

**Continuum ApS**

**c/o Resource Capital ApS, Hammerensgade 1, 1267 København K**

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**Annual report**

**2023**

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**Company reg. no. 42 27 78 43**

The annual report was submitted and approved by the general meeting on the 17 July 2024.

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**Jesper Kilbæk**  
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 EUR 146.940 means the amount of EUR 146,940, and that 23,5 % means 23.5 %.

## Contents

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### Page

#### **Reports**

- 1 Management's statement
- 2 Independent auditor's report

#### **Management's review**

- 5 Company information
- 6 Management's review

#### **Financial statements 1 January - 31 December 2023**

- 7 Accounting policies
- 11 Income statement
- 12 Balance sheet
- 14 Statement of changes in equity
- 15 Notes

## Management's statement

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Today, the Board of Directors and the Executive Board have approved the annual report of Continuum ApS for the financial year 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.

København K, 17 July 2024

### Executive board

Jesper Kilbæk  
CEO

Reinhard Kessing

### Board of directors

Jesper Kilbæk

Martin Keith Dronfield  
chairman

Dörte Hirschberg

## Independent auditor's report

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### To the Shareholder of Continuum ApS

#### Opinion

We have audited the financial statements of Continuum ApS 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 conclusion

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.

#### Material Uncertainty Related to Going Concern

We refer to note number 1, where the management states that Continuum's lead investor has confirmed that it will invest a further €250k by the middle of August 2024 which will secure underwrite the organization's basic costs until January 2025 and also that they are working on a Series A investment raise of €2.5million, that will secure the basic costs until at least July 2025, which is expected by the end of Q3 2024 or in Q4 2024.

Our opinion is not qualified because of this.

#### 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.

## Independent auditor's report

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### 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 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.

## Independent auditor's report

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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 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, 17 July 2024

### **Martinsen**

State Authorised Public Accountants  
Company reg. no. 32 28 52 01

### **Leif Tomasson**

State Authorised Public Accountant  
mne25346

## Company information

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<b>The company</b>	Continuum ApS c/o Resource Capital ApS Hammerensgade 1 1267 København K
	Company reg. no. 42 27 78 43 Financial year: 1 January - 31 December 0th financial year
<b>Board of directors</b>	Jesper Kilbæk Martin Keith Dronfield, chairman Dörte Hirschberg
<b>Executive board</b>	Jesper Kilbæk, CEO Reinhard Kessing
<b>Auditors</b>	Martinsen Statsautoriseret Revisionspartnerselskab Øster Allé 42 2100 København Ø
<b>Parent company</b>	Continuum Holding A/S

## Management´s review

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### The principal activities of the company

Continuum has developed the world's first mechanical recycling technology for Thermoset Composites (such as Wind Turbine Blades) and in doing so has the potential to significantly contribute to the reduction (by 100 million tons) the amount of CO2 emitted to atmosphere compared to existing landfill practice by 2050. Alongside our contribution to CO2 emissions reduction, the self-contained Continuum factory uses 100% of the recycled materials to manufacture ultra-high performance and infinitely recyclable construction paneling that can be used for Building Facades, Concrete Formwork, Heavy Duty Doors and Floors and Temporary Building Solutions, our panels offer the industry class leading circular material with an industry carbon footprint of less than 122kg per cubic meters.

As the organization is now 4 years old and have raised over €3million in equity investment, this has powered us to this point and we have achieved a huge amount, however, like all start up organizations, we face the ongoing challenge, and necessity to raise further investment to get us to the point of Financial Closure (FID), the point at which we have the investment required to build our first factory and underwrite our organization, it is at this point (probably in mid-2027) that the company becomes fully revenue earning and ultimately profitable.

Continuum is an exciting organization with a technology that will change the fundamental approach to recycling thermoset composite across Europe, we are tapping into a multi-billion euro market and we are attracting a huge amount of attention across the various industries we serve and as a result has a significant number of investors currently carrying out due diligence prior to investing.

### Development in activities and financial matters

Income or loss from ordinary activities after tax totals EUR -151.430 against EUR -30.278 last year.

Continuum's lead investor has confirmed that it will invest a further €250k by the middle of August 2024 which will secure underwrite the organizations basic costs until January 2025.

We are working on a Series A investment raise of EUR 2.5 million, that will secure the basic costs until at least July 2025, which is expected by the end of Q3 2024 or in Q4 2024, and for which confidence remains high.



## Accounting policies

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The annual report for Continuum ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises.

The accounting policies are unchanged from the previous year, and the annual report is presented in euro (EUR).

As discussed in the management report, the condition for going concern has not been met. Assets and liabilities are therefore, in accordance with current accounting policies, measured at expected realizable values.

All value adjustments of assets and liabilities as well as derived operating items are consequently recognized in the income statement, including expected losses, various disposal costs, fees etc.

### Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

## Income statement

### Gross loss

Gross loss comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

## Accounting policies

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The enterprise will be applying IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue comprises the value of services provided during the year, including outlay for customers less VAT and price concessions directly associated with the sale.

Revenue is recognised in the income statement on the completion of sales. This is generally considered to be the case when:

- The service has been provided before the end of the financial year
- A binding sales agreement exists
- The sales price has been determined
- Payment has been received, or is anticipated with a reasonable degree of certainty.

This ensures that recognition does not take place until the total income and costs and stage of completion at the reporting date can be reliably validated and it seems probable that the economic benefits, including payments, will flow to the enterprise.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other external expenses comprise expenses incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

### 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 income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

### 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.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

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

### Receivables

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

## Accounting policies

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In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

### 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

#### Reserve for foreign currency translation

The reserve for foreign currency translation arises when translating accounting items in foreign currency.

The reserve is dissolved once the value adjustments have been applied or reversed.

The reserve is distributable.

### Income tax and deferred tax

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.

## **Accounting policies**

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

According to the rules of joint taxation, Continuum ApS is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

### **Liabilities other than provisions**

Liabilities other than provisions relating to investment properties are measured at amortised cost.

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

## Income statement 1 January - 31 December

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All amounts in EUR.

<u>Note</u>	<u>2023</u>	<u>2022</u>
<b>Gross profit</b>	<b>-151.440</b>	<b>-30.095</b>
<b>Operating profit</b>	<b>-151.440</b>	<b>-30.095</b>
Other financial income	-30	0
Other financial expenses	40	-183
<b>Pre-tax net profit or loss</b>	<b>-151.430</b>	<b>-30.278</b>
<b>Net profit or loss for the year</b>	<b>-151.430</b>	<b>-30.278</b>
<b>Proposed distribution of net profit:</b>		
Allocated from retained earnings	-151.430	-30.278
<b>Total allocations and transfers</b>	<b>-151.430</b>	<b>-30.278</b>

**Balance sheet at 31 December**

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All amounts in EUR.

<b>Assets</b>		
<u>Note</u>	<u>2023</u>	<u>2022</u>
<b>Current assets</b>		
Trade debtors	23	0
Other debtors	24.444	5.184
Prepayments	50.115	0
Total receivables	<u>74.582</u>	<u>5.184</u>
Cash and cash equivalents	<u>6.099</u>	<u>19.296</u>
<b>Total current assets</b>	<u><b>80.681</b></u>	<u><b>24.480</b></u>
<b>Total assets</b>	<u><b>80.681</b></u>	<u><b>24.480</b></u>

**Balance sheet at 31 December**

All amounts in EUR.

<b>Equity and liabilities</b>		<u>2023</u>	<u>2022</u>
<u>Note</u>			
<b>Equity</b>			
Contributed capital		6.000	6.000
Reserve for foreign currency translation		-246	0
Results brought forward		<u>-183.521</u>	<u>-32.092</u>
<b>Total equity</b>		<u><b>-177.767</b></u>	<u><b>-26.092</b></u>
<b>Liabilities other than provisions</b>			
Trade creditors		74.228	1.554
2 Other payables		<u>184.220</u>	<u>49.018</u>
Total short term liabilities other than provisions		<u>258.448</u>	<u>50.572</u>
<b>Total liabilities other than provisions</b>		<u><b>258.448</b></u>	<u><b>50.572</b></u>
<b>Total equity and liabilities</b>		<u><b>80.681</b></u>	<u><b>24.480</b></u>
1 <b>Uncertainties relating to going concern</b>			
3 <b>Contingencies</b>			

## Statement of changes in equity

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All amounts in EUR.

	Contributed capital	Reserve for foreign currency translation	Retained earnings	Total
	<u>6.000</u>	<u>0</u>	<u>-32.091</u>	<u>-26.091</u>
Equity 1 January 2023				
Profit or loss for the year brought forward	0	0	-151.430	-151.430
Foreign currency translation adjustments	<u>0</u>	<u>-246</u>	<u>0</u>	<u>-246</u>
	<u>6.000</u>	<u>-246</u>	<u>-183.521</u>	<u>-177.767</u>



## Notes

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All amounts in EUR.

### 1. Uncertainties relating to going concern

Continuums lead investor has confirmed that it will invest a further €250k by the middle of August 2024 which will secure underwrite the organizations basic costs until January 2025.

We are working on a Series A investment raise of €2.5million, that will secure the basic costs until at least July 2025, which is expected by the end of Q3 2024 or in Q4 2024, and for which confidence remains high.

As the Series A investment is not secured there remains a going concern uncertainty.

### 2. Other payables

Most of the debt is to the parent company and the parent company has confirmed that the debt, 1.370.850 DKK, is subordinated to all other debt / creditors.

### 3. Contingencies

#### Contingent assets

The company has a deferred tax asset of t.EUR 33., which is not included in the balance sheet.

#### Contingent liabilities

	<u>t.EUR.</u>
Rent liabilities	<u>150</u>
<b>Total contingent liabilities</b>	<b><u>150</u></b>

#### Rent liabilities

The company's lease is non-cancellable until 15/8-2024, which is why an obligation of approx. 8 months rent.

#### Joint taxation

With Continuum Holding ApS, company reg. no 42277568 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for 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.

The jointly taxed enterprises' total known net liability to the Danish tax authorities emerges from the financial statements of the administration company.

## Notes

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All amounts in EUR.

### 3. Contingencies (continued)

#### Joint taxation (continued)

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.