Seaborg ApS

Titangade 11
2200 København N

CVR No. 37859087

Annual report 2023

1 January 2023 - 31 December 2023

Adopted at the Annual General Meeting on 31 May 2024

Ben Critchley
Chairman

Contents

Company details	1
Financial highlights	2
Management's Review	3
Statement by Management	6
Independent auditor's report	7
Accounting policies	9
Income statement	17
Assets	18
Equity and liabilities	19
Statement of changes in equity	20
Notes	21

Company details

Company
Seaborg ApS
Titangade 11
2200 København N

CVR No.: 37859087

Executive board
Klaus Randel Nyengaard

Board of Directors
Troels Schønfeldt
Lars Fløe Nielsen
Lukasz Gadowski

Auditors
inforevision
statsautoriseret revisionsaktieselskab
Buddingevej 312
2860 Søborg
CVR No. 19263096

Michael Dam-Johansen, state authorized public accountant

Financial highlights

	2023	2022	2021	2020	2019
	DKK	DKK	DKK	DKK	DKK
Key figures					
Income statement					
Gross profit/loss	51,285,496	48,153,417	16,001,511	-1,771,981	-1,090,047
EBITDA	-14,754,835	-13,404,578	-8,869,721	-3,683,206	-1,446,313
Net financials	-16,089,901	-2,295,619	-60,262	-540,325	-396,165
Profit/loss for the year	-31,291,705	-13,216,008	-6,132,676	-2,547,687	-1,401,565
Balance sheet					
Total assets	289,257,650	203,331,151	171,595,606	153,287,967	30,640,264
Equity	86,007,845	117,309,550	130,525,558	135,166,223	-1,050,393
Ratios					
Return on invested capital (%)	-17,0%	-36,9%	0,0%	0,0%	0,0%
Solvency ratio (%)	29,7%	57,7%	76,1%	88,2%	-3,3%
Return on equity (%)	-30,8%	-10,7%	-4,6%	-3,8%	400,9%

Ratios with negative basis of calculation have been presented as (-).

Key figures and ratios are defined and calculated in accordance with the Danish Finance Society's online version of "Recommendations & Ratios". Please refer to definitions in the section on accounting policies.

Management's Review

Primary activities

As in previous years, Seaborg ApS's main activity has been the development and sale of nuclear technologies and related technology as well as all business that, in the opinion of the board of directors, are connected to this.

Development in activities and finances

The Company's financial performance in the financial year amounted to a loss of DKK -31.291.705. A loss was expected because of the status of the company's technology development. However, the loss was lower than expected as spending levels were reduced as a consequence of the Company deciding to lengthen its financial runway due to the continued tough external financial markets impacting fundraising activities.

The search for future funding for technology and business development continued throughout the year, with significant activities dedicated to maturing suitable relationships and negotiations with suitable investors. The European Innovation Council Fund continued to support the Company in this aspect given its 2022 commitment to match suitable equity raised.

During the middle of the year the company issued a EUR 10 million convertible note to existing and new investors, which was partially drawn. This funding enabled continued progress on development activities within the business.

During 2023 the company slowed down growth in certain areas of the business to greater align the activities across the necessary development tracks. There was a reduction in the total number of employees over the year to reduce spending and focus on areas needing development. The company continued the expansion of facilities with the renovation of the leased office facilities and development and fit out of a sizeable new research laboratory at its main offices.

The company also worked to simplify its corporate structure during 2023, deciding to close two subsidiaries, Seaborg Consulting ApS and Seaborg Singapore PTE. Ltd. This enabled the greater focus of resources in South Korea to support the growing local partnerships and future international product roll out.

The refocus of activities and personnel led to the slowdown of progress in some areas of the business, but was necessary to align the interdependencies between activities, and maintain external partnership progress.

The growth of activities and progress with development was broadly in line with the company objectives, which were adjusted during the second half of 2023 due to the impact of the continued tightening of additional funding opportunities.

Management considers the result for the year satisfactory.

Outlook

Management expects the company to continue to report a significant loss due to continued investments into R&D.

Activity levels and development progress in 2024 will be linked to the availability of funding to undertake projects with external stakeholders and expand the team to work on internal development tasks. The timing and amount of funding available will therefore drive the level of losses reported during the full year 2024. With additional funding, management expect a higher level of losses next year than the previous years due to increased development activities.

Environmental affairs

Currently the company is still in the product development process and activities are focused on that development. Items that are purchased to enable the research and development activities, as well as office consumables are done in line with the company's procurement policy. This policy seeks to guide purchases in a manner in which they consider their environmental impact through selection of the most sustainable option.

Management's Review, continued

The main facilities used by the company underwent a significant renovation during 2023, part of which included upgrades to windows and heating systems to improve the environmental impact of using the facilities.

The company's environmental impact occurs largely in the process of travelling for meetings with third party stakeholders. The company seeks to minimise the impact by limiting physical travel where possible through utilising local representatives to be present and the use of digital technology.

Intellectual capital resources

The nature of the company's business requires high demands on the knowledge resources regarding employees and business processes. Research and development activities and nuclear energy business development are activities whereby employees need a high level of education in specialised subjects. In order to be able to continuously deliver the development results necessary, it is crucial that the company can recruit and retain employees with the relevant education and skills. The company recruits employees from across the world to ensure a high level of talent with employees representing 23 countries and having 24 PhD's. The critical business processes in connection with the research and development work enable the accurate production, collection and analysis of data to further the development of the product. The progress of the company is an indication of these two resources being in place.

Research and development activities

<u>Key milestones in development activities:</u>
The company has achieved several key milestones in the financial year, the main ones of which are discussed below.

Change of nuclear fuel type for the reactor: At the start of the year, and in response to the impact of the continued war in the Ukraine, Seaborg took the decision to change the fuel type for the first CMSR product line to LEU (Low-Enriched Uranium). This was largely due to the risks associated with developing a sufficient supply of High-Assay-Low-Enriched Uranium (HALEU) to meet Seaborg's envisioned timeline. The change was well accepted by stakeholders and partners.

Commercial Consortium Agreement signed with Samsung Heavy Industries (SHI) and Korea Hydro Nuclear Power (KHNP): The consortium aims to enable timely commercialization and a scalable export of factory-produced CMSR-based floating nuclear power plants worldwide, offering improved efficiency and inherent safety characteristics. KHNP are the third largest operator of nuclear power plants and SHI are a leading shipbuilding and offshore construction company. With the combined expertise, the consortium is well-positioned to meet the growing demand for clean and reliable energy.

Fuel supply chain partnerships: Following the change of fuel type for the reactor and to enable the necessary commercialization of the supply chain for LEU-based fluoride fuel salt, Seaborg entered into dialogue with key players in the global fuel market, and in July announced that two Memoranda of Understanding had been signed. One was a collaboration agreement between Kepco Nuclear Fuel (KNF), GS Engineering & Construction, and Seaborg, to investigate the feasibility of developing a LEU fuel salt production facility in South Korea. The second was with Urenco Limited to develop HALEU capacity for future CMSR product lines, while also investigating LEU fuel salt possibilities for the first product line.

Business development agreements: Seaborg continued to identify and work with project development companies across South East Asia and Europe, to form partnerships which in the future will undertake feasibility studies and develop projects in their respective countries.

Research and development (R&D) partnerships: The company expanded its network of international research partners during 2023, undertaking joint projects with universities and research companies in several geographies worldwide. These projects will assist in demonstrating the technology and safety aspects of the product design for use in development activities and with regulators and other external stakeholders.

Management's Review, continued

The above key milestones were supported through the ongoing progress in research and development activities. The fuel change meant that a shift was needed in several projects, with new experts, partnerships, and equipment required to make progress. This was especially necessary for graphite, with its inclusion in the materials required in the reactor design. R&D in the areas of chemistry control of molten salts; material testing and qualification; and Multiphysics continued to assist in guiding the necessary engineering inputs and stakeholder readiness for the product. These will continue for the coming financial year, and future years, as the product development matures and becomes operational.

Events after the reporting period

In February of 2024 the company's parent successfully completed a EUR 5.5 million equity fundraising with existing investors, which also saw the outstanding convertible loan notes in Seasalt Group convert into equity. A new CEO was also appointed to the company. Another funding round is anticipated in H2 2024 to bring the capital for continued development of the company's technologies. The pace of development and growth has continued after year end. The expansion of external partnerships and customer conversations continues in line with expectations.

Statement by Management

The Board of Directors and The Executive Board have today considered and adopted the annual report for 1 January 2023 - 31 December 2023 for Seaborg ApS.

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

In our opinion, the financial statements give a true and fair view of the the company's financial position at 31 December 2023 and of the results of its operations for the financial year 1 January 2023 - 31 December 2023.

We believe that the Management's review contains a fair review of the affairs and conditions referred to therein.

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

København N, 31 May 2024

Executive board

Klaus Randel Nyengaard
CEO

Board of Directors

Troels Schønfeldt	Lars Fløe Nielsen	Lukasz Gadowski
Chairman	*Board member*	*Board member*

Independent auditor's report

To the shareholder in Seaborg ApS

Opinion

We have audited the financial statements of Seaborg ApS for the financial year 1 January 2023 - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. 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 company's financial position as at 31 December 2023 and of the results of the company's operations for the financial year 1 January 2023 - 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 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 this auditor’s report. We are independent of the company in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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, for disclosing, as applicable, matters related to going concern, and for 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. As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism 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.

Independent auditor's report, continued

- 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 content of the financial statements, including the disclosures in the notes, 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.

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 Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act.

We did not identify any material misstatement in Management's Review.

Søborg, 31 May 2024

inforevision
Statsautoriseret revisionsaktieselskab
CVR No. 19263096

Michael Dam-Johansen
State Authorized Public Accountant
mne36161

Accounting policies

Information on reporting class

The annual report has been prepared in accordance with Danish financial statement legislation as well as generally accepted accounting principles.

The annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing Reporting class C, (medium-sized enterprises).

The accounting policies have not been changed from last year.

Consolidated financial statements

Consolidated financial statements has not been prepared in accordance with the Danish Financial Statement Act section 112.

Generally regarding recognition and measurement

The financial statements have been prepared based on historical cost.

The income is recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the annual report which confirm or invalidate affairs and conditions existing at the balance sheet date.

The functional currency is Danish Kroner. All other currencies are considered foreign currencies.

Foreign currency translation

During the year, transactions in foreign currencies have been translated applying the exchange rate at the transaction date. If currency positions are considered hedge of future cash flows, the value adjustments are recognised directly in equity.

Receivables and debt denominated in foreign currencies have been recognised at the exchange rate of the balance sheet date.

Realised and unrealised exchange gains and losses have been recognised in the income statement under other financial income and expenses.

Accounting policies, continued

Income statement

The income statement has been classified by nature.

Gross profit

Gross profit/loss includes "Cost of sales", "Own work capitalised", "Other operating income" and "External expenses".

Own work capitalised

Own work capitalised comprises work performed in the financial year on own assets which is capitalised as intangible fixed assets. The basis of measurement is cost and comprise staff costs.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the company's primary activities, including intercompany invoicing, payments received from public authorities as well as profit on sale of fixed assets.

External expenses

External expenses comprises Selling costs, Cost of premises and Administrative expenses.

Staff costs

Staff costs include wages and salaries including holiday pay and pensions and other social security costs etc. to the company's employees.

Other operating expenses

Other operating expenses comprises expenses of a secondary nature as viewed in relation to the company's primary activities, including losses on sale of fixed assets.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the group enterprises’ profit/loss adjusted for internal profits and losses less amortisation of goodwill on consolidation for the year.

Financial income

Financial income is recognised with amounts concerning the the financial year. Financial income comprise interest, realised and unrealised exchange gains, realised and unrealised gains on sale of other securities and investments, dividends as well as interest reimbursements under the Danish Tax Prepayment Scheme.

Financial expenses

Financial expenses is recognised with amounts concerning the the financial year. Financial expenses comprise interest, realised and unrealised exchange losses, realised and unrealised losses on sale of other securities and investments, amortised interest on lease commitments, amortisation of debt to mortgage credit institutions as well as interest surcharge under the Danish Tax Prepayment Scheme.

Accounting policies, continued

Tax on profit or loss for the year

Tax on profit or loss for the year represents 22% of the book profit or loss adjusted for non-taxable and non-deductible items.

Tax on profit or loss for the year consists of the anticipated tax portion of the taxable income for the year adjusted for the changes for the year in deferred tax. Changes in deferred taxes due to adjustments of tax rates is recognised in the income statement.

Tax on profit or loss for the year is recognised in the income statement by the portion attributable to the profit or loss for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The company is subject to the Danish Tax Prepayment Scheme. Interest reimbursement and interest surcharge have been recognised in financial income and expenses.

Accounting policies, continued

Balance sheet

The balance sheet has been presented in account form.

Assets

Intangible assets

Intangible assets are measured at cost less accumulated amortisation.

Cost comprises the acquisition price as well as costs directly related to the acquisition until the time when the asset is ready to be put into operation.
Development projects in progress are transferred to completed development projects when the asset is ready to be put into operation.

Assets are amortised on a straight-line basis over their estimated useful lives:

Category	**Period**
Acquired licences	8 years

Development projects in progress are not amortised.

As the intangible assets are not being traded in an active and effective market, no residual values after end of use are included when determining the amortisation period.

Profit/loss on sale has been included in the income statement under other operating income and other operating expenses.

The carrying amounts of intangible assets are reviewed annually for indication of impairment for losses, apart from what is expressed by usual amortisation. If this applies, impairment for loss is made of each asset or group of assets, respectively, to lower recoverable amount. As recoverable amount, the higher of expected net selling price and net present value is applied. The net present value is calculated as the present value of the expected cash flows from the use of the asset or the group of assets.

Impairment for loss for the year is recognised in the income statement as amortisation of intangible assets.

Development projects are amortized after completion.

Accounting policies, continued

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation. The basis of depreciation is cost less estimated residual value after the end of useful life.

Cost comprises the acquisition price as well as costs directly related to the acquisition until the time when the asset is ready to be put into operation.

The cost price for an asset is divided into separate components, that are depreciated separately, if the useful life of the individual components is significantly different.

Depreciation is initiated when the assets are ready to be taken into operation. Assets are depreciated on a straight-line basis over their estimated useful lives with following residual values:

Category	Period	Residual value
Leasehold improvements	4 - 10 years	0%
Fixtures, fittings, tools and equipment	3 - 7 years	0%

Minor purchases with useful lives below one year have been recognised as an expense in the income statement in external expenses.

Profit/loss on sale or retirement has been included in the income statement under other operating income and other operating expenses.

The carrying amounts of property, plant and equipment are reviewed annually for indication of impairment for losses, apart from what is expressed by usual depreciated. If this applies, impairment for loss is made of each asset or group of assets, respectively, to lower recoverable amount. As recoverable amount, the higher of expected net selling price and net present value is applied. The net present value is calculated as the present value of the expected cash flows from the use of the asset or the group of assets.

Impairment for loss for the year is recognised in the income statement as depreciation and impairment for loss of plant and equipment.

Leases

Property, plant and equipment that are assets held under lease and meet the conditions for finance leases are accounted for according to the same guidelines as owned assets. Assets held under lease are recognised in the balance sheet at the lower of fair value and present value of the future lease payments. On calculation of the present value, the internal interest rate of the lease is applied as discount factor or an approximate value thereof. Assets held under finance lease are depreciated and written down according to the same policies as are determined for the remaining fixed assets.

The capitalised remaining lease commitment is recognised in the balance sheet as a liability other than provisions. The interest portion of lease payments is recognised over the term of the lease in the income statement.

Lease agreements not meeting the criteria for finance leases are considered operating leases. Payments in relation to operating lease are recognised on a straight-line basis in the income statement over the term of the lease.

Accounting policies, continued

Investments in group enterprises

Investments in group enterprises have been recognised according to the equity method. This means that investments are measured at the pro rata share of the group enterprises' net asset value adjusted for internal dividends and profit or losses.

Distributable reserves in group enterprises which are distributed as dividends to the parent at the balance sheet date are included in the value of investments.

Group enterprises with negative net asset values are measured at zero, and any receivable from such enterprises is written down by the Parent's share of the negative net asset value to the extend deemed irrecoverable. If the negative net asset value exceeds the amount receivable, the remaining amount is recognised in provisions to the extent the Parent has a legal or constructive obligation to cover the relevant enterprise's liabilities.

Acquisition of group enterprises are recognised at cost. The difference between the cost price and the net asset value of the acquired company, which appears at the time of establishing the consolidation, is as far as possible allocated to the assets and liabilities whose value is higher or lower than the carrying amount. A remaining positive difference is treated as goodwill and included in the value of investments.

A negative difference, reflecting an expected cost or an unfavourable development, are recognised as income in the income statement in the year of acquisition.

Goodwill is amortised in the income statement over 5 years. The amortisation period is based on an assessment of the market position, earnings profile, and expectations of customers loyality, which within reasonable limits is based on historical data/registrations. Amortisations are recognised in the income statement with other value adjustments in the item income from investments in group enterprises.

The total net revaluation of investments in group enterprises is allocated through the profit or loss distribution to "Reserve for net revaluation according to the equity method" under equity. The reserve is reduced by dividend distributions to the Parent and is adjusted by changes in equity in the group enterprises.

Other receivables classified as fixed assets

Other receivables recognised under fixed assets comprise loans and rental deposits measured at amortised cost, which usually corresponds to nominal amount. In events when the carrying amount exceeds the recoverable amount, impairment for loss is made to such lower value. Impairment for loss for the year is recognised in the income statement as impairment for loss of financial assets.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

Prepayments

Prepayments comprise costs incurred relating to subsequent financial years.

Accounting policies, continued

Equity and liabilities

Equity

Reserve for development expenditure comprise capitalised development expenses from 6 July 2016. The reserve cannot be used for dividends or for elimination of negative retained earnings. The reserve is reduced or dissolved due to amortisation or divestment by transferring the amount from the reserve to retained earnings.

Deferred tax and corporation tax

Deferred tax is measured using the balance sheet liability method. Provision has been made for deferred tax by 22% on all temporary differences between carrying amount and tax-based value of assets and liabilities. Deferred tax is also measures with respect of the planned use of the asset and the settlement of the liability.

The tax value of the tax losses to be carried forward are included in the calculation of deferred taxes if it is probable that the losses can be used. Deferred tax assets are measured at net realisable value.

The company is jointly taxed with other Danish group enterprises with Seasalt Group ApS as Management company. The tax effect of the joint taxation is allocated among the group enterprises in ratio to their taxable income according to the rules on full allocation with a refund for tax losses of the Danish Corporation Tax Act.

Joint tax contributions between the jointly taxed companies which have not been settled at the balance sheet date are classified as joint tax contributions in receivables or liabilities other than provisions.

Financial debts

Financial debts are recognised initially at the proceeds received net of transaction expenses incurred, which are directly related with the loan. In subsequent years, financial debts are measured at amortised cost equal to the capitalised value using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement over the loan period.

Financial debts also include the capitalised residual obligation on finance leases.

Short-term debts are measured at amortised cost, substantially corresponding to nominal value.

Deferred income

Deferred income consist of government grants received in connection with development projects. Grants are depreciated over the same period as development costs.

Cash flow statement

Referring to Section 86 (4) of The Danish Financial Statements Act, the company has not prepared a cash flow statement.

Accounting policies, continued

Financial highlights

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark. Financial highlights are calculated on basis of the financial statements, and no adjustments nor normalisations for analysis purposes have been unless expressed in the section of the financial highlights.

The financial highlights are calculated as follows:

Financial highlights		**Explanation**
EBITDA	=	Profit/loss for the year with addition of financial items, tax on profit/loss for the year as well as depreciation and amortisation
Return on invested capital	=	EBIT * 100/Average invested capital*
Solvency ratio	=	Equity * 100/Total assets
Return on equity	=	Profit/loss for the year * 100/Average equity

Invested capital are defined as net working capital with addition of operating intangible assets and Property, plant and equipment and deducted by other provisions.

Income statement

	Note	2023	2022
		DKK	DKK
Gross profit		**51,285,496**	**48,153,417**
Staff costs	2	-66,040,331	-61,518,644
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		**-14,754,835**	**-13,365,227**
Depreciation, amortisation and impairment losses of property, plant and equipment and intangible assets	3	-4,365,272	-4,601,429
Other operating expenses		0	-39,351
Earnings before interest and taxes (EBIT)		**-19,120,107**	**-18,006,007**
Income from investments in group enterprises	11	-12,871,248	-32,436
Finance income	4	737,190	92,730
Finance expenses	5	-3,955,843	-2,355,913
Profit/loss before tax		**-35,210,008**	**-20,301,626**
Tax on profit/loss for the year	6	3,918,303	7,085,618
Profit/loss for the year		**-31,291,705**	**-13,216,008**
Proposed distribution of profit and loss	7		

Assets

	Note	31/12-2023	31/12-2022
		DKK	DKK
Acquired licences		1,158,560	585,212
Development projects in progress		186,771,891	115,578,534
Intangible assets	8	**187,930,451**	**116,163,746**
Leasehold improvements		5,165,205	5,621,910
Fixtures, fittings, tools and equipment		10,944,108	9,933,514
Property, plant and equipment	9	**16,109,313**	**15,555,424**
Investments in group enterprises	11	0	1,908,809
Receivables from group enterprises		836,046	0
Deposits		8,515,475	6,114,780
Investments	10	**9,351,521**	**8,023,589**
Fixed assets		**213,391,285**	**139,742,759**
Receivables from group enterprises		1,058,980	10,809,398
Other receivables		1,061,060	2,465,194
Joint tax contribution receivables	6	3,918,303	3,920,411
Prepayments	12	12,716,516	6,516,773
Receivables		**18,754,859**	**23,711,776**
Cash at bank and in hand		**57,111,506**	**39,876,616**
Current assets		**75,866,365**	**63,588,392**
Total assets		**289,257,650**	**203,331,151**

Equity and liabilities

	Note	31/12-2023	31/12-2022
		DKK	DKK
Contributed capital	13	145,760	145,760
Reserve for development expenditure		145,682,075	90,151,257
Retained earnings		-59,819,990	27,012,533
Equity		**86,007,845**	**117,309,550**
Lease commitments		3,526,742	6,600,731
Payables to group enterprises		83,089,872	0
Other payables		15,759,126	19,756,510
Deferred income		22,379,127	20,823,466
Long-term liabilities other than provisions	14	**124,754,867**	**47,180,707**
Short-term part of long-term liabilities other than provisions		8,714,584	5,784,663
Debt to other credit institutions		22,171	0
Trade payables		9,409,406	1,802,567
Payables to group enterprises		0	28,815,904
Other payables		60,348,777	2,437,760
Short-term liabilities other than provisions		**78,494,938**	**38,840,894**
Liabilities other than provisions		**203,249,805**	**86,021,601**
Total equity and liabilities		**289,257,650**	**203,331,151**
Events after the balance sheet date	1		
Contingent liabilities	15		
Unrecognised contractual commitments	16		
Related parties	17		
Group relations	18		

Statement of changes in equity

	Contributed capital	Reserve for develop-ment expenditure	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January 2022	152,978	40,361,175	90,011,405	130,525,558
Capital decrease	-7,218		7,218	0
Distributed profit/loss for the year			-13,216,008	-13,216,008
Transferred to reserve for development expenditure for the year		49,790,082	-49,790,082	0
Equity at 1 January 2023	**145,760**	**90,151,257**	**27,012,533**	**117,309,550**
Expenses due to capital increase or decrease			-10,000	-10,000
Distributed profit/loss for the year			-31,291,705	-31,291,705
Transferred to reserve for development expenditure for the year		55,530,818	-55,530,818	0
Equity at 31 December 2023	**145,760**	**145,682,075**	**-59,819,990**	**86,007,845**

Notes

1. Events after the balance sheet date

After the end of the financial year, the parent company has received capital contributions and debt conversion of DKK 134,616,198, whereby these funds will finance the operations of the underlying companies for the coming year's operations and investments.

2. Staff costs

	2023	2022
	DKK	DKK
Wages and salaries	64,877,434	59,582,234
Pensions	0	1,185,959
Other social security costs	1,078,853	553,641
Other staff cost	84,044	196,810
Total	**66,040,331**	**61,518,644**
Average number of full-time employees	93	89

Referring to section 98 b (3) of the Danish Financial Statement Act, renumeration of the executive board and the board of directors have not been disclosed.

3. Depreciation, amortisation and impairment losses of property, plant and equipment and intangible assets

	2023	2022
	DKK	DKK
Amortisation of intangible assets	104,289	70,099
Depreciation of property, plant and equipment	4,281,575	4,531,330
Total	**4,385,864**	**4,601,429**

4. Finance income

	2023	2022
	DKK	DKK
Financial income from group enterprises	230,290	18,134
Other financial income	506,900	74,596
Total	**737,190**	**92,730**

Notes, continued

5. Finance expenses

	2023	2022
	DKK	DKK
Financial expenses to group enterprises	1,638,712	0
Other financial expenses	2,317,131	2,355,913
Total	**3,955,843**	**2,355,913**

6. Tax expense

	Joint tax contribution	Deferred tax	Tax on profit/loss for the year	2022
	DKK	DKK	DKK	DKK
Payables at 1 January 2023	-3,920,411	0		
Adjustment tax, previous years	0	0	0	513,787
Paid in respect of previous years	3,920,411			
Tax on profit/loss for the year	-3,918,303	0	-3,918,303	-7,541,636
Payables at 31 December 2023	**-3,918,303**	**0**		
Tax on profit/loss for the year recognised in the income statement			**-3,918,303**	**-7,027,849**

Recognition in balance sheet:		
Short-term receivables (current asset)	-3,918,303	0
Total	**-3,918,303**	**0**

Notes, continued

6. Tax expense , continued

Deferred tax is incumbent upon the following assets and liabilities:	31/12-2023	31/12-2022
	DKK	DKK
Intangible assets	42,758,844	25,411,856
Property, plant and equipment	-35,613	-462,742
Liabilities other than provisions	-4,923,408	-4,581,163
Tax losses carried forward	-40,243,885	-21,389,551
Writedowns to net realisable value	2,444,063	1,021,600
Deferred tax liability (+)/Deferred tax asset (-)	**0**	**0**

7. Proposed distribution of profit and loss

	2023	2022
	DKK	DKK
Proposed distribution of profit and loss for the year :		
Transferred to retained earnings	-31,291,705	-13,216,008
Profit/loss for the year	**-31,291,705**	**-13,216,008**

8. Intangible assets

	Acquired licences	Development projects in progress	Total	2022
	DKK	DKK	DKK	DKK
Cost at 1 January 2023	655,311	115,578,534	116,233,845	53,816,259
Additions for the year	677,637	71,193,357	71,870,994	62,417,586
Cost at 31 December 2023	**1,332,948**	**186,771,891**	**188,104,839**	**116,233,845**
Amortisation and impairment losses at 1 January 2023	-70,099	0	-70,099	0
Amortisation for the year	-104,289		-104,289	-70,099
Amortisation and impairment losses at 31 December 2023	**-174,388**	**0**	**-174,388**	**-70,099**
Carrying amount at 31 December 2023	**1,158,560**	**186,771,891**	**187,930,451**	**116,163,746**

Development projects consist of developing patented nuclear reactor solutions. The solutions contribute to the company's existence and will be used in the company's commercial reactors, and thus the solutions contribute to future revenue and customer access.

Notes, continued

9. Property, plant and equipment

	Leasehold improvements	Fixtures, fittings, tools and equipment	Total	2022
	DKK	DKK	DKK	DKK
Cost at 1 January 2023	6,069,192	15,296,313	21,365,505	9,758,401
Adjustments beginning of the year	0	0	0	-2,468,688
Additions for the year	298,313	4,502,819	4,801,132	14,115,143
Disposals for the year	0	0	0	-39,351
Cost at 31 December 2023	**6,367,505**	**19,799,132**	**26,166,637**	**21,365,505**
Depreciation and impairment losses at 1 January 2023	-447,282	-5,362,799	-5,810,081	-1,735,219
Adjustments beginning of the year	34,332	0	34,332	456,468
Depreciation for the year	-789,350	-3,492,225	-4,281,575	-4,531,330
Depreciation and impairment losses at 31 December 2023	**-1,202,300**	**-8,855,024**	**-10,057,324**	**-5,810,081**
Carrying amount at 31 December 2023	**5,165,205**	**10,944,108**	**16,109,313**	**15,555,424**
Carrying amount, disposals	0	0	0	-39,351
Profit/loss on sale	0	0	0	-39,351
Financing leases recognised in the asset	91,836	3,999,968	4,091,804	6,051,069

Notes, continued

10. Investments

	Invest-ments in group enterprises	Receiv-ables from group enterprises	Deposits	Total	2022
	DKK	DKK	DKK	DKK	DKK
Cost at 1 January 2023	1,943,251	0	6,114,780	8,058,031	2,520,577
Additions for the year	4,044,678	7,753,800	2,682,395	14,480,873	5,537,454
Disposals for the year	0	0	-281,700	-281,700	0
Cost at 31 December 2023	**5,987,929**	**7,753,800**	**8,515,475**	**22,257,204**	**8,058,031**
Amortisation and impairment losses at 1 January 2023	-34,442	0	0	-34,442	-2,006
Amortisation for the year	-2,772,729			-2,772,729	-32,436
Impairment losses for the year	-3,180,758	-6,917,754	0	-10,098,512	0
Amortisation and impairment losses at 31 December 2023	**-5,987,929**	**-6,917,754**	**0**	**-12,905,683**	**-34,442**
Carrying amount at 31 December 2023	**0**	**836,046**	**8,515,475**	**9,351,521**	**8,023,589**

11. Investments in group enterprises

			According to annual report		Seaborg ApS' share	
	Equity interest	Contrib-uted capital	Profit/loss for the year	Equity	Share of profit/loss for the year	Share of equity
			DKK	DKK	DKK	DKK
Seaborg Consulting ApS	100%	510,679	-473,594	0	-473,594	0
Seaborg Singapore PTE. LTD	100%	3,839,498	-661,340	0	-661,340	0
Seaborg Korea	100%	1,637,752	-5,659,550	-6,917,754	-5,659,550	-6,917,754
Total					**-6,794,484**	**-964,260**

The investments in group enterprises have been written down to zero, due to the underlying companies having a negative equity.

Notes, continued

12. Prepayments

	2023	2022
	DKK	DKK
Prepaid rent	392,432	0
Subscriptions	1,738,881	2,564,498
Insurance and membership fee's	0	23,723
Other prepaid expenses	10,585,203	3,928,552
Total	**12,716,516**	**6,516,773**

13. Contributed capital

	2023	2022
	DKK	DKK
Contributed capital beginning of the year	145,760	152,978
Capital decrease	0	-7,218
Total	**145,760**	**145,760**

The share capital consist of 145.760 shares certificates of DKK 1 at 31 December 2023. The share capital is not divided into classes.

Notes, continued

14. Long-term liabilities

	31/12-2023	31/12-2022
	DKK	DKK
Liabilities in total:		
Lease commitments	6,395,533	9,171,273
Payables to group enterprises	83,089,872	0
Other payables	21,604,919	22,970,631
Deferred income	22,379,127	20,823,466
Total	**133,469,451**	**52,965,370**
Current portion of non-current liabilities:		
Lease commitments	2,868,791	2,570,542
Other payables	5,845,793	3,214,121
Total	**8,714,584**	**5,784,663**
Due beyond 5 years after the balance sheet date:		
Payables to group enterprises	83,089,872	0
Other payables	824,405	796,526
Deferred income	22,379,127	20,823,466
Total	**106,293,404**	**21,619,992**

15. Contingent liabilities

Seaborg ApS are jointly taxed with other group companies and are severally liable for tax on the jointly taxed incomes etc. of the group. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of tax on interest, dividend tax and tax on royalty payments. Any subsequent adjustments of corporation taxes and withholding taxes may increase the the company's liability.

16. Unrecognised contractual commitments

	2023
	DKK
The company has entered into three leases. The leases have respectively 3 months, 6 months, and 4,5 years notice period. The total rent commitment amounts to:	41,900,000
Total rental and lease obligations	**41,900,000**

Notes, continued

17. Related parties

Related parties with controlling interest comprise the following:

Controlling interest:	Basis of controlling interest:
Seasalt Group ApS, Titangade 11, 2200 København N	Controlling shareholder (100%)
Troels Schønfeldt, Møllegade 2, st. tv, 2200 København N	Beneficial owner (33%)

In accordance with section 98(c)(7) of the Danish Financial Statements Act no related party transactions have been disclosed as management has assessed that all transactions have been carried out on an arm's length basis.

18. Group relations

The company is included in the consolidated report for the parent company:

The group:	Seasalt Group ApS, Titangade 11, 2200 København N