

FINANCIAL STATEMENTS

Circle Economy Foundation, Amsterdam

1 BALANCE SHEET AS AT DECEMBER 31, 2024

(after appropriation of results)

	December 31, 2024		December 31, 2023	
	€	€	€	€
ASSETS				
Fixed assets				
Intangible fixed assets	(1)			
Concessions, permits and intellectual property rights	5,576		15,576	
Goodwill	19,330		25,599	
		24,906		41,175
Tangible fixed assets	(2)			
Equipment		5,610		3,518
Financial fixed assets	(3)			
Participations in group companies	6,470		6,812	
Other receivables	23,006		32,007	
		29,476		38,819
Current assets				
Work in progress	(4)	530,525		254,385
Receivables, prepayments and accrued income	(5)			
Trade receivables	358,622		372,547	
Corporate income tax	20,069		26,025	
Deferred assets	229,784		381,021	
		608,475		779,593
Cash and cash equivalents	(6)	211,997		437,588
		<u>1,410,989</u>		<u>1,555,078</u>

2 STATEMENT OF INCOME AND EXPENDITURE 2023

		2024		2023	
		€	€	€	€
Net turnover	(10)		4,329,640		5,293,557
Cost of subcontracted work and other external charges	(11)		698,037		975,215
Sum of operating income			<u>3,631,603</u>		<u>4,318,342</u>
Expenses					
Employee expenses	(12)	3,251,163		3,845,300	
Amortisation and depreciation	(13)	19,706		20,997	
Accommodation expenses	(14)	101,723		90,865	
Office expenses	(15)	79,003		88,541	
Selling and distribution expenses	(16)	72,631		199,178	
General expenses	(17)	103,170		75,356	
			<u>3,627,396</u>		<u>4,320,237</u>
Operating result			<u>4,207</u>		<u>-1,895</u>
Financial income and expenses	(18)		380		-7,011
Result			<u>4,587</u>		<u>-8,906</u>
Taxes			-4,410		2,884
			<u>177</u>		<u>-6,022</u>
Result participating interests	(19)		-442		6,711
Result			<u><u>-265</u></u>		<u><u>689</u></u>

3 NOTES TO THE FINANCIAL STATEMENTS

GENERAL

Activities

The activities of Circle Economy Foundation consist mainly of advisory in the field of circularity and to support organisations with the implementation of strategies and models for a circular economy.

Going concern

The financial statements of Circle Economy Foundation show a negative result for 2024 of € 265. The equity of Circle Economy Foundation amounts to December 31, 2024 € -44,381. This could raise concerns about the continuity of the foundation. Based on the interim figures of 2025 the board is convinced that the continuity is not unsecure.

Registered office, legal form and registration number at the chamber of commerce

Circle Economy Foundation is registered and actual established at Haarlemmerweg 331 A in Amsterdam and is registered at the Chamber of Commerce with number 52051048.

Estimates

In applying the principles and policies for drawing up the financial statements, the directors of Circle Economy Foundation 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.

Group structure

In accordance with article 2:407 part 2A of the Netherlands Civil Code no consolidated annual account have been prepared.

GENERAL ACCOUNTING PRINCIPLES FOR THE PREPARATION OF THE ANNUAL ACCOUNTS

The financial statements have been prepared in accordance with Title 9 Book 2 of the Dutch Civil Code for micro entities.

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. In the balance sheet, income statement and the cash flow statement, references are made to the notes.

Income and expenses are allocated to the year to which they relate. Profits are only included insofar as they have been realized on the balance sheet date. Liabilities and possible losses that originate before the end of the reporting year are taken into account if they have become known before the preparation of the annual accounts.

Comparison with previous year

The valuation principles and method of determining the result are the same as those used in the previous year.

ACCOUNTING PRINCIPLES APPLIED TO THE VALUATION OF ASSETS AND LIABILITIES

Intangible fixed assets

Intangible fixed assets are presented at cost less accumulated amortisation and, if applicable, less impairments in value. Amortisation is charged as a fixed percentage of cost, as specified in more detail in the notes to the balance sheet. The useful life and the amortisation method are reassessed at the end of each financial year.

Tangible fixed assets

The 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.

Financial fixed assets

Participations

Participations (associates), over which significant influence can be exercised, are valued according to the net asset value method. In the event that 20% or more of the voting rights can be exercised, it may be assumed that there is significant influence.

The net asset value is calculated in accordance with the accounting principles that apply for these financial statements; with regard to participations in which insufficient data is available for adopting these principles, the valuation principles of the respective participation are applied.

In the event of an impairment loss, valuation takes place at the realisable value (see also section "Impairment of fixed assets"); an impairment is recognised and charged to the income statement.

Other receivables

Other receivables included under financial fixed assets include loans granted and other receivables, as well as purchased loans that will be held to maturity. These receivables are initially valued at fair value. Subsequently, these loans are valued at amortized cost. If there are any discounts or premiums when loans are granted, these are credited or charged to income as part of the effective interest during the term, respectively. Transaction costs are also included in the initial valuation and charged to income as part of the effective interest rate. Impairment losses are deducted from earnings.

Work in progress

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.

Project income and project costs pursuant to projects in progress are processed as income and costs in the profit and loss account proportionally to the attained performance on the balance sheet date. The extent to which the performance has been attained is determined based on the project costs up to the balance sheet date in relation to the estimated total project costs/inspection of the executed part of the project/ completion of a physically discernible project part.

Projects in progress for which the balance is a debit amount are presented as current assets. Projects in progress for which the balance is a credit amount are presented under short-term debt.

Project income realised in the financial year is processed as income in the profit and loss account (net turnover entry). Project costs have been included in the costs of raw materials and consumables and in the cost of outsourced work and other external costs.

Securities

Upon initial recognition the receivables on and loans to participations and other receivables are valued at fair value and then valued at amortised cost, which equals the face value, after deduction of any provisions. The fair value and amortised cost equal the face value. Any provisions for the risk of doubtful debts are deducted. These provisions are determined based on individual assessment of the receivables.

Cash and cash equivalents

The cash is valued at face value. If cash equivalents are not freely disposable, then this has been taken into account in the valuation.

Non-current liabilities

On initial recognition long-term debts are recognised at fair value. Transaction costs which can be directly attributed to the acquisition of the long-term debts are included in the initial recognition. After initial recognition long-term debts are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs.

The difference between stated book value and the mature redemption value is accounted for as interest cost in the profit and loss account on the basis of the effective interest rate during the estimated term of the long-term debts.

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 THE DETERMINATION OF THE RESULT

General

The result is defined as the difference between the revenue from services performed and the costs and expenses for that year, valued at historical costs.

Revenue recognition

General

Net turnover includes the income from the delivery of goods and services and realized project income from projects in progress, less discounts and the like and taxes levied on turnover. This identifies individual performance obligations. The transaction price is then determined and allocated to the individual performance obligation. This takes into account discounts and the like and taxes levied on turnover.

Expenses general

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

Financial income and expenses

Interest income and interest expenses

Interest income and expenses are recognised on a pro rata basis, taking account of the effective interest rate of the assets and liabilities to which they relate. In accounting for interest expenses, the recognised transaction expenses for loans received are taken into consideration.

Taxes

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 (to the extent that they have not already been included in the deferred tax assets) 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.

Result participating interests

The result is the amount by which the carrying amount of the participation has changed since the previous financial statements as a result of the earnings achieved by the participation to the extent that this can be attributed to Circle Economy Foundation.

4 NOTES TO THE BALANCE SHEET AS OF DECEMBER 31, 2024

ASSETS

FIXED ASSETS

1. Intangible fixed assets

	Concessions, permits and intellectual property rights	Goodwill	Total
	€	€	€
Carrying amount as of January 1, 2024	15,576	25,599	41,175
Amortization	-10,000	-6,269	-16,269
Carrying amount as of December 31, 2024	<u>5,576</u>	<u>19,330</u>	<u>24,906</u>
Purchase price	30,000	31,346	61,346
Cumulative depreciation and impairment	-24,424	-12,016	-36,440
Carrying amount as of December 31, 2024	<u>5,576</u>	<u>19,330</u>	<u>24,906</u>

Amortisation rates

Concessions, permits and intellectual property rights	33,33
Goodwill	20

%

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2. Tangible fixed assets

	Equipment
	€
Carrying amount as of January 1, 2024	3,519
Investments	5,528
Depreciation	-3,437
Carrying amount as of December 31, 2024	<u>5,610</u>
Purchase price	35,461
Cumulative depreciation and impairment	-29,851
Carrying amount as of December 31, 2024	<u>5,610</u>

Depreciation rates

	%
Equipment	20

3. Financial fixed assets

	12/31/2024	12/31/2023
	€	€
Participations in group companies		
Circle Economy Consulting B.V. at Amsterdam (100%)	6,369	1
Circularity Gap Solutions B.V. at Amsterdam (100%)	100	-
One Future Play B.V. at Amsterdam (100%)	1	6,811
	<u>6,470</u>	<u>6,812</u>

	2024	2023
	€	€
<i>Circle Economy Consulting B.V.</i>		
Carrying amount as of January 1	1	-
Investments	-	100
Share in result	6,368	-99
Carrying amount as of December 31	<u>6,369</u>	<u>1</u>

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	2024	2023
	€	€
<i>Circularity Gap Solutions B.V.</i>		
Carrying amount as of January 1	-	-
Investments	100	-
Carrying amount as of December 31	<u>100</u>	<u>-</u>
<i>One Future Play B.V.</i>		
Carrying amount as of January 1	6,811	-
Investments	-	1
Share in result	-6,810	6,810
Carrying amount as of December 31	<u>1</u>	<u>6,811</u>
	12/31/2024	12/31/2023
	€	€
Other receivables		
Deferred tax asset	15,192	19,602
Deposits	7,814	12,405
	<u>23,006</u>	<u>32,007</u>
	2024	2023
	€	€
<i>Deferred tax asset</i>		
Carrying amount as of January 1	19,602	16,718
Additions	-4,410	2,884
Carrying amount as of December 31	<u>15,192</u>	<u>19,602</u>
The deferred tax asset is accounted for a deductible loss of € 79,960 in total.		
<i>Deposits</i>		
Carrying amount as of January 1	12,406	8,106
Additions	-4,592	4,299
Carrying amount as of December 31	<u>7,814</u>	<u>12,405</u>

CURRENT ASSETS

	<u>12/31/2024</u>	<u>12/31/2023</u>
	€	€
4. Work in progress		
Projects in progress	<u>530,525</u>	<u>254,385</u>

5. Receivables, prepayments and accrued income

Trade receivables

Debtors	<u>358,622</u>	<u>372,547</u>
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Amount to group companies:
- Debtors: € 7,087 (2023: € 83,722)

Deferred assets

Other receivables	172,557	145,835
Prepayments and accrued income	<u>57,227</u>	<u>235,186</u>
	<u>229,784</u>	<u>381,021</u>

Other receivables

Current account Circle Economy Consulting B.V.	21,495	4,003
Current account One Future Play B.V.	<u>151,062</u>	<u>141,832</u>
	<u>172,557</u>	<u>145,835</u>

Current account Circle Economy Consulting B.V.

	<u>2024</u>	<u>2023</u>
	€	€
Carrying amount as of January 1	4,003	-
Additions	17,351	3,890
Interest	141	113
Carrying amount as of December 31	<u>21,495</u>	<u>4,003</u>

An interest of 12-months Euribor and a fixed rate of 2% is calculated on the current account.

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Current account One Future Play B.V.

	2024	2023
	€	€
Carrying amount as of January 1	141,832	-
Movement	1,318	136,498
Interest	7,912	5,334
Carrying amount as of December 31	<u>151,062</u>	<u>141,832</u>

An interest of 12-months Euribor and a fixed rate of 2% is calculated on the current account.

	12/31/2024	12/31/2023
	€	€
Prepayments and accrued income		
Amounts/invoices to be received	33,624	235,186
Pension allowance	23,603	-
	<u>57,227</u>	<u>235,186</u>

6. Cash and cash equivalents

Bank account NL86 ABNA 0488 3807 23	206,343	441,272
Trade Finance Cover Account NL18 ABNA 0138 0559 71	14,000	-
Business Creditcard	-8,346	-3,684
	<u>211,997</u>	<u>437,588</u>

An amount of € 14.000 is not freely disposable.

EQUITY AND LIABILITIES

7. Equity

	2024	2023
	€	€
Other reserves		
Carrying amount as of January 1	-44,116	-44,807
Allocation of financial year net result	-265	689
Carrying amount as of December 31	<u>-44,381</u>	<u>-44,118</u>

8. Non-current liabilities

	12/31/2024	12/31/2023
	€	€
Taxes and social securities		
Wage tax	89,295	136,624
NOW payments	8,602	12,162
	<u>97,897</u>	<u>148,786</u>
	2024	2023
	€	€
Carrying amount as of January 1	208,979	267,462
Interest added	4,855	818
Payments this year	-55,449	-59,301
Carrying amount as of December 31	<u>158,385</u>	<u>208,979</u>
Repayment obligations next financial year	-60,488	-60,193
Non-current part as of December 31	<u>97,897</u>	<u>148,786</u>

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	12/31/2024	12/31/2023
	€	€
Accruals and deferred income		
Pre invoiced Brand & Service Fees 2026	132,000	-
	<u>132,000</u>	<u>-</u>
9. Current liabilities		
Repayment obligation long-term debt		
Taxes	60,488	60,193
	<u>60,488</u>	<u>60,193</u>
Projects in progress		
<u>Credit balance contracts</u>		
Pre invoiced amounts	841,687	1,029,129
	<u>841,687</u>	<u>1,029,129</u>
Trade creditors		
Creditors	177,597	113,401
	<u>177,597</u>	<u>113,401</u>
Taxes and social securities		
VAT	9,859	50,980
Wage tax	109,785	102,959
	<u>119,644</u>	<u>153,939</u>
Other liabilities and Accruals and deferred income		
Other liabilities	100	-
Accruals and deferred income	25,957	93,748
	<u>26,057</u>	<u>93,748</u>
Other liabilities		
Current account Circularity Gap Solutions B.V.	100	-
	<u>100</u>	<u>-</u>

Circle Economy Foundation, Amsterdam

Current account Circularity Gap Solutions B.V.

	2024	2023
	€	€
Carrying amount as of January 1	-	-
Additions	100	-
Carrying amount as of December 31	100	-

No interest has been calculated.

	12/31/2024	12/31/2023
	€	€
Accruals and deferred income		
Accounting costs	11,500	8,000
Net income	1,850	12,820
Invoices to be received	12,607	72,928
	<u>25,957</u>	<u>93,748</u>

CONTINGENT ASSETS AND LIABILITIES

Long-term financial obligations

Rental commitments buildings

The company have long-term rental commitments, which relate to the rent of the office/building. The commitments amount to € 125,191 for 2025.

5 NOTES TO THE PROFIT AND LOSS ACCOUNT 2024

	2024	2023
	€	€
10. Net turnover		
Revenue	4,329,640	5,293,557
11. Cost of subcontracted work and other external charges		
Cost of third party labour	698,037	975,215
12. Employee expenses		
Wages and salaries	2,740,347	3,042,060
Social security charges	367,575	517,025
Pension costs	143,241	143,521
Other personnel costs	-	142,694
	<u>3,251,163</u>	<u>3,845,300</u>
<i>Wages and salaries</i>		
Gross wages	2,526,394	2,875,902
Movement of holiday bonus liability	213,953	217,978
	<u>2,740,347</u>	<u>3,093,880</u>
Sick pay received	-	-51,820
	<u>2,740,347</u>	<u>3,042,060</u>
<i>Social security charges</i>		
Other social charges	482,128	517,025
	<u>482,128</u>	<u>517,025</u>
Allocated social charges	-114,553	-
	<u>367,575</u>	<u>517,025</u>
<i>Pension costs</i>		
Pension costs	<u>143,241</u>	<u>143,521</u>

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	2024	2023
	€	€
<i>Other personnel costs</i>		
Travelling expenses	39,681	32,418
Taxfree allowance	23,022	38,818
Gifts personnel	449	-
Canteen costs	9,156	7,979
Education allowance and training costs	25,941	26,699
Personnel insurance costs	26,030	20,301
Recruitment costs	-	8,001
Other personnel costs	23,089	8,478
	<u>147,368</u>	<u>142,694</u>
Allocated labour costs	-147,368	-
	<u>-</u>	<u>142,694</u>
Staff		
During 2024, 49 employees were employed on a full-time basis (2023: 57).		
13. Amortisation and depreciation		
Intangible fixed assets	16,269	15,747
Tangible fixed assets	3,437	5,250
	<u>19,706</u>	<u>20,997</u>
<i>Amortisation of intangible fixed assets</i>		
Concessions, permits and intellectual property rights	10,000	10,000
Goodwill	6,269	5,747
	<u>16,269</u>	<u>15,747</u>
<i>Depreciation of tangible fixed assets</i>		
Equipment	3,437	5,250
	<u>3,437</u>	<u>5,250</u>
Other operating expenses		
14. Accomodation expenses		
Rent buildings	102,961	98,716
Cleaning costs	4,944	4,149
Rental costs office furniture	15,506	-
	<u>123,411</u>	<u>102,865</u>
Allocated rent to Circle Economy Consulting B.V.	-21,688	-12,000
	<u>101,723</u>	<u>90,865</u>

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	2024	2023
	€	€
15. Office expenses		
Office supplies	273	229
Printed matter	1,055	4,151
Software costs	89,439	82,463
Telephone	-	43
Other office supplies	2,408	1,655
	<u>93,175</u>	<u>88,541</u>
Allocated office supplies	-14,172	-
	<u>79,003</u>	<u>88,541</u>
16. Selling and distribution expenses		
Marketing and communication costs	63,909	71,785
Representation costs	5,647	-
Business gifts	-	663
Travelling expenses	19,927	126,342
Food and beverage costs	-	388
	<u>89,483</u>	<u>199,178</u>
Allocated cost of sales	-16,852	-
	<u>72,631</u>	<u>199,178</u>
17. General expenses		
Administration costs	72,072	18,696
Audit costs	-	13,536
Accounting costs	16,482	21,543
Consultancy fees	5,583	3,592
Legal charges	10,860	1,714
Fines Tax Authority	195	3,343
Interest Tax Authority	4,855	818
Other general expenses	4,606	12,114
	<u>114,653</u>	<u>75,356</u>
Allocated general expenses	-11,483	-
	<u>103,170</u>	<u>75,356</u>
18. Financial income and expenses		
Interest and similar income	8,053	5,447
Interest and similar expenses	-7,673	-12,458
	<u>380</u>	<u>-7,011</u>

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	2024	2023
	€	€
<i>Interest and similar income</i>		
Interest current account Circle Economy Consulting B.V.	141	113
Interest current account One Future Play B.V.	7,912	5,334
	<u>8,053</u>	<u>5,447</u>
<i>Interest and similar expenses</i>		
Banking expenses	1,856	1,660
Interest current account R.J.A.M. van Ogtrop	-	2,863
Currency differences	5,817	7,935
	<u>7,673</u>	<u>12,458</u>
19. Result participating interests		
Share in result of Circle Economy Consulting B.V.	6,368	-99
Share in result of One Future Play B.V.	-6,810	6,810
	<u>-442</u>	<u>6,711</u>