V. has not yet filed its tax return for the period up to February 6, 2023, it has not been possible to reliably determine the amount of the debt cancellation gain exemption ('kwijtscheldingswinstvrijstelling') or the portion of profit that can be offset against any available compensable losses.

The compensable losses from the former tax entity with Xebec Europe B.V. have not yet been definitively established and assigned to Green Vision Holding B.V. and its subsidiaries. As a result, the amount of compensable losses and the extent to which they are eligible for offset remain uncertain.

Therefore, no corporate income tax expense or payable corporate income tax has been included in the 2023 financial statements of Green Vision Holding B.V. Furthermore, no deferred tax asset has been recognized for potentially offsetable losses in the future.

The off-balance sheet liabilities relating to the fiscal unity

The company is part of a fiscal unity for corporate income tax purposes, the taxable company being Green Vision Holding B.V., established in Enschede. For that reason, the company is jointly and severally liable for the corporate income tax payable by the aforementioned company.

The company is part of a fiscal unity with Green Vision Holding B.V., Hygear Technology And Services B.V., Hygear B.V., Hygear Fuel Cell Systems B.V., Hygear Hydrogen Plant B.V. and Hygear Operations B.V. for value added tax purposes, the taxable company being Green Vision Holding B.V., established in Enschede.

3.6 Notes to the consolidated income statement

The net turnover decreased with 13% in 2023 to EUR 6.951.214.

	2023	2022
	€	€
Net turnover		
Turnover from contracts with customers	6.645.080	7.954.775
Turnover government grants	306.134	-
	<u>6.951.214</u>	<u>7.954.775</u>
	<u><u>6.951.214</u></u>	<u><u>7.954.775</u></u>
Cost of sales		
Cost of sales	3.698.944	6.568.347
	<u>3.698.944</u>	<u>6.568.347</u>
	<u><u>3.698.944</u></u>	<u><u>6.568.347</u></u>
Wages and salaries		
Wages and salaries	3.218.340	3.935.956
Applied wages	194.355	-543.913
	<u>3.412.695</u>	<u>3.392.043</u>
	<u><u>3.412.695</u></u>	<u><u>3.392.043</u></u>
Social security charges and pensions cost		
Social security charges	430.315	873.041
Other pension charges	197.140	330.525
	<u>627.455</u>	<u>1.203.566</u>
	<u><u>627.455</u></u>	<u><u>1.203.566</u></u>
Other expenses of employee benefits		
Allowance for travelling and hotel expenses	93.414	107.688
Canteen expenses	11.119	19.093
Expenses wage administratiion	10.146	25.474
Arbo services	4.608	-
Recruitment expenses	-	1.344
Study and training expenses	-7.549	73.143
Other expenses of employee benefits	39.217	16.318
	<u>150.955</u>	<u>243.060</u>
	<u><u>150.955</u></u>	<u><u>243.060</u></u>
Amortization of intangible fixed assets		
Amortization costs of development	20.335	20.335
Amortization software	10.223	13.138
	<u>30.558</u>	<u>33.473</u>
	<u><u>30.558</u></u>	<u><u>33.473</u></u>
Depreciation of property, plant and equipment		
Other fixed assets	482.608	666.532
Depreciation costs of machinery	23.756	14.894
	<u>506.364</u>	<u>681.426</u>
Book result office equipment	-174	-
Book result vehicles	-179.400	-
Book result other fixed assets	-397	-27.318
	<u>326.393</u>	<u>654.108</u>
	<u><u>326.393</u></u>	<u><u>654.108</u></u>

Housing expenses

Gas, water and electricity	639.553	291.946
Rent expenses	627.815	715.623
Maintenance buildings	29.042	15.439
Waist expenses	5.905	-4.083
Cleaning expenses	3.494	4.713
Other housing expenses	-	-52.408
	<u>1.305.809</u>	<u>971.230</u>

Operating and machine expenses

Small investments inventory	11.868	69.905
Repair and maintenance of inventory	8.554	25.928
	<u>20.422</u>	<u>95.833</u>
Applied operating and machine expenses	-	-30.097
	<u>20.422</u>	<u>65.736</u>

Selling expenses

Travelling and hotel expenses	193.487	333.433
Advertising expenses	65.732	125.028
Representation expenses	597	-
Addition to provision doubtful debtor	-359.551	-
	<u>-99.735</u>	<u>458.461</u>
Applied selling expenses	-	-1
	<u>-99.735</u>	<u>458.460</u>

Car expenses

Fuel expenses	15.040	31.797
Repair and maintenance cars	8.920	7.171
Rental expenses cars	6.262	24.995
Motor car tax	4.504	5.338
Insurance premium cars	1.806	243
VAT on private use cars	-4.685	-1.883
Other car expenses	3.621	24.715
	<u>35.468</u>	<u>92.376</u>
Applied car expenses	255	-5.018
	<u>35.723</u>	<u>87.358</u>

Office expenses

Repair and maintenance office furniture	111.135	70.317
Telephone and fax expenses	14.340	21.633
Office supplies	4.487	7.107
Printed matters	1.471	5.835
Postage expenses	581	2.199
	<u>132.014</u>	<u>107.091</u>

	2023	2022
	€	€
General expenses		
Insurance premium	231.848	16.891
Advisory costs	209.871	215.036
Patentcosts	62.684	45.877
Audit costs, other non-audit services	53.712	96.248
Subscriptions	15.111	-70.204
Booking differences	14.879	-165
Charged general expenses	-110	6.959
Other general expenses	46.586	14.297
	<u>634.581</u>	<u>324.939</u>
Applied general expenses	-	-448
	<u>634.581</u>	<u>324.491</u>
Other interest and similar income		
Interest loans receivable	285.126	235.996
Interest financial lease receivable	22.586	-
Interest tax authorities	143	-
	<u>307.855</u>	<u>235.996</u>
Release of liabilities		
Release of liabilities	28.661.031	-
Interest and similar expenses		
Interest liabilities to group companies	62.907	-
Paid bank interest	27.190	27.870
Other interest expenses	23.996	1.022.687
	<u>114.093</u>	<u>1.050.557</u>
Interest liabilities to group companies		
Interest liabilities to Hydrogen Solutions B.V.	62.907	-
Paid bank interest		
Interest on bank loans	18.567	14.545
Interest in lease instalments	8.623	13.325
	<u>27.190</u>	<u>27.870</u>
Other interest expenses		
Interest on other long-term debt	23.116	897.760
Financing interest	880	1.313
Other interest expenses	-	123.614
	<u>23.996</u>	<u>1.022.687</u>
Income tax expense		
Income tax expense from current financial year	-	7.242
Total of income tax expense	-	7.242

Disclosure of income tax expense

The corporate income tax in 2022 relates to HyGear Asia. The effective tax rate is 17% (2021: 14%). In 2022, no corporate income tax is due for the fiscal unity because of the negative result.

The tax losses from the past and for 2022 have not been valued. Assumptions are:

- Use of fiscal arrangements, which deduct the future fiscal profits.
- Uncertainty as to whether losses can be used to reduce future taxable profits.
- There is a dependency of the former shareholder for the realization of the fiscal losses regarding 2021 and earlier.

In 2023, no income tax was due because of the negative result in the financial year.

3.7 Other notes

Average number of employees

	<u>2023</u>	<u>2022</u>
Average number of employees over the period working in the Netherlands	48,09	71,00
Average number of employees over the period working outside the Netherlands	<u>1,42</u>	<u>8,00</u>
Total of average number of employees over the period	<u><u>49,51</u></u>	<u><u>79,00</u></u>

Remuneration of managing and supervisory directors

Disclosure of remuneration of managing and supervisory directors

The directors' remuneration includes management fee payments, to the extent that these items were charged tot Green Vision Holding BV and all its subsidiaries.

Subsequent events

Disclosure of subsequent events

Effects of the acquirement are:

- NPEX bonds are redeemable at 1 February 2028;
- For the 1 March 2023 up and until 31 January 2024, no interest will be calculated and paid for the NPEX bonds;
- As of 1 March 2024, interest on all NPEX bonds amounting 5%.
- All bondholders together will receive a 5% stake in HyGear in the form of share certificates.

For more detailed information on events after balance sheet date we refer to paragraph 'continuity'

4. Company-only financial statements

4.1 Company-only balance sheet as at 31 December 2023

(After proposal appropriation of result)

	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
Assets		
Fixed assets		
Financial assets		
Participations	1	1

Current assets		
Receivables		
Receivables from group companies	22.899.435	22.412.929
Other accounts receivable	43.463	16.320

	22.942.898	22.429.249

Cash and cash equivalents	680	29.820

	<u>22.943.579</u>	<u>22.459.070</u>
	=====	=====

	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
Equity and liabilities		
Equity		
Share capital paid called up	112.053	75.973
Share premium	3.141.131	3.141.131
Other legal reserves	-22.508	19.333
General reserve	2.102.257	-23.432.531
	<u>5.332.933</u>	<u>-20.196.094</u>

Provisions		
Other provisions	16.454.191	21.941.768

Current liabilities		
Trade payables	62.753	18.100
Current payables to group companies	889.795	20.484.047
Current other payables, liabilities and accrued expenses	203.907	211.249
	<u>1.156.455</u>	<u>20.713.396</u>

	<u>22.943.579</u>	<u>22.459.070</u>
	=====	=====

4.2 Company-only abridged profit and loss account for the year 2023

	<u>2023</u>	<u>2022</u>
	€	€
Result of participations	5.488.744	-6.650.371
Company result after taxes	20.041.449	-311.136
Net result after taxation	<u>25.530.193</u>	<u>-6.961.507</u>

4.3 Notes to the company-only financial statements

Entity information

General accounting principles

The accounting standards used to prepare the financial statements

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

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

For the general principles for the preparation of the financial statements, the principles for valuation of assets and liabilities and determination of the result, as well as for the notes to the consolidated financial statements, if not presented otherwise hereinafter.

Accounting principles

Financial assets

Participations, over which significant influence can be exercised, are valued according to the net asset value method. In the event that 20% or more of the voting rights can be exercised, it may be assumed that there is significant influence.

The net asset value is calculated in accordance with the accounting principles that apply for these financial statements; with regard to participations in which insufficient data is available for adopting these principles, the valuation principles of the respective participation are applied.

If the valuation of a participation based on the net asset value is negative, it will be stated at nil. If and insofar as can be held fully or partially liable for the debts of the participation, or has the firm intention of enabling the participation to settle its debts, a provision is recognised for this.

Share in results of participating interests

The result is the amount by which the carrying amount of the participation has changed since the previous financial statements as a result of the earnings achieved by the participation to the extent that this can be attributed to Green Vision Holding B.V.

4.4 Notes to the company-only balance sheet

Fixed assets

Financial assets

	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
Participations		
Participation in group company Hygear Technology & Services B.V.	1	1
	<u>1</u>	<u>1</u>
	<u>2023</u>	<u>2022</u>
	€	€
<i>Participation in group company Hygear Technology & Services B.V.</i>		
Book value as at 1 January	1	1
Profit/(Loss)	5.487.577	-6.212.772
Addition to provision	-5.487.577	6.212.772
	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>

Receivables

	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
Receivables from group companies		
Receivable from Hygear B.V.	-	508.594
Receivable from Hygear Hydrogen Plant B.V.	970.673	912.073
Receivable from Hygear Fuel Cell Systems B.V.	862.735	812.735
Receivable from Hygear Technology & Services B.V.	12.378.485	11.690.485
Receivable from Hygear Operations B.V.	8.687.542	8.489.042
	<u>22.899.435</u>	<u>22.412.929</u>
	<u>22.899.435</u>	<u>22.412.929</u>
Other accounts receivable		
Taxes and social security charges	37.159	-
Other amounts receivable	6.304	16.320
	<u>43.463</u>	<u>16.320</u>
	<u>43.463</u>	<u>16.320</u>
<i>Taxes and social security charges</i>		
Value added tax	37.159	-
	<u>37.159</u>	<u>-</u>
<i>Other amounts receivable</i>		
Invoice received in advance	4.926	-
Prepaid insurances	1.378	16.320
	<u>6.304</u>	<u>16.320</u>
	<u>6.304</u>	<u>16.320</u>

Cash and cash equivalents

Cash in banks and cash on hands	680	23.749
Short-term deposits	-	6.071
	<u>680</u>	<u>29.820</u>
	<u>680</u>	<u>29.820</u>

Equity and liabilities

Equity

	<u>2023</u>	<u>2022</u>
	€	€
<i>Issued ordinary share</i>		
Share capital paid called up		
Balance as at 1 January	21.843	21.843
Balance as at 31 December	<u>21.843</u>	<u>21.843</u>
<i>Issued cumulative preferred share</i>		
Share capital paid called up		
Balance as at 1 January	10	10
Balance as at 31 December	<u>10</u>	<u>10</u>
<i>Other reserve cumulative preferred shares</i>		
Share capital paid called up		
Balance as at 1 January	54.120	54.120
Profit for the year	36.080	-
Balance as at 31 December	<u>90.200</u>	<u>54.120</u>
Share premium		
Balance as at 1 January	3.141.131	3.141.131
Movements	-	-
Balance as at 31 December	<u>3.141.131</u>	<u>3.141.131</u>
	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
Other legal reserves		
Foreign currency translation reserve	-164.851	-163.685
Other legal reserves	142.343	183.018
	<u>-22.508</u>	<u>19.333</u>
	<u>2023</u>	<u>2022</u>
	€	€
<i>Foreign currency translation reserve</i>		
Balance as at 1 January	-163.685	13.519
Addition in financial year	-1.166	-177.204
Balance as at 31 December	<u>-164.851</u>	<u>-163.685</u>
<i>Other legal reserves</i>		
Balance as at 1 January	183.018	183.018
Mutation in financial year	-40.675	-
Balance as at 31 December	<u>142.343</u>	<u>183.018</u>

	<u>2023</u>	<u>2022</u>
	€	€
General reserve		
Balance as at 1 January	-23.432.531	-16.645.074
Appropriation of result	25.494.113	-6.961.507
Transfers	40.675	174.050
Balance as at 31 December	<u>2.102.257</u>	<u>-23.432.531</u>

Provisions

	<u>2023</u>	<u>2022</u>
	€	€
Provision Hygear Technology & Services B.V.		
Balance as at 1 January	21.941.768	15.244.243
Addition to Provision Hygear Technology & Services B.V.	-5.487.577	6.697.525
Balance as at 31 December	<u>16.454.191</u>	<u>21.941.768</u>

Current liabilities

	<u>31-12-2023</u>	<u>31-12-2022</u>
	€	€
Trade payables		
Accounts payable	62.753	18.100
Current payables to group companies		
Current account Xebec Adsorption Inc.	-	20.484.047
Current account Hydrogen Solutions B.V.	680.000	-
Current account Hygear B.V.	209.795	-
	<u>889.795</u>	<u>20.484.047</u>

The current account Xebec Adsorption Inc. is released in 2023.

Current other payables, liabilities and accrued expenses

Reservation accountants costs	141.000	211.249
Other liabilities	62.907	-
	<u>203.907</u>	<u>211.249</u>

Contingent assets and liabilities

The off-balance sheet liabilities relating to the fiscal unity

The company is part of a fiscal unity for corporate income tax purposes, the taxable company being Green Vision Holding B.V., established in Enschede. For that reason, the company is jointly and severally liable for the corporate income tax payable by the aforementioned company.

The company is part of a fiscal unity with Green Vision Holding B.V., Hygear Technology And Services B.V., Hygear B.V., Hygear Fuel Cell Systems B.V., Hygear Hydrogen Plant B.V. and Hygear Operations B.V. for value added tax purposes, the taxable company being Green Vision Holding B.V., established in Enschede.

4.5 Other notes

Average number of employees

Disclosure of average number of employees during the period

During the year 2023, the average number of employees, based on full-time equivalents, was null (2022: 0). No employees were employed outside of the Netherlands (2022: 0).

Enschede, 13 November 2024

H. Klein Teeselink
Managing Director

M.A.F. te braak
Managing Director

J. Klein Teeselink
Managing Director

H. J. Kleef
Managing Director

5.1 Independent auditor's report

Report on the audit of the financial statements 2023

Our disclaimer of opinion

We were engaged to audit the financial statements 2023 of Green Vision Holding B.V. based in Enschede.

We do not express an opinion on the accompanying financial statements of the Company. Due to the significance of the matters described in the 'Basis for our disclaimer of opinion' section, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the accompanying financial statements as a whole.

The financial statements comprise:

1. the consolidated and company balance sheet as at 31 December 2023;
2. the consolidated and company income statement for the year 2023; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our disclaimer of opinion

We have not been able to obtain relevant documentation and other information supporting transactions during 2023 and balances as at year end 2023 of Hygear Asia Pte. Ltd. ("Hygear Asia"). Hygear Asia is a material subsidiary of the company. Furthermore the auditor of Hygear Asia issued a disclaimer of opinion on the financial statements and we have not been able to perform additional procedures to remediate the reported deficiencies at group level.

Due to the restructuring in 2023, several employees, with knowledge of the transactions during the financial year 2023, have left. As a consequence, we have not been able to obtain relevant documentation and other information supporting transactions during 2023 and balances as at year end 2023. Furthermore this impacted the internal control environment of the Company significantly.

As a result of the aforementioned circumstances, we were unable to determine whether any corrections would be required with regard to the balances as reported in the 2023 financial statements.

The income tax position of the Company is currently being analysed. Following the restructuring and the acquisition of the Company, the fiscal unity with the former parent (Xebec Adsorption Inc.) ended on February 5, 2023 and the Company formed a new fiscal unity with its Dutch subsidiaries. The restructuring effects may or may not have significant impact on the overall income tax position. Currently no current or deferred tax positions have been recognized. As the impact may be material to the financial statements taken as a whole, we are currently not able to conclude whether the income tax position is fairly stated. We refer to page 42 for further details.

Material uncertainty related to going concern

We draw attention to the going concern section in the general notes of the financial statements which indicates that the management of Host Holding B.V. has issued a letter of comfort to Green Vision Holding B.V. The letter of comfort ensures the continuity of the business activities of Green Vision Holding B.V. through November 2025. Our opinion is not modified in respect of this matter.

Report on the other information included in the annual report

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

Due to the significance of the matters described in the 'Basis for our disclaimer of opinion' section, we have not been able to consider in accordance with Part 9 of Book 2 of the Dutch Civil Code as to whether or not the other information:

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

We were engaged to read the other information and, based on our knowledge and understanding to be obtained through our audit of the financial statements or otherwise, to consider whether the other information contains material misstatements.

Management is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Description of responsibilities regarding the financial statements

Responsibilities of the board for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management 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.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting, unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Management 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 responsibility is to express an opinion on the financial statements based on conducting the audit in accordance with Dutch law, including the Dutch Standards on Auditing. However, due to the matter/matters described in the 'Basis for our disclaimer of opinion' section, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

We are independent of Green Vision Holding B.V. in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), 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 for Professional Accountants).

Enschede, 13 November 2024

De Jong & Laan Controle B.V.

Original signed by drs E.B.J. Haandrikman-Willemsen RA

Colofon

deJong&Laan

Pantheon 25
7521 PR Enschede

053-481 04 81
enschede@jonglaan.nl

jonglaan.nl

De Jong & Laan Controle B.V., with registered office in Vroomshoop, Chamber of Commerce number 06054458. Our general terms and conditions apply to all our services and activities. These general terms and conditions have been filed with the Chamber of Commerce under no. 08153431 and can be viewed at www.jonglaan.nl. Alternatively, we can forward you a copy free of charge upon request.