

Carham ApS

c/o NJORD Law Firm, Pilestræde 58, 1112 København K

Annual report

2022

Company reg. no. 40 53 76 86

The annual report was submitted and approved by the general meeting on the 12 June 2023.

Bernhard Babel
Chairman of the meeting

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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 Managing Director has approved the annual report of Carham ApS for the financial year 2022.

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

I consider the chosen accounting policy to be appropriate, and in my opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022.

The Managing Director consider the conditions for audit exemption of the 2022 financial statements to be met.

Further, in my 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.

København K, 12 June 2023

Managing Director

Brita Kaltenbrunner Bernitz

Practitioner's compilation report

To the Shareholder of Carham ApS

We have compiled the financial statements of Carham ApS for the financial year 1 January - 31 December 2022 based on the company's bookkeeping and on information you have provided.

These financial statements comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist Management in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant requirements under the Danish Act on Approved Auditors and Audit Firms and International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with the Danish Financial Statements Act.

Risskov, 12 June 2023

Martinsen

State Authorised Public Accountants
Company reg. no. 32 28 52 01

Lars Greve Jensen

State Authorised Public Accountant
mne32199

Company information

The company

Carham ApS
c/o NJORD Law Firm
Pilestræde 58
1112 København K

Company reg. no. 40 53 76 86
Established: 22 May 2019
Domicile: Copenhagen
Financial year: 1 January - 31 December

Managing Director

Brita Kaltenbrunner Bernitz

Auditors

Martinsen
Statsautoriseret Revisionspartnerselskab
Voldbjergvej 16, 2. sal
8240 Risskov

Parent company

Eurox Deutschland Invest GmbH

Management´s review

The principal activities of the company

The principal activity is to cultivate and produce medical cannabis.

Development in activities and financial matters

The gross loss for the year totals DKK -8.750 against DKK -13.750 last year. Income or loss from ordinary activities after tax totals DKK -24.673 against DKK -29.806 last year. Management considers the net loss for the year as expected.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2022</u>	<u>2021</u>
Gross profit	-8.750	-13.750
1 Other financial expenses	-15.923	-16.056
Pre-tax net profit or loss	-24.673	-29.806
Tax on ordinary results	0	0
Net profit or loss for the year	-24.673	-29.806
Proposed distribution of net profit:		
Allocated from retained earnings	-24.673	-29.806
Total allocations and transfers	-24.673	-29.806

Balance sheet at 31 December

All amounts in DKK.

Assets	<u>2022</u>	<u>2021</u>
<u>Note</u>		
Current assets		
Other receivables	<u>4.693</u>	<u>4.693</u>
Total receivables	<u>4.693</u>	<u>4.693</u>
Total current assets	<u>4.693</u>	<u>4.693</u>
Total assets	<u>4.693</u>	<u>4.693</u>

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2022</u>	<u>2021</u>
	Equity		
	Contributed capital	40.000	40.000
	Results brought forward	<u>-1.619.186</u>	<u>-1.594.512</u>
	Total equity	<u>-1.579.186</u>	<u>-1.554.512</u>
	Liabilities other than provisions		
2	Payables to group enterprises	<u>1.563.665</u>	<u>1.534.456</u>
	Total long term liabilities other than provisions	<u>1.563.665</u>	<u>1.534.456</u>
	Trade creditors	9.214	13.749
	Other payables	<u>11.000</u>	<u>11.000</u>
	Total short term liabilities other than provisions	<u>20.214</u>	<u>24.749</u>
	Total liabilities other than provisions	<u>1.583.879</u>	<u>1.559.205</u>
	Total equity and liabilities	<u>4.693</u>	<u>4.693</u>
3	Contingencies		
4	Uncertainties concerning the enterprise's ability to continue as a going concern		

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2021	40.000	-1.564.706	-1.524.706
Profit or loss for the year brought forward	0	-29.806	-29.806
Equity 1 January 2022	40.000	-1.594.512	-1.554.512
Profit or loss for the year brought forward	0	-24.674	-24.674
	<u>40.000</u>	<u>-1.619.186</u>	<u>-1.579.186</u>

Notes

All amounts in DKK.

	<u>2022</u>	<u>2021</u>
1. Other financial expenses		
Financial costs, group enterprises	15.459	15.132
Other financial costs	<u>464</u>	<u>924</u>
	<u>15.923</u>	<u>16.056</u>
	<u>31/12 2022</u>	<u>31/12 2021</u>
2. Payables to group enterprises		
Total payables to group enterprises	1.563.665	1.534.456
Share of amount due within 1 year	<u>0</u>	<u>0</u>
Total payables to group enterprises	<u>1.563.665</u>	<u>1.534.456</u>
Share of liabilities due after 5 years	<u>0</u>	<u>0</u>

3. Contingencies

Contingent assets

The company has a non-recognised deferred tax asset of DKK 344.716.

Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

Any subsequent adjustments of corporate taxes or withholding taxes, etc., may result in changes in the company's liabilities.

4. Uncertainties concerning the enterprise's ability to continue as a going concern

The enterprise has lost its equity capital. The management however expects that they with future earning can reestablish the lost equity capital. It is the opinion of that management that the enterprise has got enough funds for the coming year.

Accounting policies

The annual report for Carham 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.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Accounting policies

Income statement

Gross loss

Gross loss comprises other external costs.

Other external costs comprise costs incurred for administration.

Financial expenses

Financial expenses are recognised in the income statement with the amounts concerning the financial year. Financial expenses comprise interest expenses.

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.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises. The company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable by the Danish consolidated companies is paid to the tax authorities by the company.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

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.

Accounting policies

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.

Liabilities other than provisions

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