

# White Labs - Copenhagen ApS

Kirstinehøj 1, 2770 Kastrup  
CVR no. 36 07 71 66

## Annual report for 2023

Årsrapporten er godkendt på den  
ordinære generalforsamling, d. 15.03.24

Troels Prahl Jørgensen  
Dirigent

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**The company**

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White Labs - Copenhagen ApS  
Kirstinehøj 1  
2770 Kastrup  
Tel.: 26 29 22 68  
Registered office: København K  
CVR no.: 36 07 71 66  
Financial year: 01.01 - 31.12

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**Executive Boards**

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Man. Director Troels Prahl Jørgensen  
Manager Lisa Rodriguez White  
Manager Christopher Eric White

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**Auditors**

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Beierholm  
Statsautoriseret Revisionspartnerselskab

## Statement by the Executive Boards on the annual report

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We have on this day presented the annual report for the financial year 01.01.23 - 31.12.23 for White Labs - Copenhagen ApS.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31.12.23 and of the results of the company's activities for the financial year 01.01.23 - 31.12.23.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Kastrup, March 15, 2024

### Executive Boards

Troels Prah Jørgensen  
Man. Director

Lisa Rodriguez White  
Manager

Christopher Eric White  
Manager

**To the capital owners of White Labs - Copenhagen ApS****Opinion**

We have audited the financial statements of White Labs - Copenhagen ApS for the financial year 01.01.23 - 31.12.23, which comprise income statement, balance sheet, statement of changes in equity and notes to the financial statements, including significant accounting policies. 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 company's financial position at 31.12.23 and of the results of the company's operations for the financial year 01.01.23 - 31.12.23 in accordance with the Danish Financial Statements Act.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**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, it is our responsibility to read management's review and, in doing so, consider whether 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 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.

**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 about 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 the 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 these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment 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 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 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.

Soeborg, Copenhagen, March 15, 2024

**Beierholm**

Statsautoriseret Revisionspartnerselskab  
CVR no. 32 89 54 68

Kim Larsen

State Authorized Public Accountant  
MNE-no. mne32179

**Primary activities**

The company's principal activities is to sell yeast products to the European market and related services.

**Development in activities and financial affairs**

The income statement for the period 01.01.23 - 31.12.23 shows a profit/loss of DKK 3,074 against DKK 1,165,821 for the period 01.01.22 - 31.12.22. The balance sheet shows equity of DKK 4,811,634.

**Outlook**

2023 was a good year for White Labs Copenhagen. With the implementation of the brewhouse as well as the switch to REEL energy as electricity provider, we made massive CO2 reductions and gained better control over our process and costs.

However, 2023 was also the first year ever for WLCPH to not grow revenue over the previous year and we are looking into a continued slowdown in the market. In response to the craft beer industry having a hard time, White Labs Copenhagen launched the entire series of starter cultures for the home brewing community, a new market that we expect will be growing our business significantly in the years to come. On a similar topic of unlocking new business, we launched dry yeast for both professional brewers and home enthusiasts, which we expect to solidify that White Labs should remain the trusted fermentation partner for alcoholic beverage production.

2023 was also a year of trimming R&D spending by spinning out the business, dubbed Swan Neck Bio. Swan Neck Bio will under its own flag provide similar services to new players in the emerging biosolutions segment. White Labs Copenhagen is a shareholder in Swan Neck Bio and will benefit from the expected success of the new business.

**Subsequent events**

No important events have occurred after the end of the financial year.



## Income statement

| Note   | 2023<br>DKK      | 2022<br>DKK       |
|--|------------------|-------------------|
| <b>Gross profit</b>  | <b>9.019.336</b> | <b>10.440.255</b> |
| 1 Staff costs  | -7.537.122       | -7.515.432        |
| <b>Profit before depreciation, amortisation, write-downs and impairment losses</b> | <b>1.482.214</b> | <b>2.924.823</b>  |
| Depreciation and impairments losses of property, plant and equipment               | -870.383         | -771.620          |
| <b>Operating profit</b>  | <b>611.831</b>   | <b>2.153.203</b>  |
| Financial income   | 212.266          | 820               |
| Financial expenses   | -838.281         | -527.177          |
| <b>Profit/loss before tax</b>  | <b>-14.184</b>   | <b>1.626.846</b>  |
| Tax on profit or loss for the year   | 17.258           | -461.025          |
| <b>Profit for the year</b>   | <b>3.074</b>     | <b>1.165.821</b>  |
| <b>Proposed appropriation account</b>  |                  |                   |
| Retained earnings  | 3.074            | 1.165.821         |
| <b>Total</b>   | <b>3.074</b>     | <b>1.165.821</b>  |

## Balance sheet

| <b>ASSETS</b> |  | 31.12.23          | 31.12.22          |
|---------------|--|-------------------|-------------------|
|               |  | DKK               | DKK               |
| Note          |  |                   |                   |
|               | Land and buildings                               | 18.364.589        | 18.677.938        |
|               | Other fixtures and fittings, tools and equipment | 2.013.769         | 2.095.015         |
| <b>2</b>      | <b>Total property, plant and equipment</b>       | <b>20.378.358</b> | <b>20.772.953</b> |
| <b>3</b>      | Equity investments in participating interests    | 11.707            | 0                 |
|               | <b>Total investments</b>                         | <b>11.707</b>     | <b>0</b>          |
|               | <b>Total non-current assets</b>                  | <b>20.390.065</b> | <b>20.772.953</b> |
|               | Manufactured goods and goods for resale          | 2.626.975         | 1.585.929         |
|               | <b>Total inventories</b>                         | <b>2.626.975</b>  | <b>1.585.929</b>  |
|               | Trade receivables                                | 443.792           | 734.720           |
|               | Other receivables                                | 147.416           | 425.125           |
|               | Prepayments                                      | 255.106           | 223.257           |
|               | <b>Total receivables</b>                         | <b>846.314</b>    | <b>1.383.102</b>  |
|               | <b>Cash</b>                                      | <b>718.917</b>    | <b>716.566</b>    |
|               | <b>Total current assets</b>                      | <b>4.192.206</b>  | <b>3.685.597</b>  |
|               | <b>Total assets</b>                              | <b>24.582.271</b> | <b>24.458.550</b> |

| <b>EQUITY AND LIABILITIES</b> |                                       | 31.12.23          | 31.12.22          |
|-------------------------------|---------------------------------------|-------------------|-------------------|
|                               |                                       | DKK               | DKK               |
| Note                          |                                       |                   |                   |
|                               | Share capital                         | 59.000            | 59.000            |
|                               | Share premium                         | 409.735           | 409.735           |
|                               | Retained earnings                     | 4.342.899         | 4.339.825         |
|                               | <b>Total equity</b>                   | <b>4.811.634</b>  | <b>4.808.560</b>  |
|                               | Provisions for deferred tax           | 380.714           | 397.971           |
|                               | <b>Total provisions</b>               | <b>380.714</b>    | <b>397.971</b>    |
| 4                             | Payables to other credit institutions | 9.501.998         | 9.851.134         |
| 4                             | Payables to group enterprises         | 7.773.410         | 5.012.349         |
|                               | <b>Total long-term payables</b>       | <b>17.275.408</b> | <b>14.863.483</b> |
| 4                             | Short-term part of long-term payables | 368.775           | 1.373.946         |
|                               | Prepayments received from customers   | 126.941           | 172.119           |
|                               | Trade payables                        | 704.665           | 903.852           |
|                               | Payables to group enterprises         | 19.796            | 1.065.566         |
|                               | Income taxes                          | 0                 | 202.004           |
|                               | Other payables                        | 894.338           | 671.049           |
|                               | <b>Total short-term payables</b>      | <b>2.114.515</b>  | <b>4.388.536</b>  |
|                               | <b>Total payables</b>                 | <b>19.389.923</b> | <b>19.252.019</b> |
|                               | <b>Total equity and liabilities</b>   | <b>24.582.271</b> | <b>24.458.550</b> |

5 Charges and security

## Statement of changes in equity

| Figures in DKK  | Share<br>capital | Share<br>premium | Retained<br>earnings | Total equity |
|---|------------------|------------------|----------------------|--------------|
| Statement of changes in equity for<br>01.01.23 - 31.12.23 |                  |                  |                      |              |
| Balance as at 01.01.23                                    | 59.000           | 409.735          | 4.339.825            | 4.808.560    |
| Net profit/loss for the year                              | 0                | 0                | 3.074                | 3.074        |
| Balance as at 31.12.23                                    | 59.000           | 409.735          | 4.342.899            | 4.811.634    |

|   | 2023<br>DKK      | 2022<br>DKK      |
|---|------------------|------------------|
| <b>1. Staff costs</b>                       |                  |                  |
| Wages and salaries                          | 6.631.020        | 6.621.875        |
| Pensions                                    | 642.039          | 613.140          |
| Other staff costs                           | 264.063          | 280.417          |
| <b>Total</b>                                | <b>7.537.122</b> | <b>7.515.432</b> |
| <br>  |                  |                  |
| Average number of employees during the year | 15               | 12               |

**2. Property, plant and equipment**

| Figures in DKK  | Land and<br>buildings | Other fixtures<br>and fittings,<br>tools and<br>equipment |
|---|-----------------------|---|
| Cost as at 01.01.23   | 20.071.587            | 3.639.926   |
| Additions during the year   | 46.870                | 440.506   |
| Disposals during the year   | 0                     | -22.636   |
| <b>Cost as at 31.12.23</b>  | <b>20.118.457</b>     | <b>4.057.796</b>  |
| Depreciation and impairment losses as at 01.01.23                       | -1.393.649            | -1.544.911  |
| Depreciation during the year  | -360.219              | -510.165  |
| Reversal of depreciation of and impairment losses on<br>disposed assets | 0                     | 11.049  |
| <b>Depreciation and impairment losses as at 31.12.23</b>                | <b>-1.753.868</b>     | <b>-2.044.027</b>   |
| <b>Carrying amount as at 31.12.23</b>                                   | <b>18.364.589</b>     | <b>2.013.769</b>  |

**3. Equity investments in participating interests**

| Figures in DKK                 | Equity investments in participating interests |
|--------------------------------|---|
| Additions during the year      | 11.707  |
| Cost as at 31.12.23            | 11.707  |
| Carrying amount as at 31.12.23 | 11.707  |

**4. Long-term payables**

| Figures in DKK                  | Repayment first year | Outstanding debt after 5 years | Total payables at 31.12.23 | Total payables at 31.12.22 |
|---------------------------------|----------------------|--------------------------------|----------------------------|----------------------------|
| Payables to credit institutions | 368.775              | 7.870.360                      | 9.870.773                  | 10.225.080                 |
| Payables to group enterprises   | 0                    | 0                              | 7.773.410                  | 6.012.349                  |
| Total                           | 368.775              | 7.870.360                      | 17.644.183                 | 16.237.429                 |

**5. Charges and security**

Land and buildings with a carrying amount of DKK 18.365k have been provided as security for mortgage debt of DKK 9.871k.

## 6. Accounting policies

### GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for a higher reporting class.

The accounting policies have been applied consistently with previous years.

### Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

### CURRENCY

The annual report is presented in Danish kroner (DKK).

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets, inventories and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

**6. Accounting policies** - continued -**INCOME STATEMENT****Gross profit**

Gross profit comprises revenue, other operating income and raw materials and consumables and other external expenses.

**Revenue**

Income from the sale of goods is recognised in the income statement if delivery has taken place and the risk has passed to the buyer before the end of the financial year and where the selling price can be determined reliably and is expected to be paid. Revenue is measured at fair value and is determined exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

**Other operating income**

Other operating income comprises income of a secondary nature in relation to the enterprise's activities, including rental income, negative goodwill and gains on the sale of intangible assets and property, plant and equipment.

**Costs of raw materials and consumables**

Costs of raw materials and consumables comprise raw materials and consumables used for the year as well as any changes in inventories, including any inventory wastage.

Write-downs of inventories of raw materials and consumables are also recognised under raw materials and consumables to the extent that these do not exceed normal write-downs.

**Other external expenses**

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

**Staff costs**

Staff costs comprise wages and salaries as well as other staff-related costs.



**6. Accounting policies** - continued -**Depreciation and impairment losses**

The depreciation of property, plant and equipment aim at systematic depreciation over the expected useful lives of the assets. Assets are depreciated according to the straight-line method based on the following expected useful lives and residual values:

|   | Useful lives,<br>years | Residual value,<br>per cent |
|---|------------------------|-----------------------------|
| Buildings   | 5-50 years             | 0-50%                       |
| Leasehold improvements                                  | 5 years                | 0%                          |
| Other plant, fixtures and fittings, tools and equipment | 5-15 years             | 0%                          |

Land is not depreciated.

The basis of depreciation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of depreciation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

Property, plant and equipment are impaired in accordance with the accounting policies referred to in the 'Impairment losses on fixed assets' section.

**Other net financials**

Interest income and interest expenses, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in other net financials.

**Tax on profit/loss for the year**

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

**6. Accounting policies** - continued -**BALANCE SHEET****Property, plant and equipment**

Property, plant and equipment comprise land and buildings, leasehold improvements as well as other fixtures and fittings, tools and equipment.

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

The total cost of an asset is decomposed into separate components that are depreciated separately if the useful lives of the individual components vary.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the 'Depreciation and impairment losses' section.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

**Equity investments in participating interests**

Participating interests are measured in the balance sheet at cost less any impairment losses. Transaction costs directly attributable to the acquisition are recognised in the cost of equity investments.

Acquired participating interests are recognised in accordance with the acquisition method, according to which the identifiable assets and liabilities of acquired participating interests are measured at fair value at the date of acquisition.

Gains or losses on disposal of equity investments are determined as the difference between the disposal consideration and the carrying amount of net assets at the time of sale, including non-amortised goodwill, as well as the expected costs of divestment or discontinuation. Gains and losses are recognised in the income statement under income from equity investments.

## 6. Accounting policies - continued -

### Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

If dividends are distributed on equity investments in participating interests exceeding the year earnings from the enterprise in question, this is considered an indication of impairment.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

### Inventories

Inventories are measured at cost calculated according to the FIFO-method. Inventories are written down to the lower of cost and net realisable value.

The cost of raw materials and consumables as well as goods for resale is determined as purchase prices plus expenses resulting directly from the purchase.

The cost of manufactured finished goods and work in progress is determined as the value of direct and indirect material and labour costs. Production overheads include indirect material and labour costs as well as maintenance and depreciation of machinery, buildings and equipment used in the production process as well as the costs of factory administration and management. Interest on loans arranged to finance production is not included in the cost.

The net realisable value of inventories is determined as the selling price less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and the expected development in the selling price.

## 6. Accounting policies - continued -

### Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

### Prepayments

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

### Cash

Cash includes deposits in bank account.

### Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

**6. Accounting policies** - continued -**Payables**

Long-term payables are measured at cost at the time of contracting such liabilities (raising of the loan). The payables are subsequently measured at amortised cost where capital losses and loan expenses are recognised in the income statement as a financial expense over the term of the payable on the basis of the calculated effective interest rate in force at the time of contracting the liability.

Short-term financial payables are measured at amortised cost, normally corresponding to the nominal value of such payables. Other short-term payables are measured at net realisable value.

**Prepayments received from customers**

Prepayments received from customers comprise amounts received from customers prior to the time and date of delivery of the agreed product or completion of the agreed service.

**Deferred income**