



ICHOS B.V.

Located Alkmaar

QUARTERLY REPORT 1 July 2023 until 31 March 2024

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To the Board of Directors of
ICHOS B.V.
Comeniusstraat 4 -F
1817 MS Alkmaar

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Zaandam, 6 May 2024

Dear management,

INTRODUCTION

The opinion is included from the next page. It concerns the independent accountant's review report.

INDEPENDENT AUDITOR'S REVIEW REPORT

To: The shareholders and supervisory board of ICHOS B.V.

Our conclusion

We have reviewed the condensed company interim financial information for the period 1 July 2023 till 31 March 2024 of ICHOS B.V. based in Alkmaar.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information of ICHOS B.V. is not prepared, in all material respects, in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code.

The interim financial information comprise:

- the balance sheet as at 31 March 2024;
- the profit and loss account for the period 1 July 2023 till 31 March 2024; and
- the notes comprising of a summary of the accounting policies and other explanatory information.

Basis for our conclusion

We conducted our review in accordance with Dutch law, including the Dutch Standard 2410, 'Het beoordelen van tussentijdse financiële informatie door de accountant van de entiteit' (review of interim financial information performed by the independent auditor of the entity). A review of interim financial information in accordance with the Dutch Standard 2410 is a limited assurance engagement. Our responsibilities under this standard are further described in the 'Our responsibilities for the review of the interim financial information' section of our report.

We are independent of ICHOS B.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of management and the supervisory board for the interim financial information

Management is responsible for the preparation of the interim financial information in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as it determines is necessary to enable the preparation of the interim financial information that is free from material misstatement, whether due to fraud or error.

The supervisory board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the review of the interim financial information

Our responsibility is to plan and perform the review in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

The level of assurance obtained in a limited assurance engagement is substantially less than the level of assurance obtained in an audit conducted in accordance with the Dutch Standards on Auditing. Accordingly, we do not express an audit opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the review, in accordance with Dutch Standard 2410.

Our review included among others:

- Updating our understanding in the entity and its environment, including its internal control, and the applicable financial reporting framework, in order to identify areas in the interim financial information where material misstatements are likely to arise due to fraud or error, designing and performing procedures to address those areas, and obtaining assurance evidence that is sufficient and appropriate to provide a basis for our conclusion;
- Obtaining an understanding of internal control, as it relates to the preparation of interim financial information;
- Making inquiries of management and others within the entity;
- Applying analytical procedures with respect to information included in the interim financial information;
- Obtaining assurance evidence that the interim financial information agrees with or reconciles to the entity's underlying accounting records;
- Evaluating the assurance evidence obtained;



- Considering whether there have been any changes in accounting principles or in the methods of applying them and whether any new transactions have necessitated the application of a new accounting principle;
- Considering whether management has identified all events that may require adjustment to or disclosure in the interim financial information; and
- Considering whether the interim financial information has been prepared in accordance with the applicable financial reporting framework and represents the underlying transactions free from material misstatement.

Zaandam, 6 May 2024
CPAccountants B.V.

P.A. Bankersen RA

Management Board's report

MANAGEMENT BOARD'S REPORT

The company applies the exemption to draw up the management report for 1 July 2023 until 31 March 2024 as mentioned in article 396 of Book 2, Title 9 of the Dutch Civil Code.

Financial statements

BALANCE SHEET AS AT 31 MARCH 2024

(Before appropriation of result)

		31-03-2024	30-06-2023
		€	€
ASSETS			
Fixed assets			
<i>Tangible fixed assets</i>	<i>1</i>		
Other tangible fixed assets		39.650	47.570
Current assets			
<i>Construction contracts</i>	<i>2</i>	15.284.400	4.971.335
<i>Receivables</i>			
Trade receivables	<i>3</i>	15.501.171	15.771.657
Taxes and social security contributions	<i>4</i>	718.581	-
Other receivables and accrued assets	<i>5</i>	31.858	44.861
		16.251.610	15.816.518
<i>Cash and cash equivalents</i>	<i>6</i>	9.262.895	18.635.052
Total assets		40.838.555	39.470.475

		31-03-2024	30-06-2023
		€	€
EQUITY AND LIABILITIES			
Equity	7		
Issued share capital		1.000	1.000
Result for the year		<u>2.252.215</u>	<u>1.709.298</u>
		2.253.215	1.710.298
Short-term liabilities			
Trade payables	8	15.616.534	17.252.460
Liabilities to group companies	9	744	744
Taxes and social security contributions	10	640.503	462.293
Other liabilities and accrued expenses	11	<u>22.327.559</u>	<u>20.044.680</u>
		38.585.340	37.760.177
 Total equity and liabilities		 <u><u>40.838.555</u></u>	 <u><u>39.470.475</u></u>

INCOME STATEMENT FOR THE PERIOD 01-07-2023 UNTIL 31-03-2024

		1-7-2023 / 31-3-2024	1-7-2022 / 31-3-2023
		€	€
Net turnover		27.057.107	11.958.219
Outsourced work and other external expenses		23.838.706	10.362.263
Depreciation of tangible fixed assets		8.457	13.887
Housing expenses	12	51.044	46.703
Office expenses	13	77.875	19.783
General expenses	14	59.442	38.664
Total operating expenses		<u>24.035.524</u>	<u>10.481.300</u>
Operating result		3.021.583	1.476.919
Interest and similar expenses	15	<u>-</u>	<u>-7.106</u>
Result before taxation		3.021.583	1.469.813
Taxation		<u>-769.368</u>	<u>-349.705</u>
Net result after taxation		<u><u>2.252.215</u></u>	<u><u>1.120.108</u></u>

CASH FLOW STATEMENT FOR THE PERIOD 01-07-2023 UNTIL 31-03-2024

		1-7-2023 / 31-3-2024		1-7-2022 / 31-3-2023	
		€	€	€	€
Cash flow from operating activities					
Operating result			3.021.583		1.476.919
Adjustments for					
Depreciation			8.457		13.887
Changes in working capital					
Decrease (increase) in construction contracts	2	-10.313.065		-7.364.361	
Decrease (increase) in trade receivables	3	270.486		-11.190.463	
Decrease (increase) in other receivable	5	-705.578		24.867	
Increase (decrease) in other payables		-807.979		21.198.582	
			<u>-11.556.136</u>		<u>2.668.625</u>
Cash flow from business activities			-8.526.096		4.159.431
Interest paid	15	-		-7.106	
Income tax paid		-150.785		-20.074	
			<u>-150.785</u>		<u>-27.180</u>
Cash flow from operating activities			-8.676.881		4.132.251
Cash flow from investment activities					
Purchase of property, plant and equipment	1		-537		-17.801
Cash flow from financing activities					
Dividend paid			-694.739		-854.740
Movements cash			<u>-9.372.157</u>		<u>3.259.710</u>
Movements in cash and cash equivalents					
Cash and cash equivalents at the beginning of the period			18.635.052		2.064.358
Increase (decrease) cash and cash equivalents			<u>-9.372.157</u>		<u>3.259.710</u>
Cash and cash equivalents at the end of the period			<u>9.262.895</u>		<u>5.324.068</u>

NOTES TO THE FINANCIAL STATEMENTS

Entity information

Registered address and registration number trade register

The registered and actual address of ICHOS B.V. is Comeniusstraat 4 -F, 1817 MS in Alkmaar, Nederland. ICHOS B.V. is registered at the Chamber of Commerce under number 70690707.

General notes

The most important activities of the entity

The activities of ICHOS B.V. consist mainly of activities (engineering, procurement and construction) regarding the EPCM contract.

ICHOS B.V. entered into the EPCM contract with Pallas on 24 January 2018. During the duration of this EPCM contract services shall be carried out, including Engineering and Design services, Project Management, Manufacturing and Procurement, Construction, Installation, Testing and Completion, Commissioning and O&M support services. For providing these services ICHOS B.V. shall submit invoices for the provided EPCM services.

ICHOS B.V. has entered into an agreement with various subcontractors in order to carry out the services in accordance with the EPCM contract. During the duration of the EPCM contract subcontractors shall submit invoices to ICHOS B.V. for the EPCM services provided by them.

The location of the actual activities

The actual address of ICHOS B.V. is Comeniusstraat 4 -F, 1817 MS in Alkmaar.

Disclosures about estimates, judgements, assumptions and uncertainties

In applying the principles and policies for drawing up the financial statements, the directors of ICHOS B.V. make different estimates and judgments that may be essential to the amounts disclosed in the financial statements. If it is necessary in order to provide the transparency required under Book 2, article 362, paragraph 1, the nature of these estimates and judgments, including related assumptions, is disclosed in the notes to the relevant financial statement item.

General accounting principles

The accounting standards used to prepare the financial statements

The financial statements are drawn up in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code.

Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost.

The functional currency

Items included in the financial statements are valued with due regard for the currency in the economic environment in which the company carries out most of its activities (the functional currency). The financial statements are denominated in euros; this is both the functional currency and presentation currency.

Accounting principles**Tangible fixed assets**

Other tangible fixed assets are valued at historical cost or production cost including directly attributable costs, less straight-line depreciation based on the expected future life and impairments.

Construction contracts

Construction contracts commissioned by third parties comprises the balance of project costs realised, profit attributed, and if applicable, recognised losses and instalments already invoiced. Construction contracts are separately presented in the balance sheet under current assets. If it shows a credit balance, this will be presented under current liabilities.

Expenditure relating to project costs for work not yet performed is recognised under inventories.

Receivables

Receivables are initially valued at the fair value of the consideration to be received, including transaction costs if material. Receivables are subsequently valued at the amortised cost price. If there is no premium or discount and there are no transaction costs, the amortised cost price equals the nominal value of the accounts receivable. Provisions for bad debts are deducted from the carrying amount of the receivable.

Cash and cash equivalents

Cash at banks and in hand represent cash in hand, bank balances and deposits with terms of less than twelve months. Overdrafts at banks are recognised as part of debts to lending institutions under current liabilities. Cash at banks and in hand is valued at nominal value.

Current liabilities

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value.

Accounting principles for determining the result

The result is the difference between the realisable value of the services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

Revenue recognition

Net turnover comprises the income (commission) from the rendering of services after deduction of discounts and such like and of taxes levied on the turnover.

Other operating expenses

Costs are determined on a historical basis and are attributed to the reporting year to which they relate.

Income tax expense

Tax on the result is calculated based on the result before tax in the income statement, taking account of the losses available for set-off from previous financial years and exempt profit components and after the addition of non-deductible costs. Due account is also taken of changes which occur in the deferred tax assets and deferred tax liabilities in respect of changes in the applicable tax rate.

NOTES TO THE BALANCE SHEET

1 Tangible fixed assets

	Other tangible fixed assets €
Balance as at 1 July 2023	
Cost or manufacturing price	56.363
Accumulated depreciation	<u>-8.793</u>
Book value as at 1 July 2023	<u>47.570</u>
Movements	
Additions	537
Depreciation	<u>-8.457</u>
Balance movements	<u>-7.920</u>
Balance as at 31 March 2024	
Cost or manufacturing price	56.900
Accumulated depreciation	<u>-17.250</u>
Book value as at 31 March 2024	<u>39.650</u>

The depreciation rate applicable is 20%.

Current assets

	31-03-2024 €	30-06-2023 €
2 Construction contracts		
Work in progress assets (positive balance of work in progress)	<u>15.284.400</u>	<u>4.971.335</u>
Receivables		
3 Trade receivables		
Trade debtors	<u>15.501.171</u>	<u>15.771.657</u>
4 Taxes and social security contributions		
Value added tax	<u>718.581</u>	<u>-</u>
5 Other receivables and accrued assets		
Guarantee deposits	5.989	5.989
Other receivables	<u>25.869</u>	<u>38.872</u>
	<u>31.858</u>	<u>44.861</u>
6 Cash and cash equivalents		
ING Bank N.V.	<u>9.262.895</u>	<u>18.635.052</u>

7 Equity

	Issued share capital	Undistributed profit	Result for the year	Total
	€	€	€	€
Balance as at 1 July 2023	1.000	-	1.709.298	1.710.298
Result for the previous year	-	1.709.298	-1.709.298	-
Result for the year	-	-	2.252.215	2.252.215
Dividend payment	-	-1.709.298	-	-1.709.298
Balance as at 31 March 2024	<u>1.000</u>	<u>-</u>	<u>2.252.215</u>	<u>2.253.215</u>

Disclosure of equity

The capital of the company consists of shares with a nominal value of € 1 per share. At incorporation, the issued capital of the company equals € 1.000 and is divided into 1.000 shares of € 1. The issued shares have been fully paid in cash.

Short-term liabilities

	31-03-2024	30-06-2023
	€	€
8 Trade payables		
Trade creditors	<u>15.616.534</u>	<u>17.252.460</u>
9 Liabilities to group companies		
Current-account INVAP Nederland B.V.	<u>744</u>	<u>744</u>
10 Taxes and social security contributions		
Value added tax	-	349.902
Corporate income tax	<u>640.503</u>	<u>112.391</u>
	<u>640.503</u>	<u>462.293</u>

	<u>31-03-2024</u>	<u>30-06-2023</u>
	€	€
11 Other liabilities and accrued expenses		
Dividends payable	1.709.298	694.739
Other liabilities	6.500	6.500
Advance payment DD Phase	4.041.472	10.642.681
Purchase invoices to be received	14.770.289	6.900.760
Deferred revenue	<u>1.800.000</u>	<u>1.800.000</u>
	<u>22.327.559</u>	<u>20.044.680</u>

Upon commencement of the DD Phase ICHOS B.V. has received an advance payment from Pallas. The advance payment is an interest-free loan for the execution of the relevant activities. The advance payment is partially settled with the invoice that is sent each month. Part of the advance payment relates to a period longer than 12 months and depends on the amount of the invoice.

In accordance with the conditions from the EPCM contract the company has received an incentive fee for the amount of € 1,8 million for the official launch of the full scope of the Detailed Design (DD). Due to the conditions as set in the EPCM contract there exists the possibility that the incentive fee needs to be (partly) repaid in the situation of a conversion of the contract or in the situation when the actual costs exceed the agreed DD-budget. Because the DD has recently started, no reliable information is available to determine if the revenue needs to be reversed later or not. The incentive fee shall be recorded as revenue when reliable information is available. Until that time prudence shall be exercised.

Off-balance-sheet rights, obligations and arrangements

Disclosure of off-balance sheet commitments

There is a rental agreement for the rental of the office. The rental obligation for the coming year is € 68.013. This is an agreement till 31 December 2024.

Off-balance sheet commitments relating to guarantees

The company has issued bank guarantees for the amount of € 15.000.000 for Stichting Voorbereiding PALLAS Reactor.

NOTES TO THE INCOME STATEMENT

	1-7-2023 / 31- 3-2024 €	1-7-2022 / 31- 3-2023 €
12 Housing expenses		
Rental expenses	<u>51.044</u>	<u>46.703</u>
13 Office expenses		
Office supplies	8.432	2.134
IT expenses	69.443	19.829
Other office expenses	-	-2.180
	<u>77.875</u>	<u>19.783</u>
14 General expenses		
Audit and accounting expenses	45.385	37.845
Consultancy expenses	13.520	-
Bank expenses	353	279
Other general expenses	184	540
	<u>59.442</u>	<u>38.664</u>
15 Interest and similar expenses		
Paid bank interest	-	7.106

OTHER NOTES

Average number of employees current book year: 0

Alkmaar, 6 May 2024
ICHOS B.V.

Director
N.P.G. De Lorenzo

Director
H.G. Cassini

The supervisory board

J.P.M. Ordoñez

T.E. Calderon