

**Funky Fields, LLC**

**COMBINED FINANCIAL STATEMENTS**

**DECEMBER 31, 2022 AND 2021**



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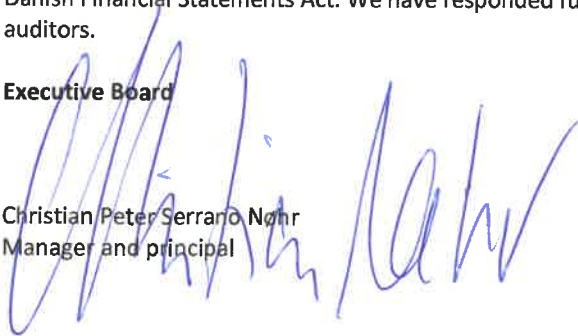
## Management's Statement

### Statement by management

In connection with the accompanying Combined Balance Sheets as of December 31, 2022 and 2021 and the related Combined Statements of income and Comprehensive Income and Combined Statements of Changes in Equity for the Years ended December 31, 2022 and 2021, we have, on areas which are difficult to audit, given written confirmation concerning matters of material significance to the combined financial statements. These combined financial statements present the financial position and results of operations in conformity with the Danish Financial Statements Act. We have responded fully and truthfully to all inquiries made to us by the auditors.

### Executive Board

Christian Peter Serrano Nøhr  
Manager and principal



**Company details**

<b>Company</b>	Funky Fields, LLC 2177 Centerville Road, Suite 400 Wilmington, County of New Castle Delaware, 19808 U.S.A.
<b>Ownership</b>	Funky Fields, LLC is Wholly owned by Nohr Holdings Aps. Of Denmark Christian Nøhr: c/o Funky Fields, MEA ONE JLT, 5 <sup>th</sup> Floor, DMCC Dubai, UAE
<b>Telephone</b>	971 056 691 6023
<b>email</b>	Christian@funkyfields.com
<b>Executive Board</b>	Christian Peter Serrano Nøhr, Manager
<b>Branches</b>	Funky Fields, Denmark Funky Fields, UAE

***Management's review***

**The entity's principal activities**

The entity's principal activities consist of wholesale of dairy products.

**Development in activities and the financial situation**

The entity's Income Statement of the financial year 1 January 2022 - 31 December 2022 shows a result of USD 547,054 and the Balance Sheet at 31 December 2022 a balance sheet total of USD 21,708,609 and an equity of USD 2,564,620.

**Post financial year events**

After the end of the financial year, no events have occurred which may change the financial position of the Company substantially.

## Income Statement

	Note	2022 USD	2021 USD
Revenue		96,682,803	21,593,062
Cost of raw materials and consumables		-88,845,927	-19,209,851
<b>GROSS PROFIT I</b>		<b>7,536,876</b>	<b>2,383,211</b>
Staff cost	1	-280,098	-292,615
<b>GROSS PROFIT II</b>		<b>7,256,777</b>	<b>2,090,596</b>
Selling cost		-92,419	-59,294
Cost of Premises		-20,251	-23,261
Vehicle expenses		-62,576	-66,519
Administrative expenses		-144,576	-235,999
<b>Other external cost</b>		<b>-319,822</b>	<b>-385,073</b>
<b>PROFIT BEFORE DEPRECIATION</b>		<b>6,936,953</b>	<b>1,705,523</b>
Depreciation and Amortization of and impairment losses on intangible assets and property, plant and equipment		-2,304	-4,010
<b>Profit from ordinary operating activities</b>		<b>6,934,649</b>	<b>1,701,513</b>
Financial income		1,593,444	0
Financial expenses		-7,822,284	-686,422
<b>Profit from ordinary activities before tax</b>		<b>705,717</b>	<b>1,015,091</b>
Current tax expense	2	-158,663	-196,110
<b>Profit</b>		<b>547,054</b>	<b>818,981</b>
<b>Proposed distribution of results</b>			
Retained earnings		547,054	818,981
<b>Distribution of profit</b>		<b>547,054</b>	<b>818,981</b>

**Balance Sheet as of 31 December**

	Note	2022 USD	2021 USD
<b>Assets</b>			
Fixtures, fittings, tools and equipment	3	0	2,457
<b>Property, plant and equipment</b>		<u>0</u>	<u>2,457</u>
<b>Fixed assets</b>		<u>0</u>	<u>2,457</u>
Manufactured goods and goods for resale		12,508,019	12,315,558
<b>Inventories</b>		<u>12,508,019</u>	<u>12,315,558</u>
Short-term trade receivables		6,572,442	1,927,085
Short-term receivables from group enterprises		1,973,559	637,706
Current deferred tax		8,628	114,326
Other short-term receivables		44,260	0
<b>Receivables</b>		<u>8,598,889</u>	<u>2,679,117</u>
<b>Cash and cash equivalents</b>		<u>601,702</u>	<u>535,287</u>
<b>Current assets</b>		<u>21,708,609</u>	<u>15,529,962</u>
<b>Assets</b>		<u>21,708,609</u>	<u>15,532,419</u>

**Balance Sheet as of 31 December**

	Note	2022 USD	2021 USD
<b>Liabilities and equity</b>			
Contributed capital		50,000	50,000
Retained earnings		2,514,920	1,968,889
<b>Equity</b>		<u><b>2,564,920</b></u>	<u><b>2,018,889</b></u>
Debt to banks		2,258,215	0
Prepayments received from customers		108,445	0
Trade payables		15,598,811	13,388,827
Other payables		5,499	124,703
Deferred income, liabilities		1,172,519	0
<b>Short-term liabilities other than provisions</b>		<u><b>19,143,689</b></u>	<u><b>13,513,530</b></u>
<b>Liabilities other than provisions within the business</b>		<u><b>19,143,689</b></u>	<u><b>13,513,530</b></u>
<b>Liabilities and equity</b>		<u><b>21,708,609</b></u>	<u><b>15,532,419</b></u>
Contingent liabilities	4		
Collaterals and assets pledges as security	5		

**Statement of changes in Equity**

	<b>Contributed capital</b>	<b>Retained earnings</b>	<b>Total</b>
Equity 1 January 2022	50,000	1,968,889	2,018,889
Change of investments through net exchange differences	0	-1,024	-1,024
Profit (loss)	0	547.055	547.055
<b>Equity 31 December 2022</b>	<b>50,000</b>	<b>2,514.920</b>	<b>2,564.920</b>

## Accounting Policies

### Reporting Class

The annual report of FUNKY FIELDS, FILIAL AF FUNKY FIELDS LLC, USA for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class A.

The Company has also decided to follow the class B and C rules on management's review .

The accounting policies applied remain unchanged from last year.

### Reporting currency

The annual report is presented in US Dollars.

## General information

### Basis of recognition and measurement

Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the Income Statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the Income Statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset 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 probable that future economic benefits attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortized cost, which involves the recognition of a constant effective interest rate over the term. Amortized cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortization of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

## Income statement

### Revenue

Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised excluding VAT and all discounts granted are recognised in revenue.

### Other external expenses

Other external expenses include expenses for distribution, sales, advertising, administration, premises, bad debts, operating leasing expenses etc.

## Accounting Policies

### Staff costs

Staff costs include wages and salaries including compensated absence and pension to the Companies employees, as well as other social security contributions etc. The item is deducted from refunds from public authorities.

### Amortisation and impairment of tangible and intangible assets

Amortization and impairment of intangible assets, property, plant and equipment has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortized on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-5 years	0%

Profit or loss resulting from the sale of intangible assets or property, plant and equipment is determined as the difference between the selling price less selling costs and the carrying amount at the date of sale, and is recognised in the income statement under other operating income or expenses.

### Financial income and expenses

Interest income and interest expenses, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in other net financials.

### Tax on net profit for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

## Balance sheet

### Property, plant and equipment

Property, plant and equipment are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual component differ.

Inventories are measured at cost on the basis of the FIFO principle. Where the net realizable value is lower than cost, the inventories are written down to this lower value.

The net realizable value of inventories is calculated as the selling price less costs of completion and costs incurred to make the sale. The value is determined taking into account the negotiability of inventories, obsolescence and expected development in sales price.

## **Accounting Policies**

### **Receivables**

Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

### **Accrued income, assets**

Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

### **Deferred tax**

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is nonamortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

### **Current tax liabilities**

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

### **Liabilities**

Long-term payables are measured at cost at the time of contracting such liabilities (raising of the loan). The payables are subsequently measured at amortised cost where capital losses and loan expenses are recognised in the income statement as a financial expense over the term of the payable on the basis of the calculated effective interest rate in force at the time of contracting the liability.

Short-term payables are measured at amortised cost, normally corresponding to the nominal value of such payables.

### **Other payables**

Other payables are measured at amortized cost, which usually corresponds to the nominal value.

### **Contingent assets and liabilities**

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

**Notes**

	<b>2022</b>	<b>2021</b>
<b>1. Employee benefits expense</b>		
Wages and salaries	252,306	251,662
Post-employment benefit expense	20,552	31,240
Social security contributions	1,777	1,870
Other employee expense	5,463	7,843
	<u><b>280,098</b></u>	<u><b>292,615</b></u>
Average number of employees	<u>3</u>	<u>3</u>
<b>2. Tax expense</b>		
Change in deferred tax	158.663	196,110
	<u><b>158.663</b></u>	<u><b>196,110</b></u>
<b>3. Fixtures, fittings, tools and equipment</b>		
Cost at the beginning of the year	34,749	34,749
<b>Cost at the end of the year</b>	<u><b>34,749</b></u>	<u><b>34,749</b></u>
Depreciation and amortisation at the beginning of the year	-32,292	-30,537
Amortisation for the year	-2.457	-1,755
<b>Impairment losses and amortisation at the end of the year</b>	<u><b>-34,749</b></u>	<u><b>-32,292</b></u>
<b>Carrying amount at the end of the year</b>	<u><b>0</b></u>	<u><b>2,457</b></u>

**4. Contingent liabilities**

The enterprise has concluded lease agreements with terms to maturity of 2 months and average lease payments of t.DKK 3, a total of t.DKK 6. The enterprise has further concluded a lease agreements of office space and storage room with terms to maturity of 12 mounts and avarage lease payments of t.DKK 6, a total of t.DKK 80.

**5. Collaterals and securities**

No securities or mortgages exist at the balance sheet date.