

Fonden The Savory Foundation

Annual report for the period
1 January to 31 December 2024

Store Kongensgade 40H 2
1264 Købehavn
CVR no. 43 59 72 05

Adopted at the annual general meeting on 1
August 2025

Daniela Ibarra-Howell
chairman

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Statement by management on the annual report

The supervisory board has today discussed and approved the annual report of Fonden The Savory Foundation for the financial year 1 January - 31 December 2024.

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 2024 and of the results of the company's operations for the financial year 1 January - 31 December 2024.

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.

Copenhagen, 1 August 2025

Supervisory board

Daniela Ibarra-Howell
chairman

Erik Bruun Bindslev

James E. Snyder

Independent auditor's report

To the shareholder of Fonden The Savory Foundation

Opinion

We have audited the financial statements of Fonden The Savory Foundation for the financial year 1 January - 31 December 2024, 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 foundation's financial position at 31.12.24 and of the results of the foundation's operations for the financial year 01.01.24 - 31.12.24 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. 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 foundation'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 foundation'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 foundation 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.

Århus, 1 August 2025

Ri Statsautoriseret Revisionspartnerselskab
CVR no. 44 52 80 45

Kristian Steenholm Koch
statsautoriseret revisor
MNE no. mne28702

Company details

The company

Fonden The Savory Foundation
Store Kongensgade 40H 2
1264 Købehavn

CVR no.: 43 59 72 05

Reporting period: 1 January - 31 December 2024

Domicile: Copenhagen

Supervisory board

Daniela Ibarra-Howell, chairman
Erik Bruun Bindslev
James E. Snyder

Auditors

Ri Statsautoriseret Revisionspartnerselskab
Haslegårdsvej 8-12
8210 Aarhus V

Management's review

Business review

To support initiatives that address the global climate crisis, restore and regenerate soil, promote biodiversity, and create living soil and clean water. The foundation advances this purpose by attracting capital and deploying it into projects aligned with these objectives worldwide.

Financial review

The company's income statement for the year ended 31 December 2024 shows a loss of DKK 2.325.659, and the balance sheet at 31 December 2024 shows negative equity of DKK 4.642.830.

The Foundation has lost more than 50% of the capital. The management expects the share capital to be restored through the Foundation's future operations.

Management's review

Corporate governance report, foundations

As stated in its Articles of Association, The Foundation is a commercial foundation organized to support initiatives that address the Earth's climate crisis, regenerate and heal the land, promote biodiversity, and create living soil and healthy waters. The Foundation advances this purpose through the attraction of capital and deployment to mission-aligned projects throughout the world.

The Foundation has adopted formal Rules of Procedure, Anti-Money Laundering Policies, and Anti-Bribery policies which are attached.

1. Transparency and Communication.

Article 5.1 (7) of the Foundation's Rules of procedure requires that principles for external communication are adopted that address the need for transparency and stakeholders' needs and possibilities to obtain relevant up-to-date information about the circumstances of the Foundation.

In addition, Article 5 (11) of the Foundation's Rules of Procedure requires the preparation of an annual report on Foundation governance, in which the Board addresses each recommendation in the Recommendations for Foundation Governance and the publication on the foundation's website (cf. Sec. 60 of the Danish Commercial Foundations Act and Section 77a of the Financial Statements Act). The Foundations website is currently under construction.

2. Tasks and Responsibilities of the Board of Directors.

2.1. Article 5 of the Foundation's Rules of Procedure require that:

The Board must, in addition to taking all necessary measures to implement the objectives of the Foundation, conducting the daily management of the Foundation, being responsible for drawing up the budget of the Foundation and guaranteeing proper organization of the Foundation's business, ensure that:

The Foundation is managed in a satisfactory manner and in accordance with the Foundation's articles of association, these rules of procedure, the Danish Commercial Foundations Act and other relevant rules and legislation.

1. The bookkeeping and financial reporting procedures are satisfactory having regard to the circumstances of the Foundation.

Management's review

2. The Board receives ongoing information as necessary about the Foundation's financial position.

3. In case of the appointment of an executive management board or director, the executive management board or director performs its duties properly and as directed by the Board of Directors.

4. The financial resources of the Foundation are adequate at all times and that the Foundation has sufficient liquidity to meet its current and future liabilities as they fall due, and the Board is therefore required to continuously assess the financial position and ensure that the existing capital resources are adequate.

5. Considering endowments to receive support from the Foundation for the annual reporting to the Danish Business Authority.

6. Principles for external communication are adopted, that address the need for transparency and stakeholders' needs and possibilities to obtain relevant up-to-date information about the circumstances of the Foundation.

7. At least once a year position is taken on the overall strategy and distribution policy of the Foundation on the basis of the articles of association in order to secure the activities of the Foundation are in accordance with the objectives of the Foundation. The Board regularly addresses whether the Foundation's asset management is in line with the objectives of the foundation and its long- and short-term needs.

8. The financial statements provide information about the full remuneration received by each member of the Board and any potential executive board from the Foundation and from the Foundation's subsidiaries and associated companies if any.

9. Regularly, and at least every second year, the competences that the Board needs to possess in order to best perform the tasks incumbent upon the Board are assessed and stipulated.

10. The preparation of an annual report on Foundation governance, in which the Board addresses each recommendation in the Recommendations for Foundation Governance and the publication on the foundation's website (cf. Sec. 60 of the Danish Commercial Foundations Act and Section 77a of the Financial Statements Act).

2.1.1. Article 5.1.8 of the Foundation's Rules of Procedure requires that at least once a year position is taken on the overall strategy and distribution policy of the Foundation on the basis of the articles of association in order to secure the activities of the Foundation are in accordance with the objectives of the Foundation. The Board regularly addresses whether the Foundation's

Management's review

asset management is in line with the objectives of the foundation and its long- and short-term needs. 2.1.2. Article 5.1.5 of the Rules of Procedure require that the Board ensures that financial resources of the Foundation are adequate at all times and that the Foundation has sufficient liquidity to meet its current and future liabilities as they fall due, and the Board is therefore required to continuously assess the financial position and ensure that the existing capital resources are adequate.

2.2. The Chairperson of the Board is Daniela Ibarra-Howell. The Board has no vice-chairman.

2.2.1. Articles 3 and 4 of the Rules of Procedure outline how the Chairperson will organize, convene and chair meetings of the Board of Directors to ensure effective Board work and establish the best conditions for the work of Board members Individually and Collectively.

2.2.2. Article 2.5 of the Rules of Procedure requires that the Board should prepare a job description of the duties, tasks and responsibilities of the Chairperson and, where appropriate, of the Vice-Chairperson. In the exceptional event that the Chairperson is required to perform special activities that extend beyond the duties of Chairperson, the board will pass an appropriate resolution to ensure that the Board maintains its independent function.

2.3. The Board is currently composed of three members, Daniela Ibarra-Howell, James E. Snyder, and Erik Bruun Bindslev.

2.3.1. Article 5.1.10 of the Rules of Procedure requires the Board to regularly, and at least every second year, assess the competences that the Board needs to possess in order to best perform the tasks incumbent upon the Board are assessed and stipulated.

2.3.2. Article 2.4 of the Rules of Procedure provide the following:

The Board approves a structured, thorough and transparent process for selection and nomination of candidates for the Board. Members of the Board are appointed on the basis of their personal qualities and competences, taking into account the collective competences of the Board. Members of the Board must have full legal capacity and cannot be under guardianship under section 5 of the Danish Guardianship Act or be in the care of a surrogate decision-maker designated under section 7 of the Danish Guardianship Act.

Management's review

2.2.3. Attributes of new Board Members, taking into consideration their personal attributes and competencies, as well as the needs for continuity and diversity will be considered at the time when the Foundation is ready to bring on additional Board Members.

2.3.4. Erik Bruun Bindslev is a Danish National. Mr. Bindslev has served as Director of Value Creation and Partnerships for Vækstfonden, the Danish Sovereign Investment Fund. He is considered a leader in the environmental movement in Europe, and since 2002 has been part of creating some of the most visionary businesses driving impact and change in the global food industry.

Daniela Ibarra-Howell is Chairperson of the Board of the Savory Foundation. Ms. Ibarra-Howell is a U.S national who is co-founder and Chief Executive Officer of the Savory Institute in the United States. She is a global leader for designing and deploying systems solutions at the intersection of agriculture and climate change. Ms. Ibarra-Howell serves as an advisor to the 4 per 1000 Initiative, Ashoka Bioregional Weaving Labs, Global Evergreening Alliance, the UN Global Sustainable Livestock Coalition, Common Earth Initiative, Slow Money, Regenerate Costa Rica, Business of Fashion, and LVMH. In 2018, she received the “Top Conscious Business Leaders Award” from Conscious Company in the Global Impact Thinker category. Profile.

James Snyder is a U.S national who serves as the Chief Financial Officer of the Savory Institute. Mr. Snyder’s focus is on entity operations, finance & accounting, with exceptional focus on team building, mentoring and development of people and organization culture. He has over 20 years of experience in management, serving at both CEO and CFO level.

2.3.5. No Board member currently owns shares, options, warrants or ownership interests of any kind in the Foundation’s subsidiaries or associated companies. At the current time the foundation owns 50% of Uruguay Grasslands Restoration Project LLC. No member has been appointed by authorities or providers of grant funding. All board members are considered independent.

2.4.1. No board members are members of the board or hold executive positions in any subsidiary companies.

The Foundation is being established as an independent entity not subject to supervision or financial control by its founder, the Savory Institute.Org, Inc. which is a U.S. 501(c)(3) non-profit entity organized under the laws of the state of Colorado U.S.A. It will be controlled and managed by its board of directors as a self-owned entity.

Management's review

Clause 8.1 of the Foundations Rules of Procedure state:

The Board must remain independent of the founder of the Foundation as per the Danish Commercial Foundations Act and ensure that no agreements are entered into between the founder and the Foundation to the extent that such agreements could be violating the requirements set out in the Danish Commercial Foundations Act regarding the Foundation's independence and irrevocably separation of the assets from the founder of the Foundation.

Both Daniela Ibarra-Howell and James Snyder hold board and management positions at the Savory Institute. Erik Brunn Bindslev is a fully independent board member, holding no positions at any affiliated or subsidiary entity at the present time.

No board member has received compensation other than that of a board member; have any business association with the auditor; has been a member of the board for more than 12 years; have no relatives associated with the Foundation; has been a significant donor to the Foundation; or is a manager of any other entity receiving significant funding from the Foundation.

2.5.1./2.5.2. Currently the Foundation has no term limits or age limits for board members. The reason is that the Foundation is in start-up mode and has yet to fully constitute the Board.

2.6.1. Clause 5.1.4 of the Rules of Procedure provide that the Board must ensure that: "In case of the appointment of an executive management board or director, the executive management board or director performs its duties properly and as directed by the Board of Directors."

2.6.2. The Foundation currently has no Administrator or Executive Board. Foundation's Rules of Procedure provide in clause 6.2 that "The Managing Director and/or the Management Board must follow the guidelines and instructions laid down by the Board of Directors."

3. Remuneration of Management.

3.1.1. Board members will receive remuneration for serving on the Board at the present time. This remuneration will be a fixed monthly amount. No bonuses have been provided to Board members.

3.1.2. Information on board remuneration will be reflected in the Foundation's financial statements when the Foundation opens its bank account and commences operations.

Management's review

Statement of the foundation's distribution policy

No distributions from the Foundation were made in FY 2024, and it is unlikely that distributions will be considered in FY 2025 due to the building up and consolidation of the newly-founded Foundation. The distribution policy for FY 2024 and FY 2025 will be a zero-distribution policy.

However, once the Foundation makes adequate profits and there are sufficient future free reserves which may allow for distributions after due consideration to the Foundation's financial situation, the Board will reconsider and inform about the Distribution Policy. The Board will make the Distribution Policy available at the Foundation's website (under construction) at a later stage.

Grant Policy of the Savory Foundation Denmark. Adopted April 26, 2024

1. Preface

This grant policy is being adopted by the Board of Directors Savory Foundation Denmark (' the Foundation') prior to the issuance of any grants and disbursements from the Foundation, to set forth basic principles that will guide the Foundation in the future issuance of grants. No specific grant or disbursement is under consideration by the Foundation at the time of adoption of this policy. This Policy may and will be further modified by the Foundation when and if it comes into possession of the resources necessary to make grants.

Management's review

2. Grant Policies

- a. All grants made by the Foundation will fully comply with the requirements of the Danish Commercial Foundations Act and the Guidance on Distribution Policies issued by erhvervsstyrelsen.dk.
- b. Grants will not be issued by the Foundation until its Board of Directors determines that the Foundation has sufficient free reserves and/or profit from a financial year, taking into consideration the present and future financial and operational needs of the Foundation, due protection of its capital account, and any required disbursement to creditors. All grants will be recorded in the minutes of a meeting of the Foundation's Board of Directors, and include a description of the circumstances which support the determination that sufficient means are available to make such disbursements
- c. Grants will only be made to such organizations or entities that serve the purpose of the Foundation as stated in its Articles of Association.
- d. The Foundation has established general categories for grantmaking as follows:
The support of independent Savory Hubs and professionals around the world that that are engaged in the regeneration of grasslands.
 - The support of specific projects around the world that are engaged in the large-scale regeneration of grasslands.
 - Scientific research consistent with the Foundations purpose.
 - Social welfare projects in areas in which the Foundation conducts operations.

Educational activities that educate farmers and ranchers in the process of Holistic Management, Holistic Planned Grazing, and regenerative agriculture.

- Grants to persons and entities that are creating positive impact on the environment consistent with the Foundation's purpose.

The Foundation will establish internal guidelines for grant making and specific targets for grants at such time when funds for grants become available.

Management's review

e. A list of grant recipients describing the actual recipients and amounts shall be made each financial year when grants are distributed. The Board shall send the list of recipients of grants for a given financial year to the Danish Business Authority no later than at the same time as the annual report is filed with such Authority.

f. No grants will be made to the Foundations founder, or to control persons of the Foundation including its Board of Directors.

Accounting policies

The annual report of Fonden The Savory Foundation for 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied are consistent with those of last year.

The annual report for 2024 is presented in DKK

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.

Accounting policies

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.

Revenue

Income from services, comprising service contracts and extended warranties relating to products and contracts sold is recognised on a straight-line basis as the services are provided.

Other external costs

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

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.

Accounting policies

Balance sheet

Investments in subsidiaries

Investment in subsidiaries are measured at cost. If cost exceeds the recoverable amount, a write-down is made to this lower value.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Equity

Income tax and deferred tax

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.

Adjustment is made to deferred tax resulting from elimination of unrealised intra-group profits and losses.

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.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are 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'.

Income statement 1 January - 31 December

	Note	2024 DKK	2023 DKK
Gross profit		-2.325.659	-2.563.644
Financial costs		<u>0</u>	<u>-3.527</u>
Profit/loss for the year		<u>-2.325.659</u>	<u>-2.567.171</u>
Retained earnings		<u>-2.325.659</u>	<u>-2.567.171</u>
		<u>-2.325.659</u>	<u>-2.567.171</u>

Balance sheet 31 December

	Note	2024 DKK	2023 DKK
Assets			
Cash at bank and in hand		<u>167.388</u>	<u>378.698</u>
Total current assets		<u>167.388</u>	<u>378.698</u>
Total assets		<u><u>167.388</u></u>	<u><u>378.698</u></u>

Balance sheet 31 December

	Note	2024 DKK	2023 DKK
Equity and liabilities			
Share capital		300.000	300.000
Retained earnings		-4.942.830	-2.617.171
Equity		-4.642.830	-2.317.171
Other payables		4.390.148	2.443.589
Total non-current liabilities		4.390.148	2.443.589
Other payables		420.070	252.280
Total current liabilities		420.070	252.280
Total liabilities		4.810.218	2.695.869
Total equity and liabilities		167.388	378.698

Notes

	2024 DKK	2023 DKK
1 Staff costs		
Number of fulltime employees on average	0	0

2 Uncertainty about the continued operation (going concern)

The Foundation has lost more than 50% of the share capital. The management expects the share capital to be restored through the Foundation's future operations. The Foundation has received a letter of support from The Savory Institute Inc.

3 Long-term liabilities other than provisions, gross

The Savory Institute Inc. has issued a letter of support where they resign for other creditors in the Foundation with any current and future receivables and claims Savory Institute Inc. may have or obtain with the Foundation. The claim at 31 December 2024 amounts to DKK 4,390,148 which will not be claimed from the Foundation until such time when the Foundation has adequate financial resources to do so.

4 Contingent liabilities

The foundation has no contingent liabilities and has not provided any securities.