

Interim Financial Report 2024

UNAUDITED

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This report contains 13 pages

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Board commentary

Dear shareholder,

Herewith the board of directors of New Sources Energy N.V. present the semi-annual financial statements of 2024 for the period 1 January 2024 to 30 June 2024.

The board of directors declares that, to the best of its knowledge, the semi-annual financial statements give a true and fair view of the assets, liabilities, financial position and results of the company and the companies included jointly in the consolidation, and that this interim report gives a true and fair view of the significant events that occurred during the first six months of the fiscal year under review and their effect on the semi-annual financial statements, as well as a description of the principal risks and uncertainties for the remaining six months of the fiscal year under review. The semi-annual financial statements of 2024 have not been audited and as a result there is no auditor's report.

In our 2023 annual report, we consider risk assessment and mitigation a continuous process, which is carried out against the background of an evolving risk landscape that includes short-, medium- and longer-term challenges. We consider the major risk factors communicated in the annual report of 2023 still to be valid.

In the first half of the year, New Sources Energy N.V. (NSE or the Company) continued to focus on reorganising its organisation. This is reflected in the 2024 interim financial report. No revenue was realized. Two convertible loans of €50 thousand each were provided to the Company by Messrs. Kamsteeg and Vereecken. Operating expenses amounted to €282 thousand, of which the majority were director and management fees. This resulted in a total comprehensive loss of €282 thousand. Over the financial year of 2023 a total comprehensive loss was reported of €418 thousand.

At the AGM on 26 June 2024 all concerned agenda items, including the board's strategic ambitions, were unanimously approved. Mrs. A.M. Dirkes replaced Mr. J.D. Kleyn as chairman of the board, ushering in the new phase. Consequently, the board continued on its chosen path and instructed the public notary to execute all the suggested amendments to the articles of association. The new foundation Stichting Preferente Aandelen New Sources Energy has now been established.

Meanwhile Em.Prof.Dr. Ad van Wijk has joined the management as Chief Technology Officer. Since the reorganisation had been completed, the management has started actively focusing on potential investments, strategic partnerships and financing. The management is observing interesting developments in the international markets for solar PV, hydrogen, biofuels, energy storage, and carbon capture and storage, and has identified several promising investment opportunities. On this basis exploratory conversations have been initiated with several potential targets and strategic partners.

Our management will continue to focus on high growth companies, prioritising companies which, besides positive climate impact, foster both cash flow as well as long term value growth potential. In the second half of 2024 we will make our best efforts to engage with these investment opportunities and conclude transactions to acquire valuable energy transition assets in order to position ourselves on a path of growth.

Yours truly,

L.A. Vereecken
Chief Executive Officer
New Sources Energy N.V.

A.D. Dirkes
Chairman of the board
New Sources Energy N.V.

Interim financial statements 30 June 2024 (unaudited)

- Consolidated statement of financial position as at 30 June 2024 (unaudited)
- Consolidated statement of profit or loss (unaudited)
- Consolidated statement of changes in equity (unaudited)
- Consolidated statement of cash flows (unaudited)
- Notes to the interim financial statements

Consolidated statement of financial position as at 30 June 2024 (unaudited)

(Before profit appropriation)

	30 June 2024	31 December 2023
	€ 1,000	€ 1,000
	Note	
Assets		
Computers	2	-
Subsidiaries	-	-
	<hr/>	<hr/>
Non-current assets	2	-
Other receivables	-	111
Cash and cash equivalents	7	25
	<hr/>	<hr/>
Current assets	7	137
	<hr/>	<hr/>
Total assets	9	137
	<hr/> <hr/>	<hr/> <hr/>
	30 June 2024	31 December 2023
	€ 1,000	€ 1,000
Equity		
Share capital	2.486	2.486
Share premium	17.295	17.295
Statutory reserves	-19.689	-19.271
Retained earnings	-282	-418
	<hr/>	<hr/>
Total equity attributable to the owners of the company	-189	-92
Non-controlling interest	-	-
Total equity	-189	-92
	<hr/>	<hr/>
Non-current Liabilities		
Loans and borrowings	100	-
Total non-current Liabilities	100	-
	<hr/>	<hr/>
Current Liabilities		
Other payables	98	44
Total current liabilities	98	44
	<hr/>	<hr/>
Total liabilities	198	44
	<hr/>	<hr/>
Total equity and liabilities	9	137
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 9 to 11 are an integral part of these consolidated financial statements.

Consolidated statement profit & loss (unaudited)

	Note	2024 (6 months)		2023 (6 months)	
		€ 1,000	€ 1,000	€ 1,000	€ 1,000
Continuing operations					
Revenue		-		-	
		<hr/>		<hr/>	
Revenue		-		-	
Other expenses		281		168	
		<hr/>		<hr/>	
Operating loss		-281		-168	
Finance costs		-0		-0	
		<hr/>		<hr/>	
Loss before taxation			-282		-168
			<hr/>		<hr/>
Income tax			-		-
			<hr/>		<hr/>
Loss after taxation from continuing operations			-282		-168
			<hr/>		<hr/>
Total comprehensive loss attributable to the owners of the company			-282		-168
			<hr/> <hr/>		<hr/> <hr/>

The notes on pages 9 to 11 are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity (unaudited)

	Issued share capital	Share premium	Reserves required by the Articles of Association	Undistribut ed result	Total
Note	€ 1,000	€ 1,000	€ 1,000	€ 1,000	€ 1,000
Balance at 1 January 2024 (previously reported)	2.486	17.295	-19.270	-418	92
Changes in financial year 2024:					
— Issued shares shareholder loans					
— Issued convertible bonds					
— Share-based payments					
— Appropriation of result 2023			-418	418	
— Result of the first half of 2024				-282	-282
Balance at 30 June 2024:	2.486	17.295	-19.688	-282	-189

The notes on pages 9 to 11 are an integral part of these consolidated financial statements.

Consolidated statement of cash flows (unaudited)

	1 st half of 2024	1 st half of 2023
	€ 1,000	€ 1,000
Cash flows from operating activities	-	-
Loss for the period	-282	-168
	<hr/>	<hr/>
	-282	-168
Changes in:		
— Other receivables	-2	-
— Other payables	-50	32
	<hr/>	<hr/>
Cash generated from operating activities	-52	32
Interest paid	-	--
	<hr/>	<hr/>
Net cash from operating activities	-334	-136
Cash flows from investing activities	-	-
	<hr/>	<hr/>
Net cash from (used in) investing activities	-	-
Cash flows from financing activities		
Proceeds from issue of share capital	-	-
Proceeds from issue of convertible notes	-	50
Proceeds from loans and new borrowings	316	69
	<hr/>	<hr/>
Net cash from (used in) financing activities	316	119
Net increase/decrease in cash and cash equivalents	-18	-17
Cash and cash equivalents at 1 January	25	17
	<hr/>	<hr/>
Cash and cash equivalents at 30 June	7	0
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 9 to 11 are an integral part of these consolidated financial statements.

Notes to the interim financial statements

1 General information

(a) Reporting entity and relationship with parent company

New Sources Energy N.V. (the “**Company**”) is a public limited liability company domiciled in the Netherlands. The Company was incorporated in the Netherlands. The Company’s registered office is at Apollolaan 151, 1077AR Amsterdam, the Netherlands. The Company was founded on 26 October 1978 and is registered in the Trade Register at the Chamber of Commerce under number 33154205.

The Company is publicly listed at the Euronext Amsterdam stock exchange.

These consolidated financial statements comprise the Company and its subsidiaries (collectively the “**Group**” and individually “**Group companies**”). The Company is a holding company. The main activities of the group of which the Company is the parent are related to investments in renewable energy assets. The activities of the Company and the Group are focussing on the market of the European Union.

(b) Financial reporting period

These interim financial statements cover the first six months of 2024, which ended at the balance sheet date of 30 June 2024.

(c) Going concern

The financial statements have been prepared on the basis of the going concern assumption.

2 General accounting principles

The general accounting policies applied in the preparation of these interim financial statements are set out below.

Basis of preparation

The interim financial statements for the first six months of 2024, ending on 30 June 2024, were prepared in accordance with IAS 34 Interim Financial Reporting, and should be read in conjunction with the Group’s last annual financial statements as at and for the year ended 31 December 2023 (‘last annual financial statements’). They do not include all the information required for a complete set of financial statements prepared in accordance with IFRS Standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual financial statements.

The interim financial statements are presented in Euros (EUR) and have been rounded to the nearest Euro unless otherwise stated. As a result of rounding adjustments, amounts and percentages may not add up to the total.

The interim financial statements were authorised for issue by the Board of Directors on 3 September 2024.

Use of judgements and estimates

In preparing these interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements and estimates applied in the preparation of these interim financial statements are the same as those followed in the Group's last annual financial statements.

Significant accounting policies

The significant accounting policies applied in the preparation of these interim financial statements are the same as those followed in the Group's last annual financial statements. These accounting policies have been applied consistently to all years presented, unless otherwise stated.

Changes in accounting policies and pronouncements

The IASB issued the following amendments which are effective 1 January 2024:

- Supplier Finance Arrangements (Amendments to IAS 7 & IFRS 7);
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16);
- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1); and
- Non-current Liabilities with Covenants (Amendments to IAS 1).

The above-mentioned amendments do not have a significant effect for the Group's financial reporting.

None of the already issued, but not yet effective accounting standards or amendments to such standards are expected to have significant effects for the Group's financial reporting.

3 Significant events and transactions

Related party transactions

There were two related party transactions (note 5).

Seasonality

The Group's operations are not subject to any significant fluctuations due to seasonality.

4 Financial risk management

Risk management in the Group is carried out by the CEO under policies approved by the board of directors. Potential risks are evaluated on a regular basis, and the CEO determines appropriate strategies related to how these risks are to be handled within the Group under the approved policies.

Among others, the Group is exposed to operational, market-, credit-, and liquidity- risk. The current macroeconomic environment is challenging with high inflation, raising interest risk, weaker business environment.

The financial risk management applied in the preparation of these interim financial statements are the same as those applied in the Group's last annual financial statements with the exception of credit risk.

Fairs values of financial instruments

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets and liabilities.
- Level 2: other techniques for which inputs that have a significant effect on the recorded fair value are observable, directly, or indirectly.
- Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The carrying amounts of trade and other receivables, cash and cash equivalents, as well as trade and other payables approximates their fair values because they are short term in nature.

5 Related parties

The Group's controlling parties included in these interim financial statements are the same as those in the Group's last annual financial statements.

Key management remuneration

Key management includes the executive director and CEO, L.A. Vereecken

Share-based compensation

The terms and conditions as well as the method of determining the fair value of the share-based compensation are the same as those in the Group's last annual financial statements.

Transactions with related parties

Two convertible loans were given to the Company of € 50 thousand each by Messrs. H. Kamsteeg and L.A. Vereecken. Both shareholders have a share interest exceeding 5%.

6 Events after the reporting period

No events have occurred after the balance sheet date.

Signature

The financial statements on pages 5 to 11 were approved by the board of directors and authorised for issue on 3 September 2024. They were signed on its behalf by:

L.A. Vereecken
Chief Executive Officer
New Sources Energy N.V.

A.M. Dirkes
Chairman
New Sources Energy N.V.