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Wavepiston A/S

Kronborg 3B, 2., 3000 Helsingør

Company reg. no. 35 68 08 29

Annual report

1 January - 31 December 2023

The annual report was submitted and approved by the general meeting on the 28 May 2024.

Peter Jørn Jensen
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

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Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of Wavepiston A/S for the financial year 1 January - 31 December 2023.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Helsingør, 14 May 2024

Managing Director

Michael Henriksen

Board of directors

Jesper Højer
Chairman

Torben Arnth Nielsen

Anders Christian Nordstrøm

Independent auditor's report

To the Shareholders of Wavepiston A/S

Opinion

We have audited the financial statements of Wavepiston A/S for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023, and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

Independent auditor's report

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 14 May 2024

Grant Thornton

Certified Public Accountants
Company reg. no. 34 20 99 36

Jan Tønnesen

State Authorised Public Accountant
mne9459

Company information

The company	Wavepiston A/S Kronborg 3B, 2. 3000 Helsingør
	Company reg. no. 35 68 08 29 Domicile: Financial year: 1 January - 31 December
Board of directors	Jesper Højer, Chairman Torben Arnth Nielsen Anders Christian Nordstrøm
Managing Director	Michael Henriksen
Auditors	Grant Thornton, Godkendt Revisionspartnerselskab Stockholmsgade 45 2100 København Ø
Subsidiary	Wavepiston SL, Gran Canaria, Spanien

Management's review

The principal activities of the company

Consistent with our mission in previous years, the principal activities of Wavepiston are to develop and produce solutions, advice, and make investments in renewable energy, specifically wave energy.

Our focus in 2023 has been on preparing and installing our full-scale system in Gran Canaria, continuing our onshore and accelerated testing, finalising our EUR 2m equity raise initiating the upgrade of the Wavepiston technology to the commercial version, and preparing for commercialisation with project development of commercial pilot farms.

Demonstration Project 1: SME Phase 2 – Competitive Wave Energy on Islands (CWEI)

In the CWEI project the focus has been on developing and manufacturing a refined version of the energy collector, aka v1.1, and ensuring that all infrastructure parts were properly installed at the PLOCAN site.

Two energy collectors v1.1 are ready at the mobilisation site waiting to be installed as soon as a vessel is available.

Demonstration Project 2: Fast Track to Innovation - Wave to Energy and Water (W2EW)

All components of the full-scale system were installed in 2023, except the energy collectors. Due to lack of vessels to assist with the installation of the energy collectors v1.0, these were not installed in 2023. To reduce risks a stepwise approach is followed in the installation of the energy collectors. The first energy collector was installed and tested for 3½ weeks in February 2024. The energy collector behaved as expected during the period until it loosened from the string. The analysis of the test concluded that there was a high probability of incorrect torque having been applied during the mounting process. Based on the experience, the assembly and control procedures have been updated and we have four energy collectors waiting at the mobilisation site. As soon as we can get a vessel in a good weather window these will be installed in order to complete the commissioning of the full system for both power production and desalination.

The plan in 2024 is to install the six assembled energy collectors and harvest experimental data for analysis and alignment of the company' numerical models (aka the digital twin), get experience with the operation of the system, and then continue using the Wavepiston string as a test bench in the coming years for the commercial version of the energy collector (see project COHSI-WEC and SHY).

Accelerated and virtual testing: Horizon 2020 - Verification through Accelerated testing Leading to Improved wave energy Designs (VALID)

In 2023, we continued and finalised the accelerated testing of our pumps and upgraded our numerical models in that respect. This has provided us with vital knowledge that has been used for the development of the next version pump for the commercial Wavepiston system.

The VALID project will finish in 2024.

Management's review

Composites, Hybrid testing and Simulations for a disruptive Wave Energy Converter (COHSI-WEC)

COHSI-WEC started in Q3-2023. It is a 2½ year project with a budget of DKK 22.4m. The Danish EUDP programme has co-funded the project with a grant of DKK 15.6m. Wavepiston's partners are Aalborg University (AAU) and Technical University of Denmark (DTU). The purpose of the project is to develop and test a lighter, cheaper, and more robust version of the Wavepiston energy collector. AAU will use their expertise to upgrade the numerical models and perform tests in their wave tank. DTU will use their expertise in accelerated and hybrid testing with an upgraded version of the test bench developed in the VALID project.

Financials

Our total actual costs for 2023 amounted to DKK 17m, which is in line with the budget.

The staff costs are on the same level as previous year at a total of DKK 6m.

We have spent DKK 8m in total on external costs on material, assistance etc., which is approx. DKK 1m above budget. The increase is mainly driven by price increases on components, temporary extra use of consultants and high demands on the supply chain incl. vessels and crews.

Costs related to "non-project" activities have exceeded the budget with 15%. Similar to the previous year, we have allocated resources towards our capital-raising efforts and communication in general.

We finalised the total raise of EUR 2m (DKK 15m) in Q1-2023. We also secured public funding for two large projects, COHSI-WEC and SHY, for the development and upgrade of the Wavepiston system to the commercial version with focus on the energy collector. The total budget for the two projects amounts to EUR 7m, with grants from EUDP and Horizon Europe covering EUR 6.1m. The grants are distributed among all project partners. The Wavepiston component of the public funding is EUR 2.8m. The COHSI-WEC project already started in 2023, while the SHY project will start in 2024.

During 2023, we have been preparing for a strategic fundraising/partnership to support our commercialisation phase. We have significantly advanced our strategy, planning, and financial forecasts, to be well-prepared for discussions with potential strategic investors and corporates. To get strategic investors on board, we need to demonstrate successful results from our full-scale system at PLOCAN. Hence, as a step on the way we plan for another small equity raise in H1-2024 to ensure sufficient runway to test and demonstrate results from the full-scale system during 2024, with strategic partners to come on board in 2025.

Going concern

The management expects that the necessary liquidity for the budgeted activities can be obtained on an ongoing basis. Besides the secured grants we have an ongoing capital raise in Q2-24 where we have so far secured EUR ½m. Based on this, the management presents the annual report in accordance with the going concern criteria.

Management's review

Organisation

Per 31/12-2023 we were 8 full time employees and 2 freelancers in Wavepiston Denmark. In addition, we were 2 full-time employees in Wavepiston Gran Canaria.

We have managed to keep a stable base and a low employee turnover. Among the new faces we welcomed our CCO, Emiel Schut, with a background in the automotive industry, and our board member Anders Chr. Nordstrøm who brings his large experience from the energy sector.

We continued to expand our network of suppliers and partners.

Commercialization, Communication and PR

In 2023 we participated in and presented at several conferences and events. The most important were:

- Green Business Global Summit
- Seanergy
- Ocean Energy Europe
- TechChill
- Climate Tech Accelerator, Innovation Centre Denmark
- VERGE Greenbiz
- COP28, the Barbados stand, virtual presentation and panel discussion

Presenting and participating at the seminars and conferences are important as it helps to spread the good message about Wavepiston and build relationships with potential business partners and customers.

We continued the significant efforts in presenting and pitching to potential investors and partners, laying the foundation for future strategic investors and partnerships.

We have kept a steady activity level on social media with 52 posts on LinkedIn where we currently have 3,914 followers, an increase of 948 followers in one year. We also continue our presence on X (formerly Twitter) to target politicians, currently with 156 followers.

We continue to participate in the work to influence politicians and authorities in ordaining more favourable policies for the development of wave energy, both directly and through our memberships in Ocean Energy Europe, Dansk Industri, Danish Partnership for Wave Power, Energy Cluster Denmark, and Cluster Marítimo de Canarias. We had the honour of being invited to a meeting in the Danish Parliament by Hans Andersen, the spokesperson on trade and industry from the Danish political party Venstre, where we discussed improvements for the startup environment in Denmark and the large potential of wave energy.

Management's review

There have been articles and features about Waveston in the following media:

International media (online magazines)

- <https://www.offshore-energy.biz/>
- <https://masterinvestor.co.uk/>
- <https://renews.biz/>

Danish media (podcasts, newspapers and online magazines)

- <https://www.energy-supply.dk/>
- <https://bootstrapping.dk/>
- <https://watchmedier.dk/>
- <https://energiwatch.dk/>
- <https://finans.dk/>
- <https://helsingordagblad.dk/>

Besides our two granted patent families, we have three patent applications pending and continue to follow the strategy of broadening and extending the protection of Waveston's intellectual property rights.

In 2023, we also entered two important agreements. One with YS Energies Marines Developpement (YS~EMD) regarding the collaboration project in Martinique. The other with Shell Marine Renewable Program on a feasibility study to identify technological opportunities and potential avenues for collaboration.

We continue to identify and engage potential locations for our first commercial projects. In 2023 the focus was still the Canary Islands and the French Caribbean.

Members of the European Parliament voted in 2023 for an indicative target for innovative renewable energy technology of at least 5% of newly installed renewable energy capacity. Another important aspect following this legislation is improved procedures to grant permits for new renewable energy farms. It is intended to facilitate and speed up the deployment of new RES. This is a very important decision for innovative energy sources, such as ocean energy, as it will open a regulatory window for more investments into diversified energy systems. This is precisely the boost that ocean energy needs to pave the way in Europe.

Wave energy was recently included in the UK's technology specific Contract for Difference (CfD) scheme. In the 6th round wave energy has an administrative strike price of £257 per MWh in 2012 prices (resembling £353/MWh in 2023). This is a testament that wave energy will play an important role in the future energy mix. We will follow the developments closely and assess our opportunities in the UK, as they are a leading country in the support of ocean energy.

We follow the developments in ocean energy in USA and Asia closely as they are still moving fast ahead. Europe needs to keep up the pace to be at the forefront of the sector.

Management's review

Plan for 2024

The uncertainties in the general market have continued in 2023 with increased interest rates, inflation still on the high side, and large demands on offshore vessels/crews. This not only increases our cost base but also impacts our timeline due to limited access to vessels. We are continuously working on mitigating these risks.

We tested the first energy collector on the Wavepiston string in February 2024. Based on this experience we are ready with six energy collectors that will be installed as soon as possible.

We have an ongoing equity raise where we have so far secured EUR ½m. Together with the public funding secured in 2023, the raise will secure a runway for testing and demonstrating the results of the full-scale system during 2024.

2024 is a decisive year for Wavepiston. Our plan for 2024 is to:

- Keep a stable team and hire 1-2 new employees in H2-2024.
- Demonstrate successful results from our full-scale installation at PLOCAN, Gran Canaria.
- Continue our technology development for the commercial version of the Wavepiston system.
- Continue our project development for the first commercial pilot farms including entering an agreement on the first pilot farm.
- Prepare an agreement with a strategic investor (group).
- Expand our network of potential partners and customers, including communication campaigns.

2023 has been a challenging year. Working with technical development in the offshore sector, Wavepiston will face challenges, but we handle the challenges and get stronger every time. We are still fully convinced that the Wavepiston technology holds immense potential, and every step brings us closer to making Wavepiston the leading company in the sector Bringing Wave Energy to the World.

Accounting policies

The annual report for Wavepiston A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Income statement

Gross loss

Gross loss comprises the revenue, direct cost, other operating income, and external costs.

Revenue, which consist of grants for specific projects, is recognised in the income statement as costs are incurred and the grant conditions are met. Other operating income consists of services in relation to the energy sector.

Direct costs comprises costs concerning purchase of raw materials and consumables less discounts.

Other external expenses comprise expenses incurred for sales, administration and premises.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest expenses, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency.

Results from investment in subsidiarie

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the investment in the subsidiary is recognised in the income statement as a proportional share of the entity' post-tax profit or loss.

Accounting policies

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Tax reimbursed under the Danish tax credit regime on development costs are calculated with 22 % and recognised as income in the income statement.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises. The company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable by the Danish consolidated companies is paid to the tax authorities by the company.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Intangible assets

Patents, and licences

Patents and licenses are measured at cost less accrued amortisation. Patents are amortised on a straightline basis over the remaining patent period and licenses are amortised over the contract period, however, for a maximum of 10 years.

Plant, and equipment

Plant, and equipment are measured at cost less accrued depreciation and write-down for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Accounting policies

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-5 years	0%

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Investments

Investments in subsidiarie

Investments in subsidiarie is recognised and measured by applying the equity method. The equity method is used as a method of consolidation.

Investments in subsidiarie is recognised in the statement of financial position at the proportionate share of the subsidiarie's equity value. This value is calculated in accordance with the parent's accounting policies with deductions or additions of unrealised intercompany gains and losses as well as with additions or deductions of the remaining value of positive or negative goodwill calculated in accordance with the acquisition method. Negative goodwill is recognised in the income statement at the time of acquisition of the equity investment. If the negative goodwill relates to contingent liabilities acquired, negative goodwill is not recognised until the contingent liabilities have been settled or lapsed.

To the extent the equity exceeds the cost, the net revaluation of equity investment in subsidiarie transferred to the reserve under equity for net revaluation according to the equity method. Dividend from subsidiarie expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in subsidiarie.

Newly acquired or newly established companies are recognised in the financial statement as of the time of acquisition. Sold or liquidated companies are recognised until the date of disposal.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investment in subsidiarie are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

Accounting policies

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value.

Prepayments

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Equity

Share premium

Share premium comprises premium payments made in connection with the issue of shares. Costs incurred for carrying through an issue are deducted from the premium.

The premium reserve can be used for dividend, for issuing bonus shares, and for covering losses.

Income tax and deferred tax

As administration company, Wavepiston A/S is liable to the tax authorities for the subsidiaries' corporate income taxes.

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Tax receivables from subsidiarie" or "Income tax payable to subsidiarie"

Accounting policies

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Deferred income

Payments received concerning future income are recognised under deferred income.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Gross profit	-6.579.867	-3.612.657
1 Staff costs	-5.873.558	-5.855.919
Depreciation, amortisation, and impairment	-154.874	-148.337
Operating profit	-12.608.299	-9.616.913
Income from investment in subsidiary	-1.002.530	-963.394
Other financial income	1.123	11
Other financial expenses	-72.575	-41.373
Pre-tax net profit or loss	-13.682.281	-10.621.669
2 Tax on net profit or loss for the year	2.499.694	1.862.481
Net profit or loss for the year	-11.182.587	-8.759.188
Proposed distribution of net profit:		
Allocated from retained earnings	-11.182.587	-8.759.188
Total allocations and transfers	-11.182.587	-8.759.188

Balance sheet at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Non-current assets		
3 Completed development projects, including patents and similar rights arising from development projects	1.891.607	1.685.505
Total intangible assets	1.891.607	1.685.505
4 Other fixtures and fittings, tools and equipment	0	11.735
Total property, plant, and equipment	0	11.735
5 Investment in subsidiary	0	0
6 Other receivables	0	2.670.965
Total investments	0	2.670.965
Total non-current assets	1.891.607	4.368.205
Current assets		
Trade receivables	199.357	0
Income tax receivables	2.595.150	2.238.487
Other receivables	6.348.160	684.551
Prepayments	61.321	636.884
Total receivables	9.203.988	3.559.922
Cash and cash equivalents	62.051	1.211.496
Total current assets	9.266.039	4.771.418
Total assets	11.157.646	9.139.623

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Equity		
Contributed capital	1.313.897	1.190.604
Share premium	37.825.483	27.728.683
Retained earnings	-31.947.485	-20.764.898
Total equity	<u>7.191.895</u>	<u>8.154.389</u>
Liabilities other than provisions		
Bank loans	1.960.581	0
Trade payables	1.281.441	109.642
Income tax payable to subsidiaries	95.456	376.004
Other payables	628.273	406.980
Deferred income	0	92.608
Total short term liabilities other than provisions	<u>3.965.751</u>	<u>985.234</u>
Total liabilities other than provisions	<u>3.965.751</u>	<u>985.234</u>
Total equity and liabilities	<u>11.157.646</u>	<u>9.139.623</u>

7 Contingencies

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Share premium</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2022	1.190.604	27.728.683	-20.764.898	8.154.389
Cash capital increase	123.293	10.096.800	0	10.220.093
Profit or loss for the year brought forward	<u>0</u>	<u>0</u>	<u>-11.182.587</u>	<u>-11.182.587</u>
	<u>1.313.897</u>	<u>37.825.483</u>	<u>-31.947.485</u>	<u>7.191.895</u>

Notes

All amounts in DKK.

1. Staff costs

Salaries and wages	5.498.209	5.476.076
Pension costs	298.530	303.900
Other costs for social security	28.306	28.969
Other staff costs	48.513	46.974
	5.873.558	5.855.919
Average number of employees	9	9

2. Tax on net profit or loss for the year

Tax credit regime	-2.499.694	-1.862.481
	-2.499.694	-1.862.481

3. Completed development projects, including patents and similar rights arising from development projects

Cost 1 January 2023	2.145.371	1.716.853
Additions during the year	349.242	428.518
Cost 31 December 2023	2.494.613	2.145.371
Amortisation and writedown 1 January 2023	-459.866	-323.263
Amortisation for the year	-143.140	-136.603
Amortisation and writedown 31 December 2023	-603.006	-459.866
Carrying amount, 31 December 2023	1.891.607	1.685.505

4. Other fixtures and fittings, tools and equipment

Cost 1 January 2023	35.203	35.203
Cost 31 December 2023	35.203	35.203
Depreciation and writedown 1 January 2023	-23.469	-11.734
Depreciation for the year	-11.734	-11.734
Depreciation and writedown 31 December 2023	-35.203	-23.468
Carrying amount, 31 December 2023	0	11.735

Notes

All amounts in DKK.

	31/12 2023	31/12 2022		
5. Investment in subsidiary				
Acquisition sum, opening balance 1 January 2023	2.254.143	1.138.165		
Additions during the year	1.378.534	1.115.978		
Cost 31 December 2023	3.632.677	2.254.143		
Writedown, opening balance 1 January 2023	-2.254.143	-1.087.751		
Results for the year before goodwill amortisation	-596.024	-1.748.995		
Reversal of prior writedown	-782.510	582.603		
Writedown 31 December 2023	-3.632.677	-2.254.143		
Carrying amount, 31 December 2023	0	0		
Financial highlights for the enterprise according to the latest approved annual report				
	Equity interest	Equity	Results for the year	Carrying amount, Wavepiston A/S
Wavepiston SL, Gran Canaria, Spanien	100 %	-105.077	-596.024	0
		-105.077	-596.024	0
6. Other receivables				
Cost 1 January 2023			2.670.965	1.607.432
Additions during the year			0	1.063.533
Transfers to current assets			-2.670.965	0
Cost 31 December 2023			0	2.670.965
Carrying amount, 31 December 2023			0	2.670.965
Specified as shown below:				
Other debtors			0	2.670.965
			0	2.670.965

Notes

All amounts in DKK.

7. Contingencies

Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

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Michael Henriksen

Adm. direktør

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