

Nature's BioCeuticals Denmark ApS (Under tvangsopløsning)

Hedebøvej 47, 5474 Veflinge

Company reg. no. 41 91 23 67

Annual report

1 July 2021 - 30 June 2022

The annual report was submitted and approved by the general meeting on the 8 March 2023.


Kim Meurs-Gerken
Chairman of the meeting

Kim Meurs-Gerken
Advokat (L)
Koch/Christensen
Advokatfirma
Sankt Annæ Plads 6
DK-1250 København K

Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

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Management's statement

Today, the Managing Director has approved the annual report of Nature's BioCeuticals Denmark ApS (Under tvangsopløsning) for the financial year 1 July 2021 - 30 June 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 30 June 2022 and of the results of the Company's operations for the financial year 1 July 2021 – 30 June 2022.

The Managing Director consider the conditions for audit exemption of the 2021/22 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.

Veflinge, 8 March 2023

Managing Director

Francois Jean-Martin Susini
Managing Director

Practitioner's compilation report

To the Shareholders of Nature's BioCeuticals Denmark ApS (Under tvangsopløsning)

We have compiled the financial statements of Nature's BioCeuticals Denmark ApS (Under tvangsopløsning) for the financial year 1 July 2021 - 30 June 2022 based on the company's bookkeeping and on information you have provided.

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

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.

Copenhagen, 8 March 2023

Grant Thornton

State Authorised Public Accountants
Company reg. no. 34 20 99 36

Michael Beuchert

State Authorised Public Accountant
mne32794

Company information

The company Nature's BioCeuticals Denmark ApS (Under tvangsopløsning)
Hedebovej 47
5474 Veflinge

Company reg. no. 41 91 23 67
Financial year: 1 July - 30 June

Managing Director Francois Jean-Martin Susini, Managing Director

Auditors Grant Thornton, Statsautoriseret Revisionspartnerselskab
Stockholmsgade 45
2100 København Ø

Management's review

Description of key activities of the company

The key activities comprise trading and production of medical cannabis and associated activities

Development in activities and financial matters

The company has in the year invested in production facilities and equipment, however have not yet started products of its products. The result is therefore as expected. Since the company is still in a start up phase, the company is dependent on continued financial support of its investors. It is management's expectation that this will be upheld, why the accounts have been prepared on a goind concern basis.

Income statement

All amounts in DKK.

<u>Note</u>	<u>1/7 2021</u> <u>- 30/6 2022</u>	<u>7/10 2019</u> <u>- 30/6 2021</u>
Gross profit	-943.913	-14.627
Depreciation and impairment of non-current assets	-477.244	-10.000
Operating profit	-1.421.157	-24.627
Other financial expenses	-95.987	0
Pre-tax net profit or loss	-1.517.144	-24.627
Tax on net profit or loss for the year	0	4.611
Net profit or loss for the year	-1.517.144	-20.016
Proposed distribution of net profit:		
Allocated from retained earnings	-1.517.144	-20.016
Total allocations and transfers	-1.517.144	-20.016

Balance sheet at 30 June

All amounts in DKK.

Assets		
<u>Note</u>	<u>2022</u>	<u>2021</u>
Non-current assets		
1 Acquired concessions, patents, licenses, trademarks, and similar rights	180.000	190.000
Total intangible assets	<u>180.000</u>	<u>190.000</u>
2 Land and buildings	13.387.200	0
3 Other fixtures, fittings, tools and equipment	857.776	0
Total property, plant, and equipment	<u>14.244.976</u>	<u>0</u>
Total non-current assets	<u>14.424.976</u>	<u>190.000</u>
Current assets		
Deferred tax assets	3.200	2.200
Tax receivables from group enterprises	0	2.411
Other receivables	53.907	0
Total receivables	<u>57.107</u>	<u>4.611</u>
Cash and cash equivalents	<u>100</u>	<u>35.373</u>
Total current assets	<u>57.207</u>	<u>39.984</u>
Total assets	<u>14.482.183</u>	<u>229.984</u>

Balance sheet at 30 June

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2022</u>	<u>2021</u>
Equity		
Contributed capital	40.000	40.000
Retained earnings	-1.537.160	-20.016
Total equity	-1.497.160	19.984
Liabilities other than provisions		
Other payables	15.930.249	200.000
Total long term liabilities other than provisions	15.930.249	200.000
Trade payables	49.094	10.000
Total short term liabilities other than provisions	49.094	10.000
Total liabilities other than provisions	15.979.343	210.000
Total equity and liabilities	14.482.183	229.984

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Total
Equity 1 July 2021	40.000	-20.016	19.984
Retained earnings for the year	0	-1.517.144	-1.517.144
	40.000	-1.537.160	-1.497.160

Notes

All amounts in DKK.

	1/7 2021 - 30/6 2022	7/10 2019 - 30/6 2021
1. Acquired concessions, patents, licenses, trademarks, and similar rights		
Cost 1 July 2021	190.000	200.000
Cost 30 June 2022	190.000	200.000
Amortisation and depreciation for the year	-10.000	-10.000
Amortisation and write-down 30 June 2022	-10.000	-10.000
Carrying amount, 30 June 2022	180.000	190.000
2. Land and buildings		
Additions during the year	13.640.000	0
Cost 30 June 2022	13.640.000	0
Amortisation and depreciation for the year	-252.800	0
Depreciation and write-down 30 June 2022	-252.800	0
Carrying amount, 30 June 2022	13.387.200	0
3. Other fixtures, fittings, tools and equipment		
Additions during the year	1.072.220	0
Cost 30 June 2022	1.072.220	0
Revaluations for the year	-214.444	0
Revaluation 30 June 2022	-214.444	0
Carrying amount, 30 June 2022	857.776	0

Accounting policies

The annual report for Nature's BioCeuticals Denmark ApS (Under tvangsopløsning) for 2021/22 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared with the following accounting principles.

Income statement

Other external expenses

Other external expenses include other production, sales, delivery and administrative costs, including costs of energy, marketing, premises, loss on bad debts, lease expenses, etc

Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the Income Statement by the share that may be attributed to the profit of the year, and is recognised directly in equity by the share that may be attributed to entries directly to equity.

Statement of financial position

Intangible fixed assets

Patents and licenses are measured at the lower of cost less accumulated amortisation and the recoverable amount. Patents are amortised over the remaining patent period and licenses are amortised over the period of the agreement, however, no more than 8 years.

Profit or loss from sale of intangible fixed assets is calculated at the difference between the sale price and the carrying amount at the time of the sale. Profit and loss are recognised in the Income Statement under other operating income or other operating expenses.

Accounting policies

Property, plant, and equipment

Land and buildings is measured at cost plus revaluations and less accrued depreciation and write-down for impairment. Land is not subject to depreciation.

Land and buildings is revaluated on the basis of regular, independent fair-value assessments. Net revaluation at fair value adjustment is recognised directly in equity less deferred tax and tied up in a particular revaluation reserve. Net impairment loss at fair value adjustment is recognised in the income statement.

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

Reversal of previous revaluations and recognised deferred taxes concerning revaluations are recognised directly in company equity.

Other 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.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Buildings	50 years
Other fixtures and fittings, tools and equipment	3-5 years

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.

Accounting policies

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the Balance Sheet as the calculated tax on the taxable income for the year, adjusted for tax on taxable income for previous years and taxes paid on account.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the amount at which the asset is expected to be used within a reasonable number of years, either by setoff against tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force of the Balance Sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceed received less transaction costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the loan period.

The amortised cost of the current liabilities corresponds usually to the nominal value.

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"By my signature I confirm all dates and content in this document."

Michael Beuchert

Underskriver

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Francois Jean-Martin Susini

Direktør

On behalf of: François susini

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