

Biomix ApS

Kochsgade 25, 5000 Odense C

CVR no. 42 55 99 97

**Annual report for the period
23 July 2021 to 31 December 2022**

Adopted at the annual general meeting on 13 March
2023

Morten Østergaard Andersen
chairman



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Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of Bioomix ApS for the financial year 23 July 2021 - 31 December 2022.

The annual report is 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 December 2022 and of the results of the company's operations for the financial year 23 July 2021 - 31 December 2022.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Odense C, 13 March 2023

Executive board

Morten Østergaard Andersen
Director

Supervisory board

Henrik Busch-Larsen
chairman

Anders Kjær

Julia Magdalena Østergaard
Andersen

Independent auditor's report on extended review

To the shareholders of Biomix ApS

Opinion

We have performed extended review of the financial statements of Biomix ApS for the financial year 23 July 2021 - 31 December 2022, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

Based on the performed work it is our opinion, that the financial statements give a true and fair view of the company's financial position at 31 December 2022 and of the results of the company's operations for the financial year 23 July 2021 - 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our extended review in accordance with the Danish Business Authority's standard on auditor's report for small enterprises and FSR - danish auditors' standard on extended review of financial statements in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code. We believe that the 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 responsibility for the extended review of the financial statements

Our responsibility is to express a conclusion on the accompanying financial statements. This requires us to perform procedures in order to obtain limited assurance for our conclusion on these financial statements, and in addition perform specifically required supplementary procedures in order to obtain additional assurance for our conclusion.

Independent auditor's report on extended review

An extended review of financial statements includes procedures primarily consisting of making inquiries of management and others within the entity, as appropriate, applying analytical procedures and the specifically required supplementary procedures, and evaluating the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit and accordingly we do not express an audit opinion on these financial statements.

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 extended review 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 extended review, 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 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 management's review.

Copenhagen, 13 March 2023

Baker Tilly Denmark
Godkendt Revisionspartnerselskab
CVR no. 35 25 76 91

Peter Aagesen
statsautoriseret revisor
MNE no. mne41287

Company details

The company	Bioomix ApS Kochsgade 25 5000 Odense C CVR no.: 42 55 99 97 Reporting period: 23 July 2021 - 31 December 2022 Incorporated: 23 July 2021 Domicile: Odense
Supervisory board	Henrik Busch-Larsen, chairman Anders Kjær Julia Magdalena Østergaard Andersen
Executive board	Morten Østergaard Andersen, director
Auditors	Baker Tilly Denmark Godkendt Revisionspartnerselskab Poul Bundgaards Vej 1, 1. 2500 Valby

Management's review

Business review

The company's main activity consists in developing and selling biotechnology products.

Financial review

The company's income statement for the year ended 31 December 2022 shows a loss of DKK 2.161.140, and the balance sheet at 31 December 2022 shows equity of DKK 7.877.435.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement

23 July 2021 - 31 December 2022

	Note	2021/22 <small>(17 mth.) DKK.</small>
Gross profit		3.423.504
Staff costs	1	-6.069.838
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-233.836
Profit/loss before net financials		-2.880.170
Financial costs		-210.063
Profit/loss before tax		-3.090.233
Tax on profit/loss for the year	2	929.093
Profit/loss for the year		-2.161.140
 Recommended appropriation of profit/loss		
Transferred to reserve for development expenditure		3.024.137
Retained earnings		-5.185.277
		-2.161.140

Balance sheet at 31 December 2022

	Note	2022 DKK
Assets		
Acquired patents		46.695
Development projects in progress		3.877.099
Intangible assets	3	3.923.794
Other fixtures and fittings, tools and equipment	4	3.499.948
Leasehold improvements	4	9.612
Tangible assets		3.509.560
Deposits		350.700
Fixed asset investments		350.700
Total non-current assets		7.784.054
Other receivables		1.578.124
Deferred tax asset		76.131
Corporation tax		852.962
Receivables		2.507.217
Cash at bank and in hand		2.796.877
Total current assets		5.304.094
Total assets		13.088.148

Balance sheet 31 December

	Note	2022
		DKK
Equity and liabilities		
Share capital		55.265
Reserve for development expenditure		3.024.137
Retained earnings		4.798.033
Equity		7.877.435
Convertible and profit-yielding instruments of debt		4.160.000
Total non-current liabilities		4.160.000
Trade payables		527.910
Other payables		522.803
Total current liabilities		1.050.713
Total liabilities		5.210.713
Total equity and liabilities		13.088.148

Statement of changes in equity

	Share capital	Share premium account	Reserve for development expenditure	Retained earnings	Total
	DKK	DKK	DKK	DKK	DKK
Equity at 23 July	40.000	0	0	0	40.000
Cash capital increase	15.265	9.983.310	0	0	9.998.575
Net profit/loss for the year	0	0	3.024.137	-5.185.277	-2.161.140
Transfer from share premium account	0	-9.983.310	0	9.983.310	0
Equity at 31 December	55.265	0	3.024.137	4.798.033	7.877.435

Notes

	<u>2021/22</u> (17 mth.) DKK.
1 Staff costs	
Wages and salaries	5.308.726
Pensions	582.771
Other social security costs	60.675
Other staff costs	<u>117.666</u>
	<u>6.069.838</u>
Average number of employees	<u>7</u>
2 Tax on profit/loss for the year	
Current tax for the year	-852.962
Deferred tax for the year	<u>-76.131</u>
	<u>-929.093</u>

Notes

3 Intangible assets

	Acquired patents <u>DKK</u>	Development projects in progress <u>DKK</u>
Cost at 23 July	0	0
Additions for the year	<u>53.366</u>	<u>3.877.099</u>
Cost at 31 December	<u>53.366</u>	<u>3.877.099</u>
Impairment losses and amortisation at 23 July	0	0
Amortisation for the year	<u>6.671</u>	<u>0</u>
Impairment losses and amortisation at 31 December	<u>6.671</u>	<u>0</u>
Carrying amount at 31 December	<u>46.695</u>	<u>3.877.099</u>

The company's development projects relate to the development of cells and microbes within agriculture. The projects are expected to be continuously developed in the coming financial years, and none of the projects have currently been completed.

Notes

4 Tangible assets

	Other fixtures and fittings, tools and equipment	Leasehold improvements
	DKK	DKK
Cost at 23 July	0	0
Additions for the year	3.726.985	9.740
Cost at 31 December	<u>3.726.985</u>	<u>9.740</u>
Impairment losses and depreciation at 23 July	0	0
Depreciation for the year	227.037	128
Impairment losses and depreciation at 31 December	<u>227.037</u>	<u>128</u>
Carrying amount at 31 December	<u>3.499.948</u>	<u>9.612</u>

5 Contingent liabilities

The company has entered into rental and leasing agreements with a total obligation per 31 December 2022 on tDKK 3,276.

The company is jointly taxed with the parent company Omixholding ApS and jointly and severally liable with other jointly taxed companies for payment of corporation tax and withholding tax on dividends, interest and royalties etc.

Accounting policies

The annual report of Biomix ApS for 2021/22 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

As 2021/22 is the company's first reporting period, no comparatives have been presented.

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 amortisation, depreciation and impairment losses, 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 the asset 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 the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Other operating income

The item Other operating income includes items of a secondary nature relative to the company's activities.

Accounting policies

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Intangible assets

Development projects and patents

Development costs comprise costs, wages/salaries and amortisation losses that are directly and indirectly attributable to the company's development activities.

Developments projects recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

Following the completion of the development work, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is usually five years.

Accounting policies

Patents are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight-line basis over the remaining patent period, however not more than 8 years.

Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	5 years
Leasehold improvements	5 years

Receivables

Receivables are measured at amortised cost.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.