

INTERNATIONAL NUTRITION CO. LTD. A/S

Rørmosevej 2A, DK-3450 Allerød

CVR-no. 14 87 47 98

Annual Report for 2023

The Annual Report has been
presented and adopted at the
Annual General Meeting of the
Company on 14 June 2024

Chairman

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Management's Statement on the Annual Report

The Executive and Supervisory Boards have today considered and adopted the Annual Report of International Nutrition Co. Ltd. A/S for the financial year ended 31 December 2023.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

Opinion of the Directors

In our opinion, the Financial Statements give a true and fair view of the financial position as at 31 December 2023 of the Company and of the results of the Company's operations for 2023.

In our opinion, Management's Review includes a true and fair account of the development in the operations and financial circumstances of the Company, of the results for the year and of the financial position of the Company as well as a description of the most significant risks and elements of uncertainty facing the Company.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Allerød, 14 June 2024

Executive Board

Wei Ping Lim (Melvin Lim)

Supervisory Board

Stéphanie Rose Cohen
Chairman

Tyge Jesper Rothe

Wei Ping Lim (Melvin Lim)

Independent auditors' report

To the shareholder of International Nutrition Co. Ltd. A/S

Opinion

We have audited the financial statements of International Nutrition Co. Ltd. A/S for the financial year 1 January – 31 December 2023, which comprise accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those

Independent auditors' report

risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 14 June 2024

Mazars

Statsautoriseret Revisionspartnerselskab

CVR no. 31 06 17 41

Nicklas Rasmussen
State Authorised
Public Accountant
MNE no. mne43474

Company Information

The Company

International Nutrition Co. Ltd. A/S
Rørmosevej 2A
DK-3450 Allerød

CVR no.: 14 87 47 98

Financial year: 1 January - 31 December

Municipality of
reg. office:: Allerød

Supervisory Board

Stéphanie Rose Cohen (Chairman)
Tyge Jesper Rothe
Wei Ping Lim (Melvin Lim)

Executive Board

Wei Ping Lim (Melvin Lim)

Auditors

Mazars
Statsautoriseret Revisionspartnerselskab
Midtermolen 1, 2.tv.
2100København Ø

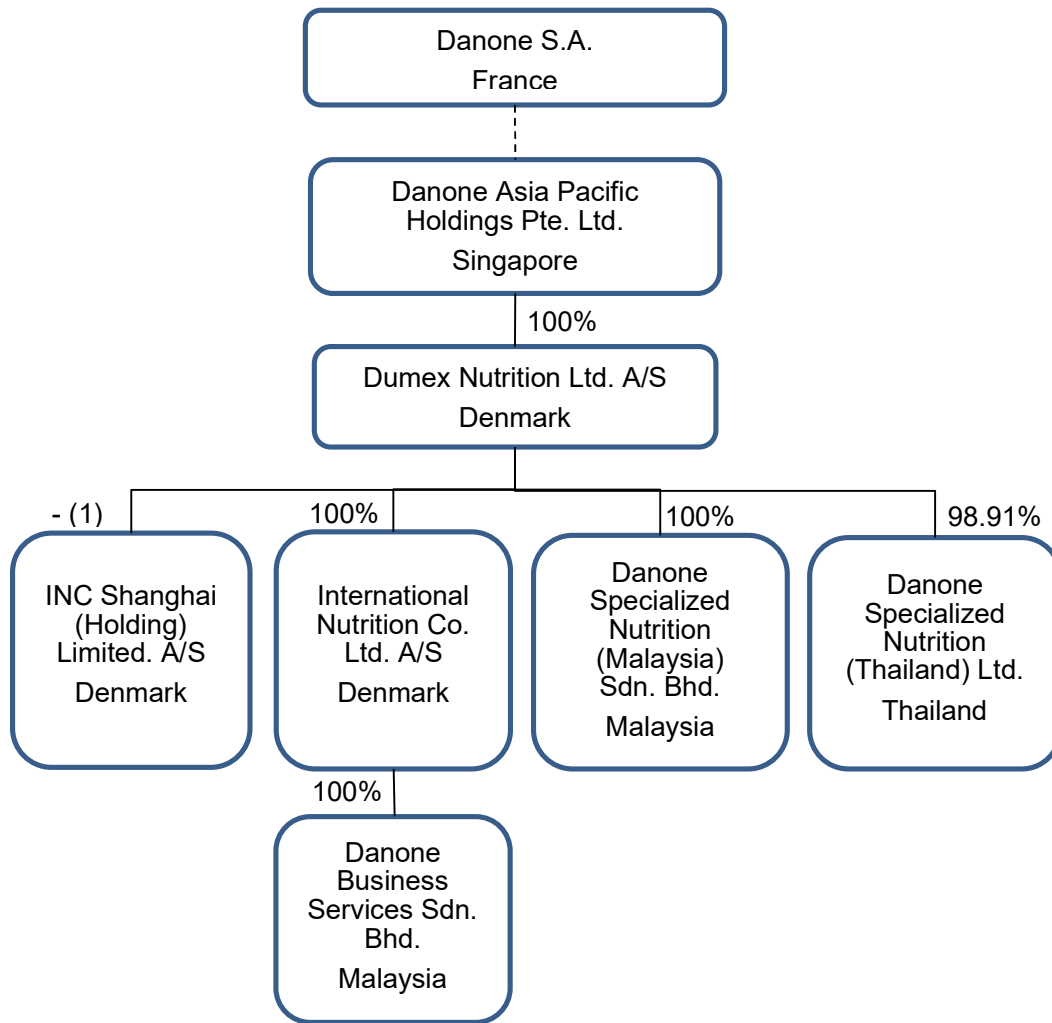
Consolidated Financial Statements

The Company is included in the Group Annual Report of Danone S.A.

The Group Annual Report for Danone S.A. may be obtained at the following address:

Danone S.A.
17, Boulevard Haussmann
75009 Paris
France

Group Organisational Chart



(1) Merged with Dumex Nutrition Ltd. A/S on 1 January 2023

Management's Review

Business Review

The principal activities of the Company are to carry on the business of an investment and holding company as well as being the registered owner of Dumex trademark.

Financial Review

The profit of the year is USD 7,410,579 compared to profit of USD 7,478,508 last year. The profit is satisfactory and meets management's expectations.

Development During the Year

In the course of the year International Nutrition Co. Ltd A/S has received royalty income from Dumex group of USD 9,044,026.

Subsequent events

There are no subsequent events which require adjustment to the accounting estimates and disclosures included in the financial report.

Targets and expectations for the year ahead

The result for 2024 is expected to be at the same level as in 2023.

Special Risks

There are no special risks to the company or the business model of the company.

Accounting Policies

Basis of Preparation

The Annual Report of International Nutrition Co. Ltd. A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are unchanged from prior year.

The Annual Report for 2023 is presented in US dollars.

Financial Statements

Pursuant to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The Annual Report of International Nutrition Ltd. A/S and its subsidiary are included in the Consolidated Financial Statements of the ultimate parent company Groupe Danone S.A.

General recognition and measurement criteria

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the assets will flow to the company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable there will be an outflow of future economic benefits from the company, and the value of the liability can be measured reliably.

Upon initial recognition, assets and liabilities are measured at historical cost. Subsequently, assets and liabilities are measured as described for each item below.

Foreign currency translation

For the purpose of initial recognition, transactions in foreign currencies are translated at the exchange rates at the transaction date. Gains and losses arising between the exchange rates at the transaction date and the exchange rates at the settlement date are recognised in "Financing expenses and income, net" in the income statement.

Receivables, payables and other monetary items in foreign currencies not settled at the balance sheet date are translated at the exchange rates at the balance sheet date.

Differences between the exchange rates at the balance sheet date and the exchange rates at the time of the occurrence of the receivable or the payable or of recognition in the latest financial statements are recognised in "Financing expenses and income, net" in the income statement.

Accounting Policies

INCOME STATEMENT

Royalty

Royalty comprise of royalty amounts from group companies in relation to trademarks.

Administrative Expenses

Administrative expenses comprise expenses for management, administrative staff, office expenses, depreciation etc.

Financing Expenses and Income

Financing expenses and income comprise interest receipts and costs, exchange gains and losses on debt and transactions in foreign currencies.

Corporation Tax and Deferred Tax

For the income year 2023 the company was jointly taxed with Danish Danone Group enterprises.

The tax for the year consists of current tax and movements in deferred tax for the year. The tax relating to the profit for the year is recognised in the income statement, whereas the tax directly relating to items recognised in equity is recognised directly in equity.

Deferred tax is measured under the liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets, are measured at the value at which the asset is expected to be realised, either by utilisation against tax on future earnings or by offsetting against deferred tax liabilities within the same legal tax entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates enacted by the balance sheet date. Changes to deferred tax due to changed tax rates are recognised in the income statement.

Accounting Policies

BALANCE SHEET

Intangible assets

Trademarks and Software

Acquired trademarks and software are measured at cost less accumulated amortisation. Trademarks are amortised on a straight-line basis of 20 years, while software are amortised on a straight-line basis of 5 years.

Write-down of intangible assets

Intangible assets are written down to their recoverable amount where the recoverable amount is lower than the carrying amount.

Investments in subsidiaries

Investments in subsidiaries is stated at cost less accumulated impairment losses in the Company's balance sheet. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts of the investments is taken to the income statement.

Dividends received from investments in subsidiaries are recognised in the income statement in the year where the dividends have been approved.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realizable value. Provisions for bad debts are made if losses are expected.

As interpretation regarding impairment of financial receivables, the Company has applied IAS 39.

Shareholder's Equity

Dividends

Dividends are recognised as a liability at the time of adoption at the Annual General Meeting. Dividends proposed for the year are shown as a separate equity item.

Liabilities

Financial liabilities

Other liabilities comprising trade payables, payables to subsidiaries undertakings and other liabilities are measured at amortised cost.

Income Statement 1 January - 31 December

| | Note | <u>2023</u> | <u>2022</u> |
|---|------|--------------------|--------------------|
| | | USD | USD |
| Royalty | | 9,044,026 | 8,445,270 |
| Administrative expenses | 1 | <u>(56,455)</u> | <u>(258,552)</u> |
| Profit/(loss) before financial income and expenses | | 8,987,571 | 8,186,718 |
| | | | |
| Financial income | 2a | 510,888 | 324,870 |
| Financial expenses | 2b | - | (38) |
| Result before tax | | <u>9,498,458</u> | <u>8,511,550</u> |
| | | | |
| Tax on profit/(loss) for the year | 3 | <u>(2,087,879)</u> | <u>(1,033,041)</u> |
| Net result for the year | | <u>7,410,579</u> | <u>7,478,508</u> |
| | | | |
| Distribution of profit | | | |
| | | | |
| Proposed distribution of profit | | | |
| | | | |
| Retained earnings | | (589,421) | 1,478,508 |
| Proposed dividend for the year | | <u>8,000,000</u> | <u>6,000,000</u> |
| | | <u>7,410,579</u> | <u>7,478,508</u> |

Balance Sheet at 31 December

Assets

| | Note | <u>2023</u> | <u>2022</u> |
|------------------------------------|------|--------------------------|-------------------------|
| | | USD | USD |
| Non-Current Assets | | | |
| Trademarks, rights and software | 4 | - | - |
| Investments in subsidiary | 5 | 13,606 | 13,606 |
| | | <u>13,606</u> | <u>13,606</u> |
| Current Assets | | | |
| Receivables from group enterprises | | 11,908,558 | 9,688,775 |
| Other receivables | | 22,961 | - |
| Cash and Cash Equivalents | | 20,892 | 13,087 |
| | | <u>11,952,411</u> | <u>9,701,863</u> |
| | | <u>11,966,017</u> | <u>9,715,468</u> |

Shareholder's equity and liabilities

| | Note | <u>2023</u> | <u>2022</u> |
|--------------------------------|------|--------------------------|-------------------------|
| | | USD | USD |
| Share capital | 6 | 439,354 | 439,354 |
| Retained earnings | | 1,978,459 | 2,567,879 |
| Proposed dividend for the year | | 8,000,000 | 6,000,000 |
| Equity and reserves | | <u>10,417,813</u> | <u>9,007,233</u> |

Liabilities

| | | | |
|-------------------------------|---|-------------------------|-----------------------|
| Deferred tax liability | 3 | 2,667 | 3,556 |
| Corporate Tax | | 910,742 | 604,481 |
| Payables to group enterprises | | 631,146 | 53,938 |
| Other payables | | 3,649 | 46,260 |
| Short-term debt | | <u>1,548,204</u> | <u>708,235</u> |

Equity and Liabilities

| | | | |
|--|--|--------------------------|-------------------------|
| | | <u>11,966,017</u> | <u>9,715,468</u> |
|--|--|--------------------------|-------------------------|

| | |
|--|---|
| Staff | 1 |
| Related parties and ownership | 7 |
| Contingent assets, liabilities and other financial obligations | 8 |

Statement of Changes in Equity

| 2023 | Note | Share capital | Retained earnings | Proposed dividend for the year | Total |
|-----------------------------------|------|----------------|----------------------|--------------------------------------|-------------------|
| | | USD | USD | USD | USD |
| Equity at 1 January 2023 | | 439,354 | 2,567,880 | 6,000,000 | 9,007,234 |
| Net profit/(loss) for the year | | - | 7,410,579 | - | 7,410,579 |
| Proposed dividend for the year | | - | (8,000,000) | 8,000,000 | - |
| Dividend paid, during the year | | - | - | (6,000,000) | (6,000,000) |
| Equity at 31 December 2023 | | <u>439,354</u> | <u>1,978,459</u> | <u>8,000,000</u> | <u>10,417,812</u> |

Notes to the Annual Report

1 Staff

There were no employees in the company in 2023 and 2022.

2a Financial income

| | <u>2023</u> | <u>2022</u> |
|-------------------------------------|----------------|----------------|
| | USD | USD |
| Interest income from group entities | 508,045 | 174,126 |
| Interest income from external bank | 374 | - |
| Exchange rate gain | 2,469 | 150,744 |
| | <u>510,888</u> | <u>324,870</u> |

2b Financial expenses

| | <u>2023</u> | <u>2022</u> |
|-------------------------------------|-------------|-------------|
| | USD | USD |
| Interest expense from external bank | - | (38) |
| | <u>-</u> | <u>(38)</u> |

3 Tax

| | <u>2023</u> | <u>2022</u> |
|--|--------------------|--------------------|
| | USD | USD |
| Current tax for the year | (2,088,768) | (1,872,639) |
| Adjustment for prior year | - | - |
| Change in deferred taxes: | 889 | 1,185 |
| Reversal of prior year income tax provision | - | 838,413 |
| | <u>(2,087,879)</u> | <u>(1,033,041)</u> |
| Deferred tax (liability) / asset 1 January | (3,556) | (4,741) |
| Recognised in Profit & Loss | 889 | 1,185 |
| Deferred tax (liability) / asset 31 December | <u>(2,667)</u> | <u>(3,556)</u> |

The deferred tax asset is recognized on the temporary differences arising between the tax bases of software, operating equipment and trademarks, and their carrying amount in the financial statements.

4 Intangible assets

| | Trademarks, rights, and software |
|--|---|
| Cost at 1 January 2023 | <u>1,145,723</u> |
| Cost at 31 December 2023 | <u>1,145,723</u> |
| Amortisation and Impairment losses at 1 January 2023 | (1,145,723) |
| Amortisation | - |
| Amortisation and Impairment losses at 31 December 2023 | <u>(1,145,723)</u> |
| Carrying amount at 31 December 2023 | <u>-</u> |

The amortisation cost has in the profit & loss statement been recognised as part of administrative expenses.

5 Fixed investments

| Investments in subsidiaries | 2023 | 2022 |
|-----------------------------|--------|--------|
| | USD | USD |
| Cost at 1 January | 13,606 | 13,606 |
| Cost at 31 December | 13,606 | 13,606 |

Investments in subsidiaries are specified as follows:

| Name and registered office | Voting rights and ownership | Currency | Profit/loss* | Equity* |
|--|-----------------------------|----------|--------------|---------|
| | | | '000 | '000 |
| Danone Business Services Sdn. Bhd., Malaysia | 100% | MYR | 4,839 | 11,313 |

* Result and equity are stated in thousands local currency based on local GAAP in the country and the latest available annual report.

On 19 January 2024, the Company made a capital injection of MYR 700,000 in Danone Business Services Sdn. Bhd., a wholly owned subsidiary incorporated in Malaysia.

6 Share Capital

The share capital comprises:

| | 2023 | 2022 |
|--|---------|---------|
| | USD | USD |
| 1 class A share of DKK 3,100,000 each. | 439,354 | 439,354 |

The share is denominated in DKK amounting to DKK 3,100,000.

The class A share carries 1 voting right. The share capital has remained unchanged for the past five years.

The Company owns no treasury shares at the balance sheet date. Nor did it purchase or sell any treasury shares in the financial year.

7 Related parties and ownership

Controlling influence

Danone S.A. Ultimate parent company. Owns through other companies 100%
17, Boulevard Haussmann of share capital in Dumex Nutrition Ltd. A/S
75009 Paris
France

Dumex Nutrition Ltd. A/S Owns 100% of share capital in International Nutrition Co. Ltd. A/S
Rørmosevej 2A
3450 Allerød

Dumex Nutrition Ltd. A/S is included in the consolidated Financial Statements of the ultimate parent company Danone S.A. in which International Nutrition Co. Ltd. A/S is also included as a subsidiary company.

Danone S.A. prepares and publishes consolidated financial statements which are available for public access.

8 Contingent assets, liabilities and other financial obligations

The Company is jointly taxed with other Danish companies in the Danone Group. The Danish companies of the Group are jointly and severally liable to tax of the Group's jointly taxed income etc. Furthermore, the Danish companies of the Group are jointly and severally liable to the Danish withholding taxes in form of dividend tax, royalty tax and interest tax. Any future corrections to corporate taxes and withholding taxes can result in a larger amount of the Company's liability.