

Kraft Foods Danmark Intellectual Property ApS

Ringager 2A, 2., 2605 Brøndby

CVR no. 15 10 97 34

Annual report 2022

Approved at the Company's annual general meeting on 17 May 2023

Chair of the meeting:

.....
Henrik Lindegaard Hansen

Contents

Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
Management's review	5
Financial statements 1 January - 31 December	7
Income statement	7
Balance sheet	8
Statement of changes in equity	10
Notes to the financial statements	11

Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Kraft Foods Danmark Intellectual Property ApS for the financial year 1 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 financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Brøndby, 17 May 2023
Executive Board:

.....
Trine Birgitte Jørgensen
Managing Director

Board of Directors:

.....
Henrik Lindegaard Hansen
Chairman

.....
Trine Birgitte Jørgensen

.....
Peter Max Andersen

Independent auditor's report

To the shareholder of Kraft Foods Danmark Intellectual Property ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2022, and of the results of the Company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Kraft Foods Danmark Intellectual Property ApS for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes ("financial statements").

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 International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

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 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.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

Independent auditor's report

- 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.

Hellerup, 17 May 2023
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no. 33 77 12 31

Kim Danstrup
State Authorised Public Accountant
mne32201

Philip Kjær
State Authorised Public Accountant
mne47826

Management's review

Company details

Name	Kraft Foods Danmark Intellectual Property ApS
Address, Postal code, City	Ringager 2A, 2., 2605 Brøndby
CVR no.	15 10 97 34
Established	15 March 1991
Registered office	Brøndby
Financial year	1 January - 31 December
Board of Directors	Henrik Lindegaard Hansen, Chairman Trine Birgitte Jørgensen Peter Max Andersen
Executive Board	Trine Birgitte Jørgensen, Managing Director
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44, 2900 Hellerup

Management's review

Business review

Kraft Foods Danmark Intellectual Property ApS owns the chewing gum brands STIMOROL®, DIROL® and V6®. The company pays the cost of development and maintenance of the trademarks and receives royalty income from affiliated companies for the global sales of the brands.

Recognition and measurement uncertainties

There has been no uncertainty relating to recognition and measurement in the Annual Report.

Unusual matters having affected the financial statements

As from October 1st 2022 the brands Stimorol & V6 for Europe have been sold to Mondelez Europe GmbH for a proceed of DKK 46,7m.

Financial review

The income statement for 2022 shows a profit of DKK 61,497 thousand against a profit of DKK 25,100 thousand last year, and the balance sheet at 31 December 2022 shows equity of DKK 111,498 thousand.

The gradual lifting of restrictions from COVID-19 has had a positive impact on global sales of gum during 2022.

Trademark development & maintenance activities have increased in the year compared to previous year.

The proceeds from sales of 2 of our brands have contributed significantly to the result.

The result for the year is considered satisfactory and above expectations.

Financial risks and use of financial instruments

The Company has no special risks.

Events after the balance sheet date

The continuation of war in Ukraine and subsequent restrictions on trade with some markets continue to be an uncertainty for the company as royalties for sales in those markets are significant.

Management is monitoring developments closely. It is, however, too early yet to give an opinion as to what extent the continued war in Ukraine will impact revenue and earnings in 2023.

Outlook

Following the sale of 2 of our brands the royalty on European sales of Stimorol & V6 will disappear and now it is mainly the brand DIROL® that contributes to the company income.

Last year we announced of our intention to divest the gum business. For this company there will be no additional impact following the sale of Stimorol & V6 in 2022.

The activities for the next year are expected to decrease following the sale of Stimorol & V6. The company therefore expect less revenue but also less costs from development of the trademarks. Expected profit after tax for the coming year is DKK 8-10 millions.

Financial statements 1 January - 31 December

Income statement

Note	DKK'000	2022	2021
	Revenue	48,182	41,016
4	Other operating income	46,702	0
	Other external expenses	-16,327	-8,779
	Gross profit	78,557	32,237
5	Financial income	519	257
6	Financial expenses	-234	-315
	Profit before tax	78,842	32,179
7	Tax for the year	-17,345	-7,079
	Profit for the year	61,497	25,100
Recommended appropriation of profit			
	Proposed dividend recognised under equity	61,497	25,100
		61,497	25,100

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2022	2021
	ASSETS		
	Fixed assets		
8	Intangible assets		
	Trademarks	0	0
		0	0
	Total fixed assets	0	0
	Non-fixed assets		
	Receivables		
9	Receivables from group enterprises	138,411	88,183
	Deferred tax assets	16	22
		138,427	88,205
	Total non-fixed assets	138,427	88,205
	TOTAL ASSETS	138,427	88,205

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2022	2021
	EQUITY AND LIABILITIES		
	Equity		
10	Share capital	50,001	50,001
	Dividend proposed	61,497	25,100
	Total equity	111,498	75,101
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Trade payables	50	46
	Payables to group enterprises	9,539	5,986
	Joint taxation contribution payable	17,340	7,072
		26,929	13,104
	Total liabilities other than provisions	26,929	13,104
	TOTAL EQUITY AND LIABILITIES	138,427	88,205

- 1 Accounting policies
- 2 Events after the balance sheet date
- 3 Staff costs
- 11 Contractual obligations and contingencies, etc.
- 12 Collateral
- 13 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

DKK'000	Share capital	Dividend proposed	Total
Equity at 1 January 2021	50,001	24,651	74,652
Transfer through appropriation of profit	0	25,100	25,100
Dividend distributed	0	-24,651	-24,651
Equity at 1 January 2022	50,001	25,100	75,101
Transfer through appropriation of profit	0	61,497	61,497
Dividend distributed	0	-25,100	-25,100
Equity at 31 December 2022	50,001	61,497	111,498

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Kraft Foods Danmark Intellectual Property ApS for 2022 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Basis of recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. 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 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 out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

The Company has chosen IAS 18 as interpretation for revenue recognition.

Licence and royalty income is recognised over the term of the agreement in accordance with the contents of the agreement.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties.

Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities, including gains on the sale of fixed assets.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Other external expenses

Other external expenses comprise expenses for maintenance and development cost regarding trademarks etc.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as exchange rate gains and losses.

Tax

Tax for the year includes current tax on the year's expected taxable income, the year's deferred tax adjustments and tax adjustments for prior years. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Balance sheet

Intangible assets

Trademarks are measured at the lower of cost less accumulated amortisation and recoverable amount.

Gains and losses on the sale of intangible assets are recognised in the income statement under "Other operating income" or "Other operating expenses", respectively. Gains and losses are calculated as the difference between the selling price less selling expenses and the carrying amount at the time of sale.

Impairment of fixed assets

The carrying amount of intangible assets is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Given the nature of the Group's cash pool arrangement, cash pool balances are not considered cash, but are recognised under "Receivables from group enterprises".

Equity

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Income taxes and deferred taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

Other liabilities are measured at net realisable value.

Financial statements 1 January - 31 December

Notes to the financial statements

2 Events after the balance sheet date

The continuation of war in Ukraine and subsequent restrictions on trade with some markets continue to uncertainty for the company as royalties for sales in those markets are significant.

Management is monitoring developments closely. It is, however, too early yet to give an opinion as to what extent the continued war in Ukraine will impact revenue and earnings in 2023.

3 Staff costs

The Company has no employees.

4 Other operating income

Other operating income consists of the proceed from the sale of V6 and Stimorol, DKK 46,7 million.

DKK'000	2022	2021
5 Financial income		
Interest receivable, group entities	251	2
Exchange gain	268	255
	<u>519</u>	<u>257</u>
6 Financial expenses		
Exchange losses	232	313
Other financial expenses	2	2
	<u>234</u>	<u>315</u>
7 Tax for the year		
Estimated tax charge for the year	17,340	7,072
Deferred tax adjustments in the year	5	7
	<u>17,345</u>	<u>7,079</u>

8 Intangible assets

DKK'000	Trademarks
Cost at 1 January 2022	156,339
Disposals	-67,018
Cost at 31 December 2022	<u>89,321</u>
Impairment losses and amortisation at 1 January 2022	156,339
Reversal of accumulated amortisation and impairment of assets disposed	-67,018
Impairment losses and amortisation at 31 December 2022	<u>89,321</u>
Carrying amount at 31 December 2022	<u>0</u>

Intangible assets consist mainly 1 trademark, Dirol.

Financial statements 1 January - 31 December

Notes to the financial statements

9 Receivables from group enterprises

Liquidity risk management also ensures that the company is permanently in a position to meet its payment obligations. An implemented ERP software serves as a cash flow-related reporting tool and enables improved control over the cash flows within the group. A cash pooling agreement exists with Mondelez International Finance AG/Zurich, Switzerland, in order to ensure an optimal liquidity supply.

10 Share capital

The Company's share capital has remained DKK'000 50,001 over the past 5 years.

11 Contractual obligations and contingencies, etc.

Other contingent liabilities

The Company is jointly taxed with all other Danish companies in the Mondelez International. As a consolidated entity, the company has unlimited and joint liability together with the other companies under joint taxation for Danish corporation tax, withholding tax on dividends, interest and royalties and other indirect taxes within the jointly taxed companies.

12 Collateral

The Company has not provided any security or other collateral in assets at 31 December 2022.

13 Related parties

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Kraft Foods Schweiz Holding GmbH	Chollerstrasse 4, CH 6300 Zug, Schweiz	www.mondelezinternational.com/investors

PENNEO

The signatures in this document are legally binding. The document is signed using Penneo™ secure digital signature. The identity of the signers has been recorded, and are listed below.

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

Henrik Lindegaard Hansen

Bestyrelsesformand

On behalf of: Kraft Foods Danmark Intellectual Proper...

Serial number: 192087cc-6e61-4c46-9cd5-3637e527138a

IP: 193.240.xxx.xxx

2023-05-17 07:07:41 UTC



Peter Max Andersen

Bestyrelsesmedlem

Serial number: 096fe77a-8892-43ec-acdd-12cab08d03d8

IP: 89.166.xxx.xxx

2023-05-17 07:07:44 UTC



Trine Birgitte Jørgensen

Managing Director

On behalf of: Kraft Foods Danmark Intellectual Proper...

Serial number: a5bf37e8-4afd-46af-98d3-ef5be99f17b1

IP: 193.240.xxx.xxx

2023-05-17 07:07:49 UTC



Trine Birgitte Jørgensen

Bestyrelsesmedlem

On behalf of: Kraft Foods Danmark Intellectual Proper...

Serial number: a5bf37e8-4afd-46af-98d3-ef5be99f17b1

IP: 193.240.xxx.xxx

2023-05-17 07:07:49 UTC



Kim Danstrup

Statsautoriseret revisor

On behalf of: PricewaterhouseCoopers Statsautoriseret...

Serial number: CVR:33771231-RID:41140534

IP: 18.153.xxx.xxx

2023-05-17 07:09:13 UTC



Philip Kjær

Statsautoriseret revisor

On behalf of: PricewaterhouseCoopers Statsautoriseret...

Serial number: 4ee29d3c-7bd5-41cb-90ba-c6ea90e319b7

IP: 83.136.xxx.xxx

2023-05-17 07:09:21 UTC



Penneo document key: O13B1-Z3FNQ-Y6H6K-AFO2Q-LM4BL-MJ31D

This document is digitally signed using Penneo.com. The digital signature data within the document is secured and validated by the computed hash value of the original document. The document is locked and timestamped with a certificate from a trusted third party. All cryptographic evidence is embedded within this PDF, for future validation if necessary.

How to verify the originality of this document

This document is protected by an Adobe CDS certificate. When you open the

document in Adobe Reader, you should see, that the document is certified by **Penneo e-signature service** <penneo@penneo.com>. This guarantees that the contents of the document have not been changed.

You can verify the cryptographic evidence within this document using the Penneo validator, which can be found at <https://penneo.com/validator>

PENNEO

The signatures in this document are legally binding. The document is signed using Penneo™ secure digital signature. The identity of the signers has been recorded, and are listed below.

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

Henrik Lindegaard Hansen

Dirigent

On behalf of: Kraft Foods Danmark Intellectual Proper...

Serial number: 192087cc-6e61-4c46-9cd5-3637e527138a

IP: 195.143.xxx.xxx

2023-05-17 07:41:38 UTC



Penneo document key: 013B1-Z3FNQ-Y6H6K-AFO2Q-LM4BI-MJ31D

This document is digitally signed using Penneo.com. The digital signature data within the document is secured and validated by the computed hash value of the original document. The document is locked and timestamped with a certificate from a trusted third party. All cryptographic evidence is embedded within this PDF, for future validation if necessary.

How to verify the originality of this document

This document is protected by an Adobe CDS certificate. When you open the

document in Adobe Reader, you should see, that the document is certified by **Penneo e-signature service** <penneo@penneo.com>. This guarantees that the contents of the document have not been changed.

You can verify the cryptographic evidence within this document using the Penneo validator, which can be found at **<https://penneo.com/validator>**