

Comet Bio Denmark ApS

Asnæsvej 16B

4400 Kalundborg

CVR No. 43297333

Annual Report 2022

9 May 2022 - 31 December 2022

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 31 July 2023

Richard Lloyd Troyer
Chairman

Comet Bio Denmark ApS

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Management's Statement

Management has today considered and approved the annual report for the financial year 09. May 2022 - 31. December 2022 for Comet Bio Denmark ApS.

The Annual Report, which has not been audited, is presented in accordance with the Danish Financial Statements Act.

Management believes that the financial statements give a true and fair view of the company's assets, liabilities and financial position and of the result.

The conditions for not conducting an audit of the Financial Statement have been met.

The annual report is submitted for approval by the General Assembly.

Kalundborg, 31 July 2023

Management

Richard Lloyd Troyer
Manager

Comet Bio Denmark ApS

Company details

Company	Comet Bio Denmark ApS Asnæsvej 16B 4400 Kalundborg
CVR No.	43297333
Date of formation	9 May 2022
Financial year	9 May 2022 - 31 December 2022
Management	Richard Lloyd Troyer

Management's Review

The Company's principal activities

The Company's principal activities is to operate a business with manufacturing and/or distribution of food ingredients for sustainable products, as well as related business.

Development in activities and the financial situation

The Company's Income Statement of the financial year 9 May 2022 - 31 December 2022 shows a result of DKK -4,032,984 and the Balance Sheet at 31 December 2022 shows total assets of DKK 3,388,072 and an equity of DKK -3,992,984.

The Company has lost all of the share capital. The management expects the share capital to be restored through the Company's operations. The Company has received a letter of support from the parent company.

The Company considers the result for the year to be in line with expectations.

Events after the end of the financial year

No events have occurred after the end of the financial year that may have a significant impact on the financial position of the Company.

Accounting Policies

The annual report of Comet Bio Denmark ApS for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

As the financial year 2022 is the Company's first financial year, the Financial Statements with associated notes have been prepared without comparative figures from the previous year.

The annual report has been prepared in DKK.

General information

Income is recognised in the income statement as and when it is earned, including recognition of value adjustments of financial assets and liabilities. Any costs, including depreciation, amortisation and impairment, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is likely that future economic benefits will accrue to the Company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is likely that future economic benefits will not accrue to the Company and the value of the liability can be measured reliably.

The initial recognition measures assets and liabilities at cost. Subsequently, assets and liabilities are measured as described in the following for each item.

Certain financial assets and liabilities are measured at amortised cost, recognising a constant yield to maturity. Amortised cost is stated at initial cost less any deductions and with addition/deduction of the accumulated amortisation on the difference between cost and nominal amount.

The recognition and measurement takes into account predictable losses and risks arising before the year-end reporting and which prove or disprove matters that existed at the balance sheet date.

The carrying amount of tangible fixed assets should be estimated annually to determine if there is any indication of impairment in excess of the amount reflected by normal amortisation or depreciation. If this is the case, write-down should be made to the lower recoverable amount.

Income statement

Gross profit

The gross profit, in accordance with the Danish Financial Statement Act section 32 comprises direct expenses, research and development cost and external expenses.

External expenses

External expenses comprise expenses incurred during the year for cost of sale, marketing, rental, management and administration. Also in these items are write-downs for bad debt losses.

Employee expenses

Employee expenses include salaries and wages including pensions and other costs for social security and employee cost for staff members.

Financial income and financial expenses

Financial income and financial expenses include interest, financial expenses in connection with realised and unrealised exchange rate gains and losses of transactions in foreign currencies and on account transactions, etc. Financial income and expenses are recognised in the income statement with the amounts concerning the financial year.

Accounting Policies

Balance sheet

Fixed assets under construction

The cost consists of the purchase price, expenses directly related to the purchase and expenses in relation to preparing the asset until the time when it is taken into service.

Inventories

The cost of goods for resale, raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

Receivables

Receivables are measured at amortised cost. The value will be reduced by the provision for bad debts.

Prepayments and deposits

Prepayments and deposits are measured at cost.

Current tax and deferred tax

Current tax liabilities and tax receivables are recognised in the balance sheet as calculated tax of taxable income for the financial year adjusted for the tax paid in previous years and paid tax on account.

Deferred tax is measured on all temporary differences arising between the tax values of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination against tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date would be applicable when the deferred tax is expected to crystallise as current tax. A change in the deferred tax, which is a result of changes to tax rates, is recognised in the income statement with the exception of items that are taken directly to equity.

Other liabilities

Other liabilities, including bank debt are measured at amortised cost corresponding substantially to nominal value.

Translation of foreign currencies

Transactions in foreign currencies are translated at exchange rates approximating those in effect at the date of each transaction. Exchange rate differences arising between the transaction date rates and the rates at the date of payment are recognised under financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign exchange not settled at the balance sheet date are translated at the average of the buy and sell exchange rates available at the close of business on the balance sheet date. Differences between the exchange rates at the balance sheet date and the transaction date rates are recognised under financial income and expenses in the income statement.

Income Statement

	Note	2022 DKK
Gross profit		-5,043,974
Employee expenses	1	<u>-361,856</u>
Result from ordinary operating activities		-5,405,830
Finance income		<u>1,372,846</u>
Result from ordinary activities before tax		-4,032,984
Tax expense on ordinary activities		<u>0</u>
Result		<u>-4,032,984</u>
 Proposed distribution of results		
Retained earnings		<u>-4,032,984</u>
Distribution of result		<u>-4,032,984</u>

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Balance Sheet as of 31 December

	Note	2022 DKK
Assets		
Fixed assets under construction		918,010
Property, Plant and Equipment		<u>918,010</u>
Fixed assets		<u>918,010</u>
Raw materials and consumables		419,351
Inventories		<u>419,351</u>
Other receivables		1,181,160
Prepayments and deposits		869,551
Receivables		<u>2,050,711</u>
Current assets		<u>2,470,062</u>
Assets		<u>3,388,072</u>

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Balance Sheet as of 31 December

	Note	2022 DKK
Liabilities and equity		
Contributed capital		40,000
Retained earnings		-4,032,984
Equity		-3,992,984
Debt to banks		4,906,691
Trade payables		2,325,949
Other payables		148,416
Short-term liabilities other than provisions		7,381,056
Liabilities other than provisions within the business		7,381,056
Liabilities and equity		3,388,072
Uncertainties relating to going concern	2	
Contingent assets	3	
Contingent liabilities	4	

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Statement of changes in Equity

	Contributed capital	Retained earnings	Total
Equity 9 May 2022	40,000	0	40,000
Profit (loss)	0	-4,032,984	-4,032,984
Equity 31 December 2022	40,000	-4,032,984	-3,992,984

Notes

2022

1. Employee expenses

Wages and salaries	223,239
Pension	120,000
Social security contributions	18,617
	<hr/>
	361,856
	<hr/>

Average number of employees	<hr/>
	1
	<hr/>

2. Uncertainties relating to going concern

The Company has lost all of the share capital. The management expects the share capital to be restored through the Company's operations. The Company has received a letter of support from the parent company.

3. Contingent assets

The Company has a deferred tax asset of DKK 887,000, which has not been recognised in the balance sheet. The tax asset can be attributed to tax losses carried forward which are not expected to be utilised within the next 3-5 years. The tax asset can be carried forward indefinitely.

4. Contingent liabilities

The company has entered into rental agreement regarding plant and office with a termination period of 6 months, totalling approximately DKK 290,000. Further, the company is obliged to re-establish the site when production ends.

Further to the above, the Company has no other contingent liabilities and has not provided any securities.