BUUS JENSEN
Statsautoriserede
Revisorer

BITE ApS

Hvidovrevej 80C, 2610 Rødovre

Company reg. no. 39 75 47 54

Annual report

1 January - 31 December 2023

The annual report was submitted and approved by the general meeting on the 27 June 2024.

Nils Frederik Selvang
Chairman of the meeting

Contents

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of BITE ApS for the financial year 1 January - 31 December 2023.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

We consider the chosen accounting policy to be appropriate, and 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.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Rødovre, 27 June 2024

Managing Director

Patrik Drobný

Board of directors

Patrik Drobný	Roberto Ferro	Nils Frederik Selvang
Frederik Paul Siesbye Halsted	Bjarke Eduard Roland Reventlow	

Independent auditor's report

To the Shareholders of BITE ApS

Opinion

We have audited the financial statements of BITE ApS for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies, for the Company. The financial statements are prepared under 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 conclusion

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.

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 skepticism 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.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover 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 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.

Independent auditor's report

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

Copenhagen, 27 June 2024

BUUS JENSEN
State Authorised Public Accountants
Company reg. no. 16 11 90 40

Michael Markussen
State Authorised Public Accountant
mne34295

Company information

The company	BITE ApS Hvidovrevej 80C 2610 Rødovre	
	Company reg. no.	39 75 47 54
	Established:	1 August 2018
	Domicile:	Hvidovre
	Financial year:	1 January - 31 December
Board of directors	Patrik Drobný Roberto Ferro Nils Frederik Selvang Frederik Paul Siesbye Halsted Bjarke Eduard Roland Reventlow	
Managing Director	Patrik Drobný	
Auditors	BUUS JENSEN, Statsautoriserede revisorer	

Management´s review

The principal activities of the company

The company's main activity consists in developing, producing and selling flavors for beverages.

Development in activities and financial matters

Income or loss from ordinary activities after tax totals DKK -924.000 against DKK -1.686.000 last year. Management considers the net profit or loss for the year as expected.

As the equity represents less than half of the subscribed capital, the Company is subject to the Danish Companies Act section 119 regarding loss of capital. The management expects to recover the capital by carrying out a capital increase of 1,0 million DKK in 2024 as well as being profitable from Q2 2024.

Income statement 1 January - 31 December

All amounts in DKK.

Note		2023	2022
	Gross profit	**1.966.037**	**1.004.561**
1	Staff costs	-2.530.093	-2.445.959
	Depreciation, amortisation, and impairment	-71.798	-48.376
	Operating profit	**-635.854**	**-1.489.774**
	Other financial income	500	200
	Other financial costs	-288.247	-195.988
	Pre-tax net profit or loss	**-923.601**	**-1.685.562**
	Tax on net profit or loss for the year	0	0
	Net profit or loss for the year	**-923.601**	**-1.685.562**
	Proposed distribution of net profit:		
	Disposed to reserve for development costs	229.884	0
	Allocated from retained earnings	-1.153.485	-1.685.562
	Total allocations and transfers	**-923.601**	**-1.685.562**

Balance sheet at 31 December

All amounts in DKK.

Note	Assets	2023	2022
	Non-current assets		
2	Completed development projects	244.723	0
3	Development projects in progress and prepayments for intangible assets	50.000	0
	Total intangible assets	294.723	0
4	Plant and machinery	157.334	210.093
5	Other fixtures and fittings, tools and equipment	16.682	23.584
	Total property, plant, and equipment	174.016	233.677
6	Deposits	53.136	51.545
	Total investments	53.136	51.545
	Total non-current assets	**521.875**	**285.222**
	Current assets		
	Raw materials and consumables	549.753	683.683
	Total inventories	549.753	683.683
	Trade receivables	770.569	595.592
	Other receivables	109.678	47.460
	Prepayments and accrued income	0	9.375
	Total receivables	880.247	652.427
	Cash on hand and demand deposits	1.266.205	1.723.400
	Total current assets	**2.696.205**	**3.059.510**
	Total assets	**3.218.080**	**3.344.732**

Balance sheet at 31 December

All amounts in DKK.

Note	Equity and liabilities	2023	2022
	Equity		
	Contributed capital	47.646	47.646
	Reserve for development costs	229.884	0
	Retained earnings	-1.625.384	-471.899
	Total equity	**-1.347.854**	**-424.253**
	Liabilities other than provisions		
	Mortgage loans	3.081.132	3.267.384
7	Total long term liabilities other than provisions	3.081.132	3.267.384
7	Current portion of long term liabilities	466.178	0
	Trade payables	387.792	107.204
	Other payables	630.832	394.397
	Total short term liabilities other than provisions	1.484.802	501.601
	Total liabilities other than provisions	**4.565.934**	**3.768.985**
	Total equity and liabilities	**3.218.080**	**3.344.732**

8 Contingencies

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Reserve for development costs	Retained earnings	Total
Equity 1 January 2022	47.646	0	1.213.663	1.261.309
Retained earnings	0	0	-1.685.562	-1.685.562
Equity 1 January 2022	47.646	0	-471.899	-424.253
Retained earnings	0	229.884	-1.153.485	-923.601
	47.646	**229.884**	**-1.625.384**	**-1.347.854**

Notes

All amounts in DKK.

		2023	2022
1.	**Staff costs**		
	Salaries and wages	2.411.737	2.388.423
	Pension costs	69.481	0
	Other costs for social security	48.875	57.536
		2.530.093	**2.445.959**
	Average number of employees	7	6
2.	**Completed development projects**		
	Cost 1 January 2023	0	0
	Additions during the year	256.860	0
	Cost 31 December 2023	**256.860**	**0**
	Amortisation and write-down 1 January 2023	0	0
	Amortisation and depreciation for the year	-12.137	0
	Amortisation and write-down 31 December 2023	**-12.137**	**0**
	Carrying amount, 31 December 2023	**244.723**	**0**
3.	**Development projects in progress and prepayments for intangible assets**		
	Cost 1 January 2023	0	0
	Additions during the year	50.000	0
	Cost 31 December 2023	**50.000**	**0**
	Carrying amount, 31 December 2023	**50.000**	**0**

Notes

All amounts in DKK.

		31/12 2023	31/12 2022
		31/12 2023	**31/12 2022**
4.	**Plant and machinery**		
	Cost 1 January 2023	263.797	122.300
	Additions during the year	0	141.497
	Cost 31 December 2023	**263.797**	**263.797**
	Depreciation and writedown 1 January 2023	-53.704	-12.230
	Amortisation and depreciation for the year	-52.759	-41.474
	Depreciation and writedown 31 December 2023	**-106.463**	**-53.704**
	Carrying amount, 31 December 2023	**157.334**	**210.093**
5.	**Other fixtures and fittings, tools and equipment**		
	Cost 1 January 2023	34.512	34.512
	Cost 31 December 2023	**34.512**	**34.512**
	Depreciation and writedown 1 January 2023	-10.928	-4.026
	Amortisation and depreciation for the year	-6.902	-6.902
	Depreciation and writedown 31 December 2023	**-17.830**	**-10.928**
	Carrying amount, 31 December 2023	**16.682**	**23.584**
6.	**Deposits**		
	Cost 1 January 2023	51.545	50.000
	Additions during the year	1.591	1.545
	Cost 31 December 2023	**53.136**	**51.545**
	Carrying amount, 31 December 2023	**53.136**	**51.545**

All amounts in DKK.

7. Long term labilities other than provisions

	Total payables 31 Dec 2023	Current portion of long term payables	Long term payables 31 Dec 2023	Outstanding payables after 5 years
Mortgage loans	3.547.310	466.178	3.081.132	0
	3.547.310	**466.178**	**3.081.132**	**0**

8. Contingencies

Contingent liabilities

	DKK in thousands
Total contingent liabilities	283

Accounting policies

The annual report for BITE ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Income statement

Gross profit

Gross profit comprises the revenue, cosst of sales, other operating income, and external costs.

The enterprise will be applying IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets, operating loss and conflict compensation as well as salary reimbursements received. Compensation is recognized when it is overwhelmingly probable that the company will receive the compensation.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Statement of financial position

Intangible assets

Development projects

Development costs comprise salaries, wages, and amortisation directly attributable to development activities.

Clearly defined and identifiable development projects are recognised as intangible assets provided that they are proven to be technically practicable, that sufficient resources and a potential market or development opportunity exist, and insofar as the intention is to produce, market or utilise the project. It is, however, a condition that the cost can be reliably calculated and that a sufficiently high degree of certainty indicates that future earnings will cover the costs of production, sales, and administration. Other development costs are recognised in the income statement concurrently with their realisation.

Development costs recognised in the statement of financial position are measured at cost less accrued amortisations and writedowns for impairment.

After completion of the development work, capitalised development costs are amortised on a straight-line basis over the estimated useful economic life. The amortisation period is 5-10 years.

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Plant and machinery	5 years	0 %
Other fixtures and fittings, tools and equipment	5 years	0 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist.

Inventories

Inventories are measured at cost on the basis of weighted measured average prices. In cases when the net realisable value is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

Costs of manufactured goods and work in progress comprise the cost of raw materials, consumables, direct wages, and indirect production costs. Indirect production costs comprise indirect materials and wages, maintenance and depreciation of machinery, factory buildings, and equipment used in the production process, and costs for factory administration and factory management. Borrowing expenses are not recognised in cost.

The net realisable value for inventories is recognised as the estimated selling price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired.If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Liabilities other than provisions

Mortgage loans and bank loans are thus measured at amortised cost which, for cash loans, corresponds to the outstanding payables. For bond loans, the amortised cost corresponds to an outstanding payable calculated as the underlying cash value at the date of borrowing, adjusted by amortisation of the market value on the date of the borrowing effectuated over the repayment period.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.