

Remilk Denmark A/S

Østre Havneplads 3, Kalundborg 4400

CVR no. 43 00 88 62

**Annual report for the period
18 January to 31 December 2022**

Adopted at the annual general meeting on 1 March
2023

Yaacov Altman
chairman

Table of contents

	Page
Statements	
Statement by management on the annual report	1
Independent auditor's report	2
Management's review	
Company details	5
Management's review	6
Financial statements	
Income statement 18 January - 31 December	7
Balance sheet 31 December	8
Statement of changes in equity	10
Notes	11
Accounting policies	12

Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of Remilk Denmark A/S for the financial year 18 January - 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 18 January - 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.

Kalundborg, 1 March 2023

Executive board

Yaacov Altman
Director

Supervisory board

Aviv Wolf
chairman

Aviad Koenigsberg

Yaacov Altman

Independent auditor's report

To the shareholder of Remilk Denmark A/S

Opinion

We have audited the financial statements of Remilk Denmark A/S for the financial year 18 January - 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.

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 18 January - 31 December 2022 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' 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 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 the 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.

Independent auditor's report

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

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.

Independent auditor's report

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.

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, 1 March 2023

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

Ramazan Turan
statsautoriseret revisor
MNE no. mne32779

Company details

The company	Remilk Denmark A/S Østre Havneplads 3 Kalundborg 4400 CVR no.: 43 00 88 62 Reporting period: 18 January - 31 December 2022 Incorporated: 18 January 2022 Domicile: Kalundborg
Supervisory board	Aviv Wolf, chairman Aviad Koenigsberg Yaacov Altman
Executive board	Yaacov Altman, director
Auditors	Baker Tilly Denmark Godkendt Revisionspartnerselskab Poul Bundgaards Vej 1, 1. 2500 Valby

Management's review

Business review

The Company's main activity is to use microbial fermentation to produce non-animal milk proteins.

Financial review

The company's income statement for the year ended 31 December 2022 shows a profit of DKK 0, and the balance sheet at 31 December 2022 shows equity of DKK 400.000.

As a result of this years negative result, the company has lost its equity. The requirement in the Companies Act concerning a presentation for the general meeting regarding reestablishment of the equity, has been complied with.

The management expect to reestablish the equity through funding from shareholders.

Significant events occurring after the end of the financial year

In connection with the year-end closing, the company has decided to put all activities in Denmark on hold as their scope of operations has changed in connection to the planned Danish activities.

Income statement 18 January - 31 December

	Note	2022 DKK
Revenue		6.334.127
Other external expenses		-2.790.118
Gross profit		3.544.009
Staff costs	2	-3.428.301
Profit/loss before net financials		115.708
Financial income	3	470.337
Financial costs	4	-586.045
Profit/loss for the year		0
		0

Balance sheet 31 December

	Note	2022 DKK
Assets		
Deposits		30.000
Fixed asset investments		<u>30.000</u>
Total non-current assets		<u>30.000</u>
Other receivables		2.094.262
Receivables		<u>2.094.262</u>
Cash at bank and in hand		<u>7.230.644</u>
Total current assets		<u>9.324.906</u>
Total assets		<u><u>9.354.906</u></u>

Balance sheet 31 December

	Note	2022 DKK
Equity and liabilities		
Share capital		400.000
Equity		400.000
Other credit institutions		9.311
Trade payables		412.648
Payables to parent company		7.119.250
Other payables		1.413.697
Total current liabilities		8.954.906
Total liabilities		8.954.906
Total equity and liabilities		9.354.906

Statement of changes in equity

	<u>Share capital</u> DKK	<u>Total</u> DKK
Equity at 18 January	400.000	400.000
Net profit/loss for the year	<u>0</u>	<u>0</u>
Equity at 31 December	<u>400.000</u>	<u>400.000</u>

Notes

1 Uncertainty about the continued operation (going concern)

As a result of this years negative result, the company has lost its equity. The requirement in the Companies Act concerning a presentation for the general meeting regarding reestablishment of the equity, has been complied with.

The management expect to reestablish the equity through funding from shareholders. On this basis the annual report is submitted under the presumption that the company can continue their operations in the future.

	2022 DKK
2 Staff costs	
Wages and salaries	3.424.325
Other social security costs	3.976
	3.428.301
Average number of employees	<u>2</u>
3 Financial income	
Exchange gains	470.337
	470.337
4 Financial costs	
Financial expenses, group entities	572.893
Other financial costs	13.152
	586.045

Accounting policies

The annual report of Remilk Denmark A/S for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to reporting class B entities, as well as provisions applying to reporting class C entities.

As 2022 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

Other external expenses

Other external expenses include expenses related to administration 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.

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, foreign currency transactions etc.

Accounting policies

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

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 liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

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.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.