



Grant Thornton
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Sundew ApS

C/O Alfa Laval Innovation House, Maskinvej 5, 2860 Søborg

Company reg. no. 39 82 17 02

Annual report

1 January - 31 December 2024

The annual report was submitted and approved by the general meeting on the 30 June 2025.

Neil Goldsmith
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 Executive Board have approved the annual report of Sundew ApS for the financial year 1 January - 31 December 2024.

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 2024 and of the results of the Company's operations for the financial year 1 January – 31 December 2024.

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.

Søborg, 30 June 2025

Executive board

DocuSigned by:

 DEF0226FED3540F...
 Neil Goldsmith
 CEO

DocuSigned by:

 AED19704FB70430...
 Andrew David Gardiner
 Director


Signed by:

 43FC0774C0CA410...
 Jørgen Hansen
 Director

Board of directors


DocuSigned by:

 DEF0226FED3540F...
 Neil Goldsmith
 Chair of Board

Signed by:

 DE4AFED358D64A7...
 Johan Bitsch Nielsen
 Board member

Signed by:

 43FC0774C0CA410...
 Jørgen Hansen
 Board member

DocuSigned by:

 88299DF421AB416...
 Nicky Deasy
 Board member

DocuSigned by:

 0C2B59B4FDE726...
 Dr John Carrigan
 Board member

Independent auditor's report

To the Shareholders of Sundew ApS

Opinion

We have audited the financial statements of Sundew ApS for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, notes and a summary of significant accounting policies, 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 2024, and of the results of the Company's operations for the financial year 1 January - 31 December 2024 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.

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, 30 June 2025

Grant Thornton

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

Martin Bomholtz

State Authorised Public Accountant
mne34117

Company information

The company

Sundew ApS
C/O Alfa Laval Innovation House
Maskinvej 5
2860 Søborg

Company reg. no. 39 82 17 02
Financial year: 1 January - 31 December

Board of directors

Neil Goldsmith, Chair of Board
Johan Bitsch Nielsen, Board member
Jørgen Hansen, Board member
Nicky Deasy, Board member
John Bosco Carrigan, Board member

Executive board

Neil Goldsmith, CEO
Andrew David Gardiner, Director
Jørgen Hansen, Director

Auditors

Grant Thornton, Godkendt Revisionspartnerselskab
Lautrupsgade 11
2100 København Ø

Management's review

Description of key activities of the company

Sundew activity is developing and producing biological solutions for major problems in aquatic ecosystems.

Uncertainties connected with recognition or measurement

As part of Sundew's long-term strategy, the Irish subsidiary MicroSynbiotix Ltd (MSX) was acquired in 2021 since MSX had a technology that was complementary to the company's existing technology. The intellectual property resides in MSX but further development is carried out by the parent company.

The cost of MSX is recognized at DKK 21,346,059 in the balance sheet. The value depends on Sundew's continuing success in developing the technology which is, inevitably, subject to some uncertainty.

Reference is made to note 1.

Development in the company's activities and financial matters

The gross loss for the year totals DKK -6.048 thousand against DKK -6.015 thousand last year. Income or loss from ordinary activities after tax totals DKK -12.740 thousand against DKK -13.429 thousand last year. Management considers the net profit or loss for the year to be expected.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2024</u>	<u>2023</u>
Gross profit	-6.048.215	-6.015.279
2 Staff costs	-6.423.108	-6.845.982
Depreciation and impairment of non-current assets	-511.527	-487.676
Operating profit	-12.982.850	-13.348.937
Other financial income	25.901	2.290
Other financial expenses	-1.249.233	-2.334.097
Pre-tax net profit or loss	-14.206.182	-15.680.744
Tax on net profit or loss for the year	1.466.120	2.251.541
Net profit or loss for the year	-12.740.062	-13.429.203
Proposed distribution of net profit:		
Allocated from retained earnings	-12.740.062	-13.429.203
Total allocations and transfers	-12.740.062	-13.429.203

Balance sheet at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2024</u>	<u>2023</u>
Non-current assets		
3 Other fixtures, fittings, tools and equipment	1.128.886	1.237.927
Total property, plant, and equipment	<u>1.128.886</u>	<u>1.237.927</u>
4 Investments in group enterprises	21.346.037	21.346.059
Total investments	<u>21.346.037</u>	<u>21.346.059</u>
Total non-current assets	<u>22.474.923</u>	<u>22.583.986</u>
Current assets		
Trade receivables	242.182	74.254
Receivables from group enterprises	11.177	11.177
Income tax receivables	1.466.120	2.251.541
Other receivables	469.357	951.598
Total receivables	<u>2.188.836</u>	<u>3.288.570</u>
Cash and cash equivalents	<u>7.895.599</u>	<u>1.683.024</u>
Total current assets	<u>10.084.435</u>	<u>4.971.594</u>
Total assets	<u>32.559.358</u>	<u>27.555.580</u>

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2024</u>	<u>2023</u>
Equity		
Contributed capital	201.965	121.125
Share premium	42.257.643	0
Retained earnings	-19.733.234	-6.993.172
Total equity	<u>22.726.374</u>	<u>-6.872.047</u>
Liabilities other than provisions		
Payables to group enterprises	460.403	451.375
Payables to associates	0	215.858
Other payables	8.247.291	5.498.193
Payables to shareholders and management	0	97.942
5 Total long term liabilities other than provisions	<u>8.707.694</u>	<u>6.263.368</u>
5 Current portion of long term liabilities	0	26.650.507
Trade payables	748.508	860.458
Payables to associates	0	79.126
Other payables	<u>376.782</u>	<u>574.168</u>
Total short term liabilities other than provisions	<u>1.125.290</u>	<u>28.164.259</u>
Total liabilities other than provisions	<u>9.832.984</u>	<u>34.427.627</u>
Total equity and liabilities	<u>32.559.358</u>	<u>27.555.580</u>

1 Uncertainties concerning recognition and measurement

Notes

All amounts in DKK.

1. Uncertainties concerning recognition and measurement

As part of Sundew's long-term strategy, the Irish subsidiary MicroSynbiotix Ltd (MSX) was acquired in 2021 since MSX had a technology that was complementary to the company's existing technology. The intellectual property resides in MSX but further development is carried out by Sundew.

The cost of MSX is recognized at DKK 21,346,059 in the balance sheet. The value depends on Sundew's continuing success in developing the technology which is, inevitably, subject to some uncertainty.

	<u>2024</u>	<u>2023</u>
2. Staff costs		
Salaries and wages	6.284.729	6.689.502
Pension costs	84.000	0
Other costs for social security	17.160	59.221
Other staff costs	37.219	97.259
	<u>6.423.108</u>	<u>6.845.982</u>
 Average number of employees	 <u>7</u>	 <u>10</u>
	 <u>31/12 2024</u>	 <u>31/12 2023</u>
3. Other fixtures, fittings, tools and equipment		
Cost 1 January 2024	2.438.381	2.438.381
Additions during the year	402.486	0
Cost 31 December 2024	<u>2.840.867</u>	<u>2.438.381</u>
Depreciation and write-down 1 January 2024	-1.200.454	-712.778
Amortisation and depreciation for the year	-511.527	-487.676
Depreciation and write-down 31 December 2024	<u>-1.711.981</u>	<u>-1.200.454</u>
 Carrying amount, 31 December 2024	 <u>1.128.886</u>	 <u>1.237.927</u>

Notes

All amounts in DKK.

	<u>31/12 2024</u>	<u>31/12 2023</u>
4. Investments in group enterprises		
Cost 1 January 2024	<u>21.346.037</u>	<u>21.346.059</u>
Carrying amount, 31 December 2024	<u>21.346.037</u>	<u>21.346.059</u>

Reference is made to management comments in note 1.

5. Long term liabilities other than provisions

	<u>Total payables 31 Dec 2024</u>	<u>Current portion of long term payables</u>	<u>Long term payables 31 Dec 2024</u>	<u>Outstanding payables after 5 years</u>
Payables to group enterprises	460.403	0	460.403	0
Other payables	<u>8.247.291</u>	<u>0</u>	<u>8.247.291</u>	<u>0</u>
	<u>8.707.694</u>	<u>0</u>	<u>8.707.694</u>	<u>0</u>

Accounting policies

The annual report for Sundew ApS 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.

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, write-downs 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, other operating income, and external costs.

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

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Accounting policies

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

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

Staff costs

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

Depreciation, amortisation, and write-down for impairment

Depreciation, amortisation, and write-down for impairment comprise depreciation on, amortisation of, and write-down for impairment of intangible and tangible assets, respectively.

Research and development costs

Research and development costs comprise costs, salaries, and wages and depreciation directly or indirectly attributable to the company's research and development activities.

Research costs are recognised in the income statement in the year incurred. Clearly defined and identifiable development projects are recognised as intangible assets provided that they are proven to be technically practicable, that sufficient resources and a potential market or development opportunity exist, and insofar as the intention is to produce, market or utilise the project. Furthermore, there must be a proven correlation between the costs incurred and future earnings. However, lack of official approvals, customer approvals, and other uncertainties will often imply that the requirements for recognition as assets are not met and that development costs are charged to the income statement as incurred.

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.

Statement of financial position

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment. Land is not subject to depreciation.

Accounting policies

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.

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	0-20 %

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 property, land, and 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.

As regards self-constructed assets, the cost comprises direct costs for materials, components, deliveries from subsuppliers, payroll costs, and borrowing costs from specific and general borrowing concerning the construction of each individual asset.

Investments

Investments in group enterprises

Investments in group enterprises are recognised and measured at cost. If the recoverable amount is lower than the cost price, it shall be written down for impairment to this lower value.

Impairment loss relating to non-current assets

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

Accounting policies

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

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.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

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

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.

Liabilities other than provisions

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

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“Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument.”

Martin Bomholtz

Grant Thornton, Godkendt Revisionspartnerselskab CVR:
34209936

Statsautoriseret revisor

På vegne af: Grant Thornton

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