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BDO Statsautoriseret revisionsaktieselskab
Havneholmen 29
DK-1561 København V
CVR no. 20 22 26 70

BAKSKINCARE APS

LERSØ PARKALLÉ 42 2., 2100 COPENHAGEN

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2023

The Annual Report has been presented and adopted at the Company's Annual General Meeting on 28 June 2024

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Suzan Schlag

CVR NO. 43 31 82 17

CONTENTS

	Page
Company Details	
Company Details	3
Statement and Report	
Management's Statement	4
The Independent Auditor's Report	5-6
Management Commentary	
Management Commentary	7
Financial Statements 1 January - 31 December	
Income Statement	8
Balance Sheet	9-10
Equity	11
Notes	12
Accounting Policies	13-14

BDO Statsautoriseret revisionsaktieselskab, a Danish limited liability company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

COMPANY DETAILS

Company	Bakskincare ApS Lersø Parkallé 42 2. 2100 Copenhagen
	CVR No.: 43 31 82 17 Established: 9 June 2022 Municipality: Copenhagen Financial Year: 1 January - 31 December
Board of Directors	Charlotte Vedel Søren Kjærulff, chairman Suzan Schlag Barbara Lavernos Anna Anisimova
Executive Board	Janus Tjørnelund Rasmussen
Auditor	BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 1561 Copenhagen V
Bank	Jyske Bank Vesterbrogade 9 1620 Copenhagen
Law Firm	Bech-Bruun Langelinie Allé 35 2100 Copenhagen Ø

MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of Bakskincare ApS for the financial year 1 January - 31 December 2023.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

We recommend the Annual Report be approved at the Annual General Meeting.

Copenhagen, 14 June 2024

Executive Board

Janus Tjørnelund Rasmussen

Board of Directors

Charlotte Vedel	Søren Kjærulff Chairman	Suzan Schlag
Barbara Lavernos	Anna Anisimova	

THE INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Bakskincare ApS

Conclusion
We have performed an extended review of the Financial Statements of Bakskincare ApS for the financial year 1 January - 31 December 2023, which comprise income statement, Balance Sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The Financial Statements are prepared under the Danish Financial Statements Act.

Based on the work performed in our opinion, the Financial Statements give a true and fair view of the Company's financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for Conclusion
We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of Financial Statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Extended Review 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 (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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 Extended Review of the Financial Statements
Our responsibility is to express a conclusion on the Financial Statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the Financial Statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the Financial Statements.

Statement on the Management Commentary
Management is responsible for the Management Commentary.

Our conclusion on the Financial Statements does not cover the Management Commentary, and we do not express any form of assurance conclusion thereon.

THE INDEPENDENT AUDITOR'S REPORT

In connection with our extended review of the Financial Statements, our responsibility is to read the Management Commentary and, in doing so, consider whether the Management Commentary is materially inconsistent with the Financial Statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management Commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management Commentary 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 in the Management Commentary.

Copenhagen, 14 June 2024

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Mads Juul Hansen
State Authorised Public Accountant
MNE no. mne44386

MANAGEMENT COMMENTARY

Principal activities
The principal activities comprise are engaging in business related to the trade of cosmetic products and dietary supplements.

Development in activities and financial and economic position
The annual result shows a deficit of DKK´000 83. The companys balance sheet indicates a total asset amount of DKK´000 1,046 and an equity of DKK´000 636.

Significant events after the end of the financial year
Events have occurred after the end of the financial year of material importance for the Company's financial position.

After the end of the financial year, agreements with collaborative partners have been terminated, resulting in compensation to the partners. These compensation agreements have a significant impact on the company's financial position in subsequent periods.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2023 DKK	2022 DKK
GROSS LOSS		**-49.060**	**885.737**
OPERATING LOSS		**-49.060**	**885.737**
Other financial income	1	37.449	9.461
Other financial expenses		-71.086	-22.254
LOSS BEFORE TAX		**-82.697**	**872.944**
Tax on profit/loss for the year	2	0	-194.238
LOSS FOR THE YEAR		**-82.697**	**678.706**
PROPOSED DISTRIBUTION OF PROFIT			
Retained earnings		-82.697	678.706
TOTAL		**-82.697**	**678.706**

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2023 DKK	2022 DKK
Trade receivables		79.806	812.369
Receivables from group enterprises		57.014	273.548
Other receivables		154.313	343.121
Prepayments		0	1.750
Receivables		**291.133**	**1.430.788**
Cash and cash equivalents		**755.306**	**1.024.297**
CURRENT ASSETS		**1.046.439**	**2.455.085**
ASSETS		**1.046.439**	**2.455.085**

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2023 DKK	2022 DKK
Share Capital		40.000	40.000
Retained earnings		596.009	678.706
EQUITY		**636.009**	**718.706**
Prepayments from customers		211.959	0
Trade payables		198.471	1.542.141
Corporation tax payable		0	194.238
Current liabilities		**410.430**	**1.736.379**
LIABILITIES		**410.430**	**1.736.379**
EQUITY AND LIABILITIES		**1.046.439**	**2.455.085**
Contingencies etc.	3		

EQUITY

	Share Capital	Retained earnings	Total
Equity at 1 January 2023	40.000	678.706	718.706
Proposed profit allocation		-82.697	-82.697
Equity at 31 December 2023	**40.000**	**596.009**	**636.009**

NOTES

	2023 DKK	2022 DKK	Note
Other financial income			**1**
Group enterprises	2.315	0	
Other interest income	35.134	9.461	
	37.449	**9.461**	
Tax on profit/loss for the year			**2**
Calculated tax on taxable income of the year	0	194.238	
	0	**194.238**	
Contingencies etc.			**3**

Joint liabilities
The Company is jointly and severally liable together with the Parent Company and the other group companies in the joint taxable group for tax on the group's joint taxable income and for certain possible withholding taxes, such as dividend tax, etc.

Tax payable on the Group's joint taxable income is stated in the annual report of Lactobio A/S, which serves as management Company for the joint taxation.

ACCOUNTING POLICIES

The Annual Report of Bakskincare ApS for 2023 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

INCOME STATEMENT

Net revenue
Net revenue from the sale of merchandise and finished goods is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received.

Net revenue is recognised exclusive of VAT and less duties and discounts related to the sale.

Cost of sales
Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

Other external expenses
Other external expenses include other production, sales, delivery and administrative costs, including costs of energy, marketing, premises, loss on bad debts, lease expenses, etc

Financial income and expenses
Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from securities, debt and transactions in foreign currencies, as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised by the amounts that relate to the financial year. Interest income and expenses are calculated on amortised cost prices.

Tax
The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the Income Statement by the share that may be attributed to the profit for the year, and is recognised directly in equity by the share that may be attributed to entries directly to equity.

ACCOUNTING POLICIES

BALANCE SHEET

Receivables
Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

Write-off is performed to provide for losses when an objective indication has been assessed to have incurred that a receivable or a portfolio of receivables are impaired. If there is an objective indication that an individual receivable is impaired, the write-off is performed at individual level.

Receivables for which there are no objective indication of impairment at individual level are assessed at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' registered office and credit rating in accordance with the Company's policy for credit risk management. The objective indicators, which are applied for portfolios, are determined based on the historical loss experiences.

Write-off is determined as the difference between the carrying amount of receivables and the present value of the expected cash flows, including realisable value of any received collaterals. The effective interest rate is used as discount rate for the single receivable or portfolio.

Accruals, assets
Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Tax payable and deferred tax
Current tax liabilities and receivable current tax are recognised in the Balance Sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

The Company is subject to joint taxation with Danish Group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the tax-on-account scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

Liabilities
Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less transaction costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the loan period.

The amortised cost of current liabilities corresponds usually to the nominal value.

Foreign currency translation
Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the Income Statement as a financial income or expense.

Receivables, payables and other monetary items in foreign currencies that are not settled on the Balance Sheet date are translated at the exchange rate on the Balance Sheet date. The difference between the exchange rate on the Balance Sheet date and the exchange rate at the date when the receivables or payables come into existence recognised in the Income Statement as financial income or expenses.

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.