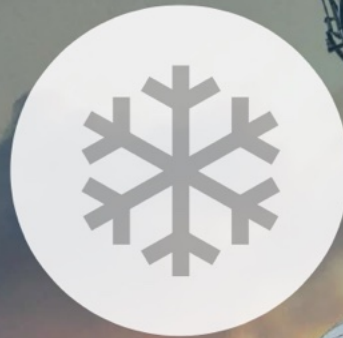




HEAT



COLD



WATER



STEAM



POWER



MONITORING

Annual Report 2023

Prepared by

Clean Industry Solutions Holding Europe AB (publ)

Table of Contents

1	The Year in Brief	5
2	Consolidated Key Figures	6
3	Statement from the Chairman and CEO	7
4	Business Description	8
5	Achievements 2023	9
6	Management Report	14
7	Consolidated Income Statement	17
8	Consolidated Balance Sheet	17
9	Consolidated Cash Flow	18
10	Parent Company Income Statement	18
11	Parent Company Balance Sheet	19
12	Parent Company Cash Flow	19
13	Notes to the Financial Statements	20
14	Independent Auditor Report	28
15	News after the Reporting Period	30
16	Outlook, Risk and Uncertainties	32
17	Share Development	33
18	Financial Calendar	33
19	Statement from the Management	34
20	Contact	35

Statement by the Board of Directors

The Board of Directors provides their assurance, that the annual report provides a fair and true overview of the company's operation, financial position and results.

Stockholm on 25 April, 2024, Board of Directors

Finn Johnsson	Chairman of the Board
Christian Zahler	Board member and CEO
Markus Augustsson	Board member
Rebecca Schwantes	Board member
Marie-Louise Olsson Dawwas	Board member
Korbinian Kramer	Board member

1 The Year in Brief

When 2023 began with the announcement of the Green Deal Industrial Plan by the European Commission, hopes were high that this year would bring the long-awaited breakthrough for Industrial Solar. An order on the scale of the planned 6.4 MW project for KEBE in Greece would have had the potential to open up the market for our Fresnel technology.

At the same time, our still young and small PV team worked on reference after reference. We seemed to be well on the way to becoming a one-stop shop for industrial customers who wanted to reduce their carbon footprint. To our surprise, the price of natural gas fell just as quickly as it had risen due to the war in Ukraine – and with it, the profitability of our Fresnel technology. In times of crisis and inflation, companies focus on their core business and avoid investing in energy infrastructure, especially when it's based on non-proven technology.

At the same time, China began to flood the European market with PV modules at prices 25 to 50% below production cost. That was mainly a European problem as countries like the USA, India and others had introduced import duties on Chinese PV. With its concentrating solar thermal Fresnel technology, Industrial Solar was not directly in competition with PV modules but indirectly, as electricity can be converted to heat.

The insolvency of Industrial Solar showcased the sobering reality of the renewable energy sector's volatility.

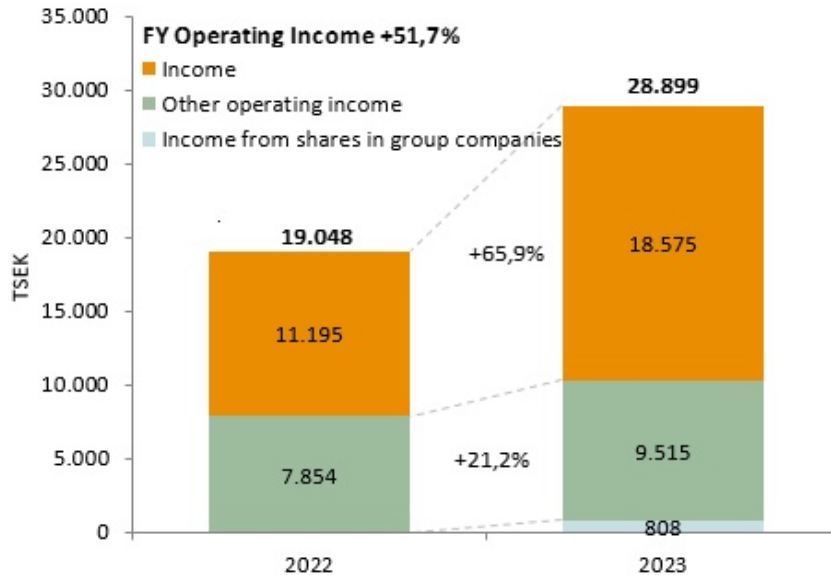
For SolarSpring, 2023 was truly a year of transition and consolidation. While the first two quarters were spent on the development of an upscaled pilot system for ammonia removal at a wastewater treatment plant, which was installed in July, the second half-year brought forth the long-anticipated change in management. Daniel Pfeifle handed over the baton to Rebecca Schwantes, who transitioned into the new role from September onwards. A parallel new strategic plan resulted in a reduction in team size. Instead of the previously broader focus on diverse possible applications, the shift was now towards a smaller amount of higher potential industrial applications such as high-purity water production for green hydrogen, acid recovery in the pickling industry, and ammonia removal with fertiliser production. This refocusing was needed based on the experience of several years of trialling different purification and separation tasks. Interesting drivers for the selection of prioritised applications were the price or value of the resource to be recovered, its availability and environmental impact, and the value of the product created and disposal costs. Accessibility to the respective market and decision-makers interest in the targeted industrial fields also played a part.

An exciting new possibility specifically arose when SolarSpring's core technology membrane distillation was applied to produce high-purity water for green hydrogen. The technical setup of such systems is extremely close to the established and frequently deployed seawater desalination plant, only now with electrolyser waste heat to power it. The compatibility of the system pairing gives high hopes for the near future regarding system sales, which was confirmed by much interest from relevant stakeholders, who are bringing leads and a first sale at year-end.

Subsidised R&D projects continued to be a tremendous support and innovation driver for SolarSpring in 2023. The company continues to build its reputation as a valuable partner for contracted research and testing in the water treatment community, especially regarding the more challenging applications.

2 Consolidated Key Figures

FY 2023 from 01.01.2023 to 31.12.2023 (01.01.2022 to 31.12.2022)



CISH AB Group	2023	2022	Diff. in
RESULTS IN BRIEF in TSEK	FY	FY	%
Sales	12,924	9,810	+31.7
Increase in finished goods, inventories and w	5,652	1,385	+308.0
Income	18,575	11,195	+65.9
Other operating income	9,515	7,854	+21.2
Income from shares in group companies	808 ¹⁾	0	-
Operating Income	28,899²⁾	19,048	+51.7
Cost of Sales	-10,908	-8,086	+34.9
Personnel Costs	-22,311	-20,809	+7.2
Other external expenses	-7,774	-5,797	+34.1
Other operating expenses	-55	-133	-58.8
Depreciation	-967	-1,023	-5.5
Operating Expenses (w/o CoS)	-31,107	-27,762	+12.0
Operating result (EBIT)	-13,116²⁾	-16,799	+21.9
Financial result	0 ¹⁾	-72	-
Profit (+) / loss (-) after financial items	-13,116 ²⁾	-16,871	+22.3
Taxes	-2	-1	-231.6
Profit (+) / loss (-) after taxes	-13,118²⁾	-16,872	+22.2
Number of Shares	60,597,762	25,497,762	+137.7
Result per share amounted (in SEK)	-0.2165 ¹⁾	-0.6617	+67.3
Number of Shares after dilution	60,597,762	25,497,762	+137.7
Result per share amounted (in SEK)	-0.2165 ¹⁾	-0.6617	+67.3
Average Number of outstanding Shares	60,597,762	25,497,762	+137.7
Result per share amounted (in SEK)	-0.2165 ¹⁾	-0.6617	+67.3
Cash available end of period	7,037	11,640	-39.5

CISH AB Group	2023	2022	Diff. in
RESULTS IN BRIEF in TSEK			%
Operating Income	28,899 ²⁾	19,048	+51.7
Operating Expenses (w/o CoS)	-31,107	-27,762	+12.0
Operating result (EBIT)	-13,116 ²⁾	-16,799	+21.9
Profit (+) / loss (-) after taxes	-13,118 ²⁾	-16,872	+22.2

¹⁾ adjustment of the Q4 report

²⁾ Amendment of the Q4 report due to the adjustment

3 Statement from the Chairman and CEO



Finn Johnsson, Chairman of the Board

It is profoundly disappointing for all involved to witness the closure of Industrial Solar, despite the considerable efforts of our employees, management, you as shareholders, our suppliers, and customers. Ultimately, the primary goal for any business is to ensure its survival. Throughout my tenure as Chairman, we have convened numerous meetings annually to scrutinise our financial circumstances. We have engaged with potential investors and other corporations to fortify our balance sheet and profit and loss account, explored various business models, and financed our operations with substantial shareholder contributions, yet to no avail.



Christian Zahler, CEO

The year 2023 was the most difficult year of my career. Despite our collective efforts and unwavering dedication, Industrial Solar had encountered significant financial hardships, culminating in the decision to file for insolvency. This decision was made after careful consideration and in consultation with our board of directors and legal advisers, with the primary aim of mitigating further damage to the group and its shareholders. I understand the gravity of this situation and the impact it may have on each of you, our valued shareholders. It is little consolation that more companies in our sector have suffered the same fate during this period.

Looking back, we can see that the combination and timing of the coronavirus pandemic, Russia's war of aggression against Ukraine and the flooding of the European market with Chinese PV modules at dumping prices had a fatal effect, which was exacerbated by political decisions.

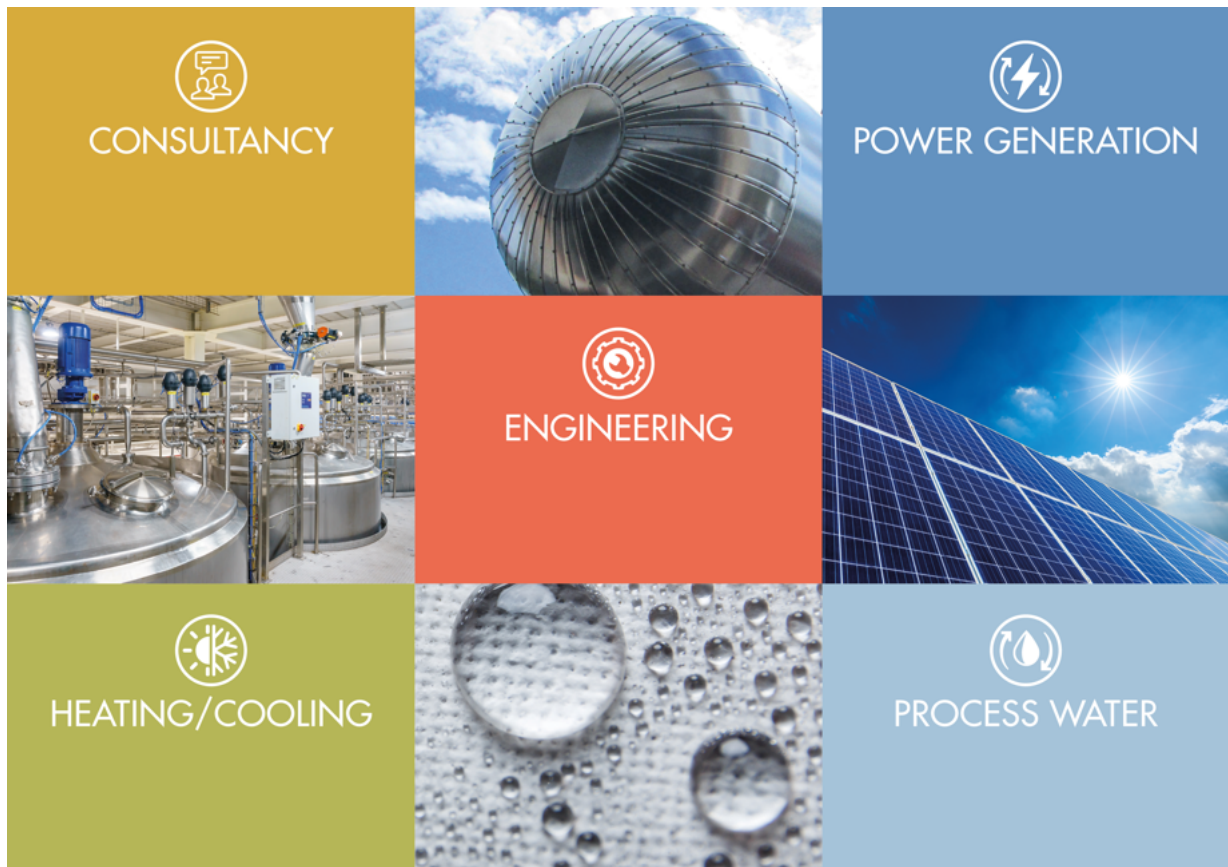
In closing, I extend my deepest apologies for the challenges we face and reaffirm our commitment to transparency, integrity, and accountability. Nevertheless, I am glad to have been part of Industrial Solar's journey and am even more pleased that SolarSpring's solutions are receiving more attention. I thank everybody for the continued trust and support.

4 Business Description

Clean Industry Solutions Holding Europe AB invests in companies which provide solutions for a sustainable industry and a circular economy. For the time being, the two subsidiaries, Industrial Solar GmbH and SolarSpring GmbH, offer solutions for the supply of clean energy and clean water for industry. Both markets will witness tremendous growth, the driving forces being decarbonisation and water scarcity. Clean Industry Solutions Holding Europe AB follows a buy-and-build strategy by investing in independently operating innovative companies in the mentioned growth markets. Each investment decision is based on a comprehensive due diligence process by the company, focusing on high growth potential, market status (successful market entry completed and commercial revenues) and convincing teams. The company's profound technical and commercial experience is a major asset in the selection process. The buy-and-build strategy provides further advantages for each company and, accordingly, the holding, namely:

- minimised risks of individual investments;
- accelerated growth of each company due to synergies in sales and business development;
- synergies in administration and financing lower operating costs for subsidiaries;

While further investments that fit our objectives are foreseen in the future, there are currently no concrete negotiations.



5 Achievements 2023

Industrial Solar to Install Another Photovoltaic System for f.q.b. gGmbH

After the successful installation of a photovoltaic rooftop system for f.q.b. gGmbH on their nursery in January of this year, Industrial Solar GmbH has received another order from f.q.b. gGmbH for a rooftop system on a neighbouring building. The photovoltaic plant has a peak performance of 37.7 kWp and will include a battery with a storage capacity of 49.8 kWh. The installation will be mounted in the second half of 2023 and has a total order value of 78 k€.

Update on Project with KEBE S.A. in Greece

As stated on 11 October 2022, Industrial Solar signed a letter of commitment for a 6.4 MWth solar thermal process heating system with KEBE S.A. in Greece. Due to adjustments to the integration concept of the system into the existing factory, the process is delayed from Q1 2023 to Q2 2023.

Industrial Solar Awarded 196k€ for R&D Project SUSHEAT

Industrial Solar GmbH signed a Grant Agreement for an R&D Project from Horizon Europe. The R&D Project, known as SUSHEAT, has been running for four years and has a total funding volume of 4.7 m€, of which 196 k€ were awarded to Industrial Solar. SUSHEAT is the acronym for the Project Title Smart Integration of Waste and Renewable Energy for Sustainable Heat Upgrade in the Industry and follows the Horizon Europe topic Development and pilot demonstration of heat upgrade technologies with supply temperature in the range of 150-250°C.

Industrial Solar Wins GIZ Tender for Renewable Process Heat

Industrial Solar GmbH was awarded a contract worth 52,930 € by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ). Within the framework of the project, project development tools for renewable generation and efficient use of process heat in the C&I (commercial & industrial) segment in developing/emerging countries will be developed. The project starts today and runs for six months.

Bulletin from Clean Industry Solutions Holding Europe AB Annual General Meeting 2023

The annual general meeting of Clean Industry Solutions Holding Europe AB was held on Tuesday, 13 June 2023. According to the proposal of the Nomination Committee, Rebecca Schwantes was elected a new board member, whereas Daniel Pfeifle left the board.

Renewed Update on Project with KEBE S.A. in Greece

Industrial Solar GmbH announced the rescheduling of the foreseen contract signature for their highly anticipated project with KEBE in Greece to the fourth quarter of 2023 to align with the timeline of the subsidy program 'Greek Development Law – Greece Strong Growth' with potential funding of 50% for the project.

Industrial Solar to install Photovoltaic System for Wössner GmbH

Industrial Solar GmbH has received an order from Wössner GmbH – a manufacturer of high-performance pistons – for a turnkey photovoltaic system at their factory in Weil am Rhein. The system, with a peak performance of 412 kWp will be mounted on a flat roof and has a total order value of 474 k€. The installation is planned for the fourth quarter of 2023.

Clean Industry Solutions Holding Europe AB (publ) takes up a loan facility of SEK 3 million

Clean Industry Solutions takes up the loan facility to strengthen the company's liquidity reserve. The company experiences great demand for Clean Industry Solutions' services, and therefore, the company may need additional working capital for new customer projects and to finance the subsidiaries' continued growth. The company has not yet used the loan facility. Borrowings under the loan facility will be due for payment on 31 December 2023 and carry an interest rate in line with the market. The lender is Exelity AB.

Notice of Shareholders Extraordinary General Meeting

The shareholders of Clean Industry Solutions Holding Europe AB (publ) (company reg nr 559110-3972) were notified of the Extraordinary General Meeting that was held on 8 August 2023, at 2 pm CEST at Belle Advokatbyrå AB, Stormbyvägen 2-4, 163 55 Spånga. The board of directors had decided, pursuant to the company's articles of association, that shareholders had the right to exercise their voting rights by postal voting.

Industrial Solar Signs Contract to Build Fresnel Collector for Unilever

Following the engineering study mentioned in our press release published 13-12-2022 and further negotiations since Clean Industry Solutions' subsidiary Industrial Solar GmbH signed a contract with their local partners Turbo Control with an order value of € 411,000. As close partners, Turbo Control has subcontracted Industrial Solar for its expertise in concentrating solar collectors to design, procure, and install its Linear Fresnel Collector at Unilever's factory in Mexico to generate steam for the factory's industrial processes.

This will be the first commercially installed Fresnel Collector in Latin America to produce steam for industrial processes. The collector, while small in size, will serve as a proof of concept for larger installations in the future. The project will last ten months, and the system commissioning is planned for Q1 of 2024.

Industrial Solar to Design Solar Thermal System for Hilton Hotel

Industrial Solar signed a contract worth 70,440 € with Tidalwave Corporation B.V., the building owner of the Hilton Frankfurt City Centre. This contract was preceded by a design engineering performed by Industrial Solar with the chosen VirtuHOT collector by Naked Energy Ltd.

Industrial Solar's part includes the design, consultancy, and installation supervision of Naked Energy's evacuated tube collector technology on the rooftop of the Hotel and the integration into the existing hot water system. The collector has a peak power of 366 kWth and will save 29.1 t/a of CO₂. The project starts in August and is expected to run for 8-10 months.

Bulletin from Clean Industry Solutions Holding Europe AB Extraordinary General Meeting 2023

The extraordinary general meeting of Clean Industry Solutions Holding Europe AB was held on Tuesday, 8 August 2023. According to the proposal of the Board of Directors, the Articles of Association were amended regarding the share capital and the number of shares.

Clean Industry Solutions Holding Europe AB (publ) carries out a rights issue of shares of approximately SEK 25.5 million

The Board of Directors of Clean Industry Solutions Holding Europe AB (publ) ("Clean Industry Solutions" or the "Company") has on 31 August 2023, with the support of the authorisation from the Extraordinary General Meeting held on 8 August 2023, resolved to carry out a rights issue of a maximum of 63,744,405 shares of approximately SEK 25.5 million before issue costs (the "Rights Issue"). The subscription price amounts to SEK 0.40 per share. In connection with the Rights Issue, the company has received underwriting commitments of approximately SEK 14.0 million, corresponding in total to approximately 55 per cent of the Rights Issue. The underwriting commitments are not secured by bank guarantees, escrow funds, pledges or similar arrangements. The net proceeds from the Rights Issue will primarily be used to finance the growth of the subsidiaries and working capital for new customer projects. The company also expects that the strengthened financial position, combined with increased market demand, will have a positive impact on discussions and negotiations with current and potential customers.

Clean Industry Solutions Holding Europe AB (publ) publishes a prospectus in connection with the rights issue

The Board of Directors of Clean Industry Solutions Holding Europe AB (publ) ("Clean Industry Solutions" or the "Company") on 8 September 2023 published an EU Growth Prospectus (the "Prospectus") in connection with the rights issue of shares announced on 31 August 2023 (the "Rights Issue"). The Prospectus has been approved and registered by the Swedish Financial Supervisory Authority.

Clean Industry Solutions Holding Europe announces the outcome of the rights issue

Clean Industry Solutions Holding Europe AB (publ) ("Clean Industry Solutions" or the "Company") today announces the outcome of the rights issue of shares, which was announced by a press release on 31 August 2023 (the "Rights Issue"). The Rights Issue has been subscribed for a total of approximately 23.6 per cent. In addition, approximately 31.5 per cent of the offered shares have been allocated to underwriters. Through the Rights Issue, Clean Industry Solutions receives approximately SEK 14.0 million before the deduction of issue costs. The proceeds from the Rights Issue will primarily be used to finance the growth of the subsidiaries and working capital for new customer projects. The company also expects that the strengthened financial position, combined with increased market demand, will have a positive impact on discussions and negotiations with current and potential customers.

Successful Partner Training Workshop at Industrial Solar

The recently concluded workshop held at Industrial Solar's headquarters in Freiburg, Germany, from 16 to 20 October was a big success. The first-of-its-kind event was booked quickly. This time partners Konus Icesa S.A. from Brazil, Turbo Control from Mexico, Wahj Sustainable Solutions from Saudi Arabia, Dabussia from Libya, AGN Engineering & Contracting Co. from Jordan, and representing Australia attended the training workshop. Further workshops will be held to welcome more partners from various locations around the world. The event underscores the collective commitment to global cooperation in advancing solar energy projects. During the intensive five-day program, participants immersed themselves in hands-on training, lively discussions, and practical exercises, focusing on the assembly and applications of Industrial Solar's LF-11 Fresnel Collector.

Clean Industry Solutions subsidiary SolarSpring signs MOU with Aqualia

SolarSpring, a pioneer in the field of membrane distillation, has signed an MOU with Aqualia, 4th largest water company in Europe. The purpose is to collaborate in the business development of both companies, leading to the full-scale implementation of membrane distillation technology.

SolarSpring Receives National Grant Award for R&D Project BEFuel

A grant amount of approximately 265.000 € was awarded to SolarSpring GmbH by the Federal Ministry of Education and Research for the upcoming participation in the R&D project BEFuel, consisting of 5 German partners. The aim of BEFuel is to develop a combined bioelectrochemical process for the utilisation of waste gases containing CO₂ for the production of high-quality acids and alcohols with 6 to 8 carbon atoms. The official start of the project is 01-01-2024.

Clean Industry Solutions Holding Europe A' subsidiary Industrial Solar GmbH files for insolvency proceedings in Germany

The board of Clean Industry Solutions Holding Europe AB (publ) ("CISH Holding" or the "Company") announced that its wholly-owned subsidiary Industrial Solar GmbH would file for insolvency to avoid larger damage to the group. If it is not possible to reconstruct Industrial Solar GmbH within the insolvency proceeding, Rebecca Schwantes, CEO of SolarSpring GmbH, will take over the CEO position of CISH Holding from the current CISH Holding CEO, Christian Zahler.

Aalborg University, Denmark, purchases MD pilot system for high-purity water production

SolarSpring GmbH, a pioneer in the field of membrane distillation offering innovative waste- and drinking water treatment technology, has closed a sales contract for a membrane distillation pilot unit with a volume of 102.750,00 €. The unit was sold to Aalborg University for high-purity water production to be used in conjunction with green hydrogen generation and other applications.

6 Management Report

About the company in general

The corporate group consisted of the parent company Clean Industry Solutions Holding Europe AB (559110-3972) and the two fully owned subsidiaries Industrial Solar GmbH and SolarSpring GmbH in Germany. Due to its insolvency Industrial Solar GmbH doesn't belong to the group anymore from 8 December on. The corporate group is located in Stockholm, Sweden.

Due to the insolvency of Industrial Solar GmbH, its balance sheet is no longer consolidated, and its income statement has only been consolidated up to the beginning of the insolvency. Accordingly, the following figures are only partially comparable to the prior year.

Industrial Solar GmbH

Industrial Solar GmbH was an internationally leading technology and solution provider which developed projects mainly based on its innovative Fresnel collector technology, which is suitable for fulfilling an expected growing market of solar process heat. As a one-stop shop Industrial Solar offered turnkey solutions for customers in several industries, such as food, pharmaceutical, chemical, metal, automotive, etc. The company was located in Germany.

The result for Industrial Solar GmbH before taxes and transfers to/from untaxed reserves was until 8 December -10.316 (-8,096) TSEK.

SolarSpring GmbH

Founded in 2009 as a spin-off of the Fraunhofer Institute for Solar Energy Systems (ISE), SolarSpring GmbH – membrane solutions has evolved into a global expert in the field of membrane distillation, offering an innovative waste- and drinking water treatment technology. The company is located in Freiburg / Germany.

The result for SolarSpring GmbH before taxes and transfers to/from untaxed reserves is -2.250 (-6,136) TSEK.

The Parent Company

Clean Industry Solutions Holding Europe AB, which was registered on 2017-04-28, invests in companies which provide solutions for a sustainable industry and a circular economy. The company has its seat in Stockholm, Sweden.

The result for CISH AB before taxes and transfers to/from untaxed reserves is -22.971 (-23,418) TSEK.

Working capital was 7.4 mSEK as of 31 December 2023 and will last at least for the remainder of 2024.

Development of the company's business, results and position

Corporate Group

FINANCIAL OVERVIEW (IN TSEK)	2023	2022	2021	2020	2019	2018
Balance sheet total	12,544	27,371	27,294	31,313	12,000	16,957
Net turnover	12,924	9,810	2,180	2,018	827	2,197
Solidity	49%	40%	56%	63%	34%	85%
Profit/loss after financial items	-13,116	-16,871	-12,393	-13,523	-8,929	-2,058

CHANGE IN EQUITY (in TSEK)	Share capital	Premiu m fund	Balanced result incl. result for the year	Total	Share capital	Premiu m fund	Balanced result incl. result for the year	Total
Opening balance	2,509	64,413	-55,847	11,076	2,699	51,822	-39,184	15,337
Unregistered share capital					-190			-190
New share issue		14,040		14,040				15,121
Issue expenses		-3,796		-3,796				-2,530
Translation difference			-385	-385			209	209
Loss for the year			-13,118 ¹⁾	13,118 ¹⁾			-16,872	-16,872
At the period end	2,509	74,657	-69,349¹⁾	7,817¹⁾	2,509	64,413	-55,847	11,076

¹⁾ adjustment of the Q4 report

Parent Company

FINANCIAL OVERVIEW (IN TSEK)	2023	2022	2021	2020	2019	2018
Balance sheet total	13,037	27,686	37,545	43,850	17,517	18,243
Net turnover	0	0	0	0	0	0
Solidity	80%	84%	91%	94%	80%	44%
Profit/loss after financial items	-22,971	-23,418	-16,827	-2,192	-829	-444

CHANGE IN EQUITY (in TSEK)	Share capital	Premiu m fund	Balanced result incl. result for the year	Total	Share capital	Premiu m fund	Balanced result incl. result for the year	Total
Opening balance	2,509	64,413	-43,710	23,212	2,699	51,822	-20,292	34,229
Unregistered share capital					-190			-190
New share issue		14,040		14,040				15,121
Issue expenses		-3,796		-3,796				-2,530
Loss for the year			-22,971	-22,971			-23,418	-23,418
At the period end	2,509	74,657	-66,681	10,485	2,509	64,413	-43,710	23,212

Proposed distribution of profits

Available for the general meeting is (in TSEK):

- Share premium account	71,202,642
- retained losses	-43,710,111
- loss for the year	-22,970,811
	4,521,720

The board suggests that there will be no dividend and that the non-restricted equity is allocated as shown below:

- to be brought forward (in TSEK)	4,521,720
	4,521,720

Investments

The investments of this year in the subsidiaries amount to 286 TSEK (791 TSEK), out of which 0 TSEK (17 TSEK) are for intangible assets and 286 TSEK (774 TSEK) for machinery & equipment.

Important events during the financial year

The war in Ukraine and the resulting increase in the price of natural gas led to a strong growth in demand for solar process heating systems as well as photovoltaic systems. Due to the increased demand for solutions offered by Industrial Solar, new employees were hired and trained. Contrary to expectations, the gas price, which had initially risen due to the war in Ukraine, fell just as quickly as it had risen. As the price of gas fell, so did the economic attractiveness of the solar process heating systems we offered. When the gas price had returned to pre-war levels, the European market was flooded with Chinese photovoltaic modules, which were offered at prices below production costs. As electricity can be converted to heat by means of heat pumps and resistance heating, many potential customers of our solar process heat systems realised that concentrating solar thermal systems are way more expensive than photovoltaic systems, and many hot leads fell cold, and already fully developed projects were not signed.

An important event for SolarSpring was the change in Managing Directorship that took effect from 01.09.2023 onwards. The subsequent restructuring of the Team led to a significant decrease in fixed costs. A shift in strategic focus on three main applications with the highest commercial potential, namely acid recovery, high-purity water generation for green hydrogen production and ammonia removal, was carried out with the aim of acquiring industrial customers in the targeted business areas. This strategy was rewarded by the sale of a pilot system for high-purity water production in December 2023.

7 Consolidated Income Statement

CISH AB Group		2023	2022
INCOME STATEMENT in TSEK		FY	FY
Sales		12,924	9,810
Increase in finished goods, inventories and wip		5,652	1,385
Other own work capitalized		0	0
Income		18,575	11,195
Other operating income		9,515	7,854
Income from shares in group companies		808 ¹⁾	0
Operating Income		28,899²⁾	19,048
Cost of Sales		-10,908	-8,086
Gross Margin		17,991²⁾	10,963
Personnel Costs	3, 4	-22,311	-20,809
Other external expenses	2	-7,774	-5,797
Other operating expenses		-55	-133
Depreciation		-967	-1,023
Operating Expenses (w/o CoS)		-31,107	-27,762
Operating result (EBIT)		-13,116²⁾	-16,799
Financial result		0 ¹⁾	-72
Profit (+) / loss (-) after financial items		-13,116 ²⁾	-16,871
Taxes		-2	-1
Profit (+) / loss (-) after taxes		-13,118²⁾	-16,872

1) adjustment of the Q4 report

2) Amendment of the Q4 report due to the adjustment

8 Consolidated Balance Sheet

CISH AB Group in TSEK		31.12.	31.12.		31.12.	31.12.
ASSETS		2023	2022	EQUITY AND LIABILITIES	2023	2022
Other intangible assets	5	142	179	Share capital	5,963	2,509
Goodwill	6	394	710	Unregistered share capital	0	0
Intangible fixed assets		536	889	Total restricted equity	5,963	2,509
Tangible fixed assets	7	2,283	2,612	Share premium account	71,203	64,413
Total fixed assets		2,819	3,500	Loss carried forward	-57,545 ¹⁾	-39,184
Inventories		693	4,519	Profit(+)/loss(-) for the period	-13,118 ¹⁾	-16,872
Trade receivables		882	568	Translation Difference	-385	209
Accrued non-invoiced revenue		0	1,297	Total non-restricted equity	154	8,566
Other short-term receivables		580	4,044	Total equity	6,117	11,075
Deferred income		533	1,804	Liabilities to banks	0	6
Current receivables		1,995	7,712	Trade liabilities	605	547
Cash & Bank		7,037	11,640	Payments received	61	3,762
Total current assets		9,725	23,870	Other current liabilities	1,062	1,971
TOTAL ASSETS		12,544	27,371	Accrued expenses & def. income	4,699	10,009
				Total liabilities	6,426	16,295
				TOTAL EQUITY AND LIABILITIES	12,544	27,371

¹⁾ adjustment of the Q4 report

9 Consolidated Cash Flow

CISH AB Group in TSEK	2023	2022
CASH FLOW	FY	FY
Operating activities		
Profit/loss after financial items	-13,118 ¹⁾	-16,872
Adjustments for items not included in cash flow	-450 ¹⁾	1,216
Cash flow from operating activities before changes	-13,568¹⁾	-15,656
in working capital		
Cash flow from changes in working capital		
Change in inventories	1,483 ¹⁾	-2,529
Change in operating receivables	-1,614 ¹⁾	-522
Change in operating liabilities	793 ¹⁾	4,338
Cash flow from changes in working capital	662¹⁾	1,287
Cash flow from operating activities	-12,906¹⁾	-14,369
Investing activities		
Investments in tangible fixed assets	-530 ¹⁾	-774
Cash flow from investing activities	-1,941	-774
Financing activities		
New share issue	14,040	15,276
Issue expenses	-3,796	-2,875
Cash flow from financing activities	10,244	12,401
Cash flow for the year	-4,603	-2,742
Cash and cash equivalents begin of period	11,640	14,383
Cash and equivalents end of period	7,037	11,640

¹⁾ adjustment of the Q4 report

10 Parent Company Income Statement

CISHE AB in TSEK	2023	2022
INCOME STATEMENT	FY	FY
Other operating income	1,621	1,630
Operating Income	1,621	1,630
Personnel Costs	-1,360	-1,424
Other external expenses	-3,941	-2,434
Other operating expenses	-55	-133
Operating Costs	-5,356	-3,991
Operating result (EBIT)	-3,735	-2,360
Write-downs of participations in subsidiaries	-19,249	-21,112
Other financial result	13	54
Financial result	-19,236	-21,058
Profit (+) / loss (-) after financial items	-22,971	-23,418
Taxes	0	0
Profit (+) / loss (-) after taxes	-22,971	-23,418

11 Parent Company Balance Sheet

CISHE AB in TSEK	31.12. 2023	31.12. 2022	EQUITY AND LIABILITIES	31.12. 2023	31.12. 2022
ASSETS					
Financial assets	8	5,436 20,888	Share capital	5,963	2,509
Total fixed assets		5,436 20,888	Unregistered share capital	0	0
Loan to affiliated companies	9	0 0	Total restricted equity	5,963	2,509
Receivables from aff. comp.	9	0 184	Share premium account	71,203	64,413
Other short-term receivables		323 119	Loss carried forward	-43,710	-20,292
Deferred income		521 1,501	Profit(+)/loss(-) for the period	-22,971	-23,418
Total current receivables		844 1,804	Total non-restricted equity	4,522	20,703
Cash & Bank		6,757 4,994	Total equity	10,485	23,212
Total current assets		7,601 6,798	Trade liabilities	574	1,524
TOTAL ASSETS		13,037 27,686	Other current liabilities	1,034	1,943
			Accrued expenses & def. income	945	1,007
			Total liabilities	2,552	4,474
			TOTAL EQUITY AND LIABILITIES	13,037	27,686

12 Parent Company Cash Flow

CISHE AB in TSEK	2023 FY	2022 FY
CASH FLOW		
Operating activities		
Profit/loss after financial items	-22,971	-23,418
Adjustments for items not included in cash flow	19,249	21,112
Cash flow from operating activities before changes in working capital	-3,721	-2,306
Cash flow from changes in working capital		
Change in operating receivables	960	1,616
Change in operating liabilities	-1,922	1,158
Cash flow from changes in working capital	-962	2,774
Cash flow from operating activities	-4,683	468
Investing activities		
Contributions to subsidiaries	-3,798	-21,112
Cash flow from investing activities	-3,798	-21,112
Financing activities		
New share issue	14,040	14,931
Issue expenses	-3,796	-2,530
Cash flow from financing activities	10,244	12,401
Cash flow for the year	1,763	-8,244
Cash and cash equivalents begin of period	4,994	13,237
Cash and equivalents end of period	6,757	4,994

13 Notes to the Financial Statements

Note 1 Accounting principles

The consolidated and annual financial statements have been prepared in accordance with the Annual Accounts Act and the Swedish Accounting Standards Board's general guidance BFNAR 2012:1 Annual Accounts and Consolidated Accounts (K3).

Receivables

Receivables are stated at the amounts expected to be received.

Other assets, provisions and liabilities

Other assets, provisions and liabilities have been valued at cost unless otherwise stated below.

Revenue account

Revenue is recognised at the fair value of the consideration received or receivable and is recognised to the extent that it is probable that the economic benefits associated with the transaction will flow to the entity and the revenue can be measured reliably. Deductions have been made for trade discounts, volume discounts and similar price reductions.

Service contracts and construction contracts

Revenue from a contract under a construction contract is recognised as income as work is performed and materials are supplied or consumed.

Assignments under fixed-price construction contracts are recognised as revenue as work is performed under the straight-line method. The economic outcome of fixed-price contracts is calculated as revenue or expense based on the stage of completion at the balance sheet date.

If the economic outcome of a contract cannot be measured reliably, an entity recognises revenue only to the extent of contract costs incurred that are probable of being reimbursed by the customer.

When it is probable that total contract costs will exceed total contract revenue, the entity immediately recognises the expected loss in the income statement.

The percentage of completion is calculated as the expenditure incurred at the balance sheet date in relation to the total estimated expenditure to complete the contract. The difference between recognised revenue and invoiced progress billings is recognised in the balance sheet. Revenue accrued but not invoiced is recognised as a current receivable under the heading Revenue accrued but not invoiced. Revenue invoiced but not yet earned is recognised as a current liability in the item Revenue invoiced but not yet earned.

Goodwill

Goodwill represents future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill is stated at cost less accumulated amortisation.

Intangible fixed assets

Intangible assets are stated at cost less accumulated amortisation and any impairment losses.

Depreciation

Depreciation is charged on a straight-line basis over the estimated useful life of the asset as it reflects the expected pattern of consumption of the future economic benefits embodied in the asset, taking into account any significant residual value. Depreciation is recognised as an expense in the income statement.

<i>Fixed assets:</i>	<i>Useful life</i>
Acquired intangible assets	5 years
Goodwill	5 years

Tangible fixed assets

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses.

In addition to the purchase price, cost includes expenditure directly attributable to the acquisition and indirect manufacturing costs as incurred.

Depreciation

Depreciation is provided on a straight-line basis over the estimated useful life of the asset, as it reflects the expected pattern of consumption of the future economic benefits embodied in the asset, taking into account any significant residual value. Depreciation is recognised as an expense in the income statement. For technical equipment, the difference in the useful life of major components has been assessed as material. Component depreciation is applied to these assets.

<i>Fixed assets:</i>	<i>Useful life</i>
Technical equipment and machinery	3 - 10 years
Tools and equipment	1 -13 years

Financial instruments

Financial instruments are accounted for in accordance with the rules in K3 Chapter 11, which means that valuation is based on cost. Financial instruments recognised in the balance sheet include investments in subsidiaries, trade and other receivables, trade payables and loans payable. Instruments are recognised in the balance sheet when the entity becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the right to receive cash flows from the instruments has expired or has been transferred, and the entity has transferred substantially all the risks and rewards of ownership.

Financial liabilities are derecognised when the obligations have been settled or otherwise terminated.

Trade and other receivables are classified as current assets, except for items due more than 12 months after the balance sheet date, which are classified as non-current

assets. Receivables are stated at the amount expected to be collected less any individually assessed doubtful debts.

Investments in subsidiaries, associates, jointly controlled entities and entities in which there is an ownership interest are stated at cost less accumulated impairment losses. In addition to the purchase price, the cost includes expenses directly attributable to the acquisition.

Loans and trade payables are classified as non-current liabilities, except for items falling due within 12 months of the balance sheet date, which are classified as current liabilities. Liabilities are measured at amortised cost.

Leasing

A finance lease is a lease under which the economic risks and rewards incidental to ownership of an asset are substantially transferred from the lessor to the lessee. An operating lease is a lease that is not a finance lease.

All leases are accounted for as finance leases.

Inventory

Inventories are stated at the lower of cost (calculated on a first-in, first-out basis) and net realisable value. This valuation method takes into account any obsolescence of the inventory. Raw materials purchased, as well as finished and semi-finished goods and merchandise, are valued at cost. Cost is calculated using the weighted average cost method. The cost of own-produced semi-finished and finished goods comprises both direct manufacturing costs and a reasonable proportion of indirect manufacturing costs.

Tax

Tax on the profit or loss for the year in the income statement consists of current tax and deferred tax.

Current tax is income tax for the current financial year relating to the taxable profit for the year and the unrecognised portion of income tax for previous financial years. Deferred tax is income tax relating to taxable profit for future periods arising from past transactions or events.

A deferred tax liability is recognised for taxable temporary differences relating to an arising internal profit.

In the consolidated balance sheet, untaxed reserves are split between deferred tax and equity.

Provisions

A provision is recognised in the balance sheet when the entity has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount.

At initial recognition, provisions are measured at the best estimate of the amount that will be required to settle the obligation at the balance sheet date. Provisions are reassessed at each balance sheet date.

Employee benefits

Employee benefits consist of salaries, social security contributions, holiday pay, paid sick leave, medical care and contractual insurance costs. Compensation is recognised as an expense and a liability when there is a legal or constructive obligation to pay compensation.

Post-employment benefits

Contributions to defined contribution plans are recognised as an expense. Defined contribution plans are post-employment benefit plans under which an enterprise pays defined contributions to another enterprise and has no legal or constructive obligation to pay anything further, even if the other enterprise is unable to meet its obligation.

Foreign currency receivables and payables

Exchange gains and losses on monetary items are recognised in the economic outturn account in the years in which they arise. Exchange differences arising from operating receivables and payables are recognised in operating profit, and exchange differences in financial receivables and payables are recognised in financial items.

Public contributions

A government grant that is not linked to an obligation for future performance is recognised as revenue when the conditions for receiving the grant are met.

Government grants related to fixed assets are recognised in the balance sheet by reducing the carrying amount of the asset.

Contingent liabilities

Contingent liabilities are guarantees, financial commitments, and contingent liabilities that are not recognised on the balance sheet.

Consolidated financial statements

Subsidiaries

The consolidated financial statements include subsidiaries or companies in which the parent company directly or indirectly holds more than 50 % of the voting rights or otherwise has a controlling influence. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The Group's financial statements are prepared under the purchase method of accounting, which eliminates in full the equity of the subsidiary at the date of acquisition, measured as the difference between the fair value of assets and liabilities. The Group's equity, therefore, includes only that portion of the subsidiary's equity that arose after the acquisition.

The company applies the current rate method for translating the financial statements of foreign subsidiaries. This means that all assets and liabilities of the foreign subsidiary are translated at the exchange rate prevailing at the balance sheet date, and all items in the income statement are translated at the average exchange rate. The resulting translation difference has no impact on the result and is taken directly to equity.

The valuation of assets and liabilities at the group and company levels takes into account the tax effect, which is recorded as deferred tax assets and liabilities,

respectively. However, deferred tax on group positive or negative goodwill is not taken into account.

Intra-group profits are eliminated.

Group contributions

Group contributions made are recognised as a provision in the income statement.

Definition of key figures in the management report

Equity ratio

Apparent equity in relation to the balance sheet total at the end of the year.

Note 2: Audit fees and expenses (in SEK)	2023	2022
Group		
Finnhammars		
Auditservices	249,475	245,800
Total	249,475	245,800
Syntax		
Auditservices	73,125	74,866
Total	73,125	74,866
Parent company		
Finnhammars		
Auditservices	249,475	245,800
Total	249,475	245,800

Note 3: Employees and personal costs

Average numbers of employees	2023	2022
Group		
Male	37	38
Female	10	6
Whereof men	78%	85%

Disclosure of gender in the compays management

	Proportion Women	Proportion Women
Group		
Board of Directors	20%	20%
Other Senior management	0%	0%
Parent Company		
Board of Directors	20%	20%

Salaries and other remunerations (in TSEK)	2023	2022
Group		
Board of directors and Managing director	1,814	1,757
Other employees	14,888	13,994
Total	16,701	15,751
Parent company		
Board of directors and Managing director	407	407
Other employees	0	0
Total	407	407
Social security expenses	2023	2022
Group		
Pension expenses, managing director and board members	0	0
Pension expenses other employees	2	2
Social security expenses	4,207	3,718
Total	4,209	3,720
Parent company		
Pension expenses, managing director and board members	0	0
Pension expenses other employees	0	0
Social security expenses	47	39
Total	47	39
Note 4: remuneration to senior management (in TSEK)	2023	2022
Group		
Christian Zahler, Managing Director	946	835
Daniel Pfeifle, Managing Director SolarSping	609	710
Rebecca Schwantes, Managing Director SolarSping	259	0
Jochen Lachnit, CFO	755	507
Total	2,568	2,053
Parent company		
Finn Johnsson, Chairman	170	170
Christian Zahler	47	47
Daniel Pfeifle	47	47
Marie-Louise Dawwas	47	0
Korbinian Kramer	47	0
Tobias Schwind	0	47
Olle Olsson	0	47
Markus Augustsson	47	47
Total	407	407

Note 5: Other intangible assets (in TSEK)	2023	2022
Group		
Accumulated acquisition costs		
At the beginning of the year	345	327
Acquisitions	0	17
At the end of the year	345	345
Accumulated amortisation		
At the beginning of the year	-166	-101
Amortisation during the year	-37	-65
At the end of the year	-203	-166
At the end of the year	142	179
Note 6: Goodwill (in TSEK)	2023	2022
Group		
Accumulated acquisition costs		
At the beginning of the year	1,577	1,577
Acquisitions	0	0
At the end of the year	1,577	1,577
Accumulated amortisation		
At the beginning of the year	-866	-551
Amortisation during the year	-315	-315
At the end of the year	-1,182	-866
At the end of the year	394	710
Note 7: Tangible fixed assets (in TSEK)	2023	2022
Group		
Accumulated acquisition costs		
At the beginning of the year	4,537	3,763
Acquisitions	286	774
At the end of the year	4,824	4,537
Accumulated depreciation		
At the beginning of the year	-1,925	-1,283
Depreciation during the year	-615	-642
At the end of the year	-2,540	-1,925
At the end of the year	2,283	2,612

Note 8: Participation in group companies (in TSEK)	2023	2022
Accumulated acquisition costs		
At the beginning of the year	20,888	20,888
Contributions to subsidiaries	-15,452	0
At the end of the year	5,436	20,888

Specification of the Company's participation in group companies

Subsidiary		
Industrial Solar GmbH		
Voting share	0%	100%
Carrying amount	0	15,542
Subsidiary		
Solar Spring GmbH		
Voting share	100%	100%
Carrying amount	5,436	5,436

Note 9: Receivables from affiliated companies (in TSEK)	2023	2022
Parent company		
Additional receivables	266	21,285
Settled receivables	0	0
Converted to shareholder contribution	-266	-21,106
At the end of the year	0	179

Note 10: Other disclosures to the cash flow statement (in TSEK)	2023	2022
Group		
Exchange rate differences	0	193
Depreciation and amortisation	967	1,023
Income from shares in group companies	-808	0
Taxes paid	2	0
Other	-611	0
Total	-450	1,216
Parent Company		
Decrease in Shares in Subsidiaries	19,249	21,112
Total	19,249	21,112

Note 11: Pledged assets and contingents liabilities (in TSEK)	2023	2022
Group		
For liabilities to credit institutions		
Chattel mortgages	50	50
Parent company		
For liabilities to credit institutions		
Chattel mortgages	50	50

Note 12: Significant events from the end of the financial year

There have been no significant events from the end of the financial year until now.

14 Independent Auditor Report



AUDITOR'S REPORT

To the general meeting of the shareholders of **Clean Industry Solutions Holding Europe AB (publ)**
 Corporate identity number 559110-3972

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Clean Industry Solutions Holding Europe AB (publ) for the year 2023-01-01—2023-12-31.

In our opinion, the annual accounts and consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and group as of 31 december 2023 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. My responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Information other than the annual accounts and the consolidated accounts

This document also contains information other than the annual report and consolidated accounts and can be found on pages 4-13 and 30-33. The Board of Directors and the Managing Director are responsible for this other information.

Our statement regarding the annual accounts and consolidated accounts does not include this information and we do not make a statement confirming this other information.

In connection with our audit of the annual accounts and the consolidated accounts, it is our responsibility to read the information identified above and consider whether the information is materially incompatible with the annual accounts and the consolidated accounts.

In this review, we also take into account the knowledge we otherwise acquired during the audit and assess whether the information otherwise appears to contain significant inaccuracies.

If, based on the work that has been done regarding this information, we conclude that the other information contains a material error, we are obliged to report this. We have nothing to report in that regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act.

The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or mistake.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or mistake, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or mistake 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 annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or mistake, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from mistake, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to my 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 related disclosures made by The Board of Directors and the Managing Director.

- Conclude on the appropriateness of The Board of Directors and the Managing Director use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group'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 annual accounts and consolidated accounts, or if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. 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 a company and a group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.
- We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of The Board of Directors and the Managing Directors of Clean Industry Solutions Holding Europe AB (publ) for the year 2023-01-01— 2023-12-31 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's type of operations, size and risks place on the size of the company's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss are based primarily on the audit of the accounts. Additional audit procedures performed are based on my professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to my opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Stockholm 2024-04-25

Finnhammars Revisionsbyrå AB

Jonas Forsberg
Jonas Forsberg
Authorized Public Accountant

15 News after the Reporting Period

Clean Industry Solutions announces the termination of the liquidity provider agreement

Clean Industry Solutions Holding Europe AB (publ.) has terminated the agreement entered into on 2 February 2022 with Lago Kapital Ltd. on the assignment as a liquidity provider. The last day of the provision of liquidity support by Lago was 31 December 2023.

Clean Industry Solutions Holding Europe AB's subsidiary Industrial Solar GmbH will cease operations by the end of February

As announced in the press release dated 3 December 2023 and further explained in the press release dated 6 December 2023, CISH Holding's wholly owned German subsidiary Industrial Solar GmbH had to file for insolvency due to balance sheet over-indebtedness and the prognosis for the continuation of the company.

On 8 December 2023, the local court of Freiburg appointed a provisional insolvency trustee for Industrial Solar GmbH. In the first meeting with the insolvency trustee, the management and the employees of Industrial Solar GmbH on 13 December 2023, it was explained that operations should continue as usual until the end of the preliminary insolvency proceedings at the end of January.

Furthermore, the trustee agreed to continue operations in February – after the opening of the insolvency proceedings – mainly in order to finish the installation of the PV system at Losan Pharma – Industrial Solar's largest PV installation to date – as quickly as possible with the aim of invoicing a larger amount upon completion of the construction site and thus causing an inflow of more than 250 k€ to Industrial Solar GmbH.

The management reached out to potential investors to finance a transferring restructuring of Industrial Solar GmbH. Unfortunately, no investor has been found to date.

On the recommendation of the provisional insolvency trustee, dismissal letters will be sent to all employees in Industrial Solar GmbH before the end of January, and operations in Industrial Solar GmbH will cease at the end of February.

As stated in the press release from 6 December 2023, SolarSpring continues to operate business as usual and is currently facing increasing interest in membrane distillation pilot systems from a variety of industries. Driven by increasing costs for many key resources and materials due to ongoing global power shifts benefiting eastern countries, an awareness of the importance of resources recovery and reuse is gradually establishing itself as a mainstream consensus.

Besides high-purity water production for hydrogen electrolyzers, the removal of ammonia from wastewater for further use and the volume reduction of highly saline effluents are the most commonly requested applications.

SolarSpring receives EU LIFE programme grant award for R&D project SALTEAU

A grant of 351.800 € was awarded to SolarSpring GmbH by the European Commission for the upcoming participation in the project SALTEAU, which consists of six European partners. The general aim of SALTEAU is to create new and updated multipurpose infrastructures with revolutionary capabilities to gain value from alternative water resources. The project is expected to start in Q2 of 2024 and will last four years.

Clean Industry Solutions announces the dismissal of the management of Industrial Solar by the insolvency trustee

The insolvency trustee of Industrial Solar GmbH, a subsidiary of Clean Industry Solutions Holding Europe AB (CISH AB) (publ.), has dismissed the two managing directors of Industrial Solar GmbH, Jochen Lachnit (Commercial Managing Director) and Christian Zahler (Technical Managing Director) with notice to the end of May.

Due to the insolvency of Industrial Solar GmbH, Jochen Lachnit and Christian Zahler will be dismissed from their positions as Managing Directors at the subsidiary with effect from 31 May 2024. However, both of them are committed to holding their management positions as CFO and CEO at CISH AB.

16 Outlook, Risk and Uncertainties

Projects

SolarSpring: SolarSpring currently has three ongoing nationally funded R&D projects, namely HaSiMem, SERPIC and RoKKa, and the two EU-funded projects, MELoDIZER and SuperClean, with a total funding value of about 1.2 m€.

Due to the increasing pressure on water-intensive industries to find new technical solutions suitable for improving the environmental sustainability and cost efficiency of their processes, the outlook for wastewater treatment systems remains positive. Short-term delays in decision-making must be expected but might be compensated by a V-shaped dynamic once governmental support programmes are activated.

Risk and Uncertainties

The risks are mainly related to the global economic situation. While rising fossil fuel costs have encouraged companies to invest in sustainable solutions, they also contribute to higher commodity prices. Dealing with the Covid crisis in Southeast Asia and the war in Ukraine has put pressure on traditional supply channels, not only for semiconductors but also for all low-value-added components manufactured in China, Russia and Ukraine. The slowdown in economic growth also affects the industry, the main customer of the Clean Industrial Solutions subsidiaries.

Generally speaking, inflation is a source of anxiety for investors. This climate of anxiety is reinforced by the uncertainty as to the response of the central banks and the markets to this inflation. However, an increase in key interest rates is inevitable, and even if this increase has begun, it will become more pronounced in the coming months, if only in the context of a global recovery when the aforementioned crises have subsided. The period of easy financing seems to be over, and the increase in key rates will negatively impact the investment needs of industries. It would make sense for these industries to invest now, but hopes for improved investment timing are prompting companies to take a wait-and-see approach, impacting the overall economic situation.

17 Share Development

On 29 December 2023, the number of shares outstanding amounted to 60,597,762, and the company had around 2,368 shareholders.

The below table shows the ten largest shareholders as of 29 December 2023.

Name	Number of Shares	Voting Rights
Assindia AB	5.675.000	9,37%
Aaro Pellervo Nurkkala	2.372.620	3,92%
Tony Chouha	1.820.210	3,00%
Sutjagin Capital AB	1.713.851	2,83%
Avanza Pension	1.582.061	2,61%
Eniara AB	1.493.451	2,46%
Nordnet Pensionsförsäkring	1.442.854	2,38%
Fredrik Zachrisson	1.240.000	2,05%
Pronator Invest AB	1.142.567	1,89%
Christian Zahler	1.120.373	1,85%
Other Shareholders	40.994.775	67,65%
Total	60.597.762	100,00%

	Shares	Share Capital
Increase from warrants (2024-01-19)	657	64,651934
New total as of 2024-01-19	60.598.419	5.963.173,501190

18 Financial Calendar

The Board proposes that the loss for the year 2023 of TSEK 23,418 is brought forward. The annual shareholder meeting will take place on 11 June 2024 in Stockholm.

Annual Shareholder Meeting	11 June 2024
1 st Quarterly Report	17 May 2024
2 nd Quarterly Report	23 August 2024
3 rd Quarterly Report	22 November 2024
4 th Quarterly Report	21 February 2025

19 Statement from the Management

The Board of Directors and the Executive Board have considered and approved the Annual Report of Clean Industry Solutions Holding Europe AB for the fiscal year 01/01/2023 - 31/12/2023 today. The Annual Report is presented in accordance with the Swedish K3 accounting standards.

In our opinion, the financial statements give a true and fair view of the entity's financial position on 31/12/2023 and of the results of its operations and cash flows for the fiscal year 01/01/2023 - 31/12/2023.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein. We recommend that the Annual Report with its accompanying financial statements be adopted at the Annual General Meeting.

Stockholm, 25 April, 2024



Finn Johnsson
Chairman

Finn Johnsson



Christian Zahler
CEO and Board
Member

Christian Zahler



Markus Augustsson
Board Member

Markus Augustsson



Rebecca Schwantes
Board Member

Rebecca Schwantes



Korbinian Kramer
Board Member

Korbinian Kramer



Marie-Louise Olsson Dawwas
Board Member

Marie-Louise Olsson Dawwas

Upplands Väsby April 25, 2024
Finnhammars Revisionsbyrå AB

Jonas Forsberg

Jonas Forsberg
Authorised auditor

20 Contact

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