

# **CAPP ApS**

Landbrugsvej 10

5260 Odense S

CVR No. 21646989

## **Annual Report 2016/17**

19. financial year

The Annual Report was presented and  
adopted at the Annual General Meeting of  
the Company on 31 May 2018



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Henrique Hosken Martins Pinto  
Chairman

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## Management's Statement

Today, Management has considered and adopted the Annual Report of CAPP ApS for the financial year 1 October 2016 - 31 December 2017.

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 assets, liabilities and financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 October 2016 - 31 December 2017.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Odense, 31 May 2018

### Executive Board

Henrique Hosken Martins Pinto  
Manager

### Supervisory Board

Henrique Hosken Martins Pinto

Bhupendra Shantilal Shah

Alexander Spector

Chirag Narendrashai Shah

Tejas Bhupendra Shah

## **The independent auditor's report**

### **To the shareholders of CAPP ApS**

#### **Opinion**

Based on our work, it is our opinion that the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 October 2016 - 31 December 2017 in accordance with the Danish Financial Statements Act.

#### **Auditor's responsibility**

Our responsibility is to express an opinion on the Financial Statements. We have conducted our extended review in accordance with the Danish Business Authority's report standard for small enterprises and Danish Auditors' (FSR) standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act.

This requires that we comply with the Danish Act on Auditors and Audit Firms as well as Danish Auditors' (FSR) ethical rules and plan and perform procedures with a view to obtaining limited assurance for our opinion on the Financial Statements and, in addition, perform supplementary procedures specifically required with a view to obtain additional assurance for our opinion.

An extended review primarily includes making inquiries to Management and, where appropriate, to others in the company, analytical procedures and specifically required supplementary procedures as well as an assessment of the proof obtained.

The scope of procedures conducted in an extended review is smaller than for an audit, and we therefore do not express any audit opinion on the Financial Statements.

Our extended review has not resulted in any qualification.

#### **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 opinion providing assurance regarding the Management's review.

Our responsibility in connection with our audit of the financial statements 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 with the knowledge we have gained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review meets the disclosure requirements in the Danish Financial Statements Act.

Based on our procedures, we are of the opinion that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. In our opinion, the Management's review is not materially misstated.

#### **Management's responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with the Danish Financial Statements Act, and for such internal controls as Management determines is necessary to enable preparation of Financial Statements that are free from material misstatements, whether due to fraud or error.

## The independent auditor's report

Odense, 31 May 2018

**e-revisor.com**

**Godkendt revisionspartnerselskab**

CVR-no. 36412143



Morten Wagner

Registered Public Accountant

mne32904

## Company details

<b>Company</b>	CAPP ApS Landbrugsvej 10 5260 Odense S
Telephone	66 13 61 40
Telefax	66 13 27 70
Website	www.cappbrand.com
CVR No.	21646989
Date of formation	30 March 1999
Registered office	Odense
Financial year	1 October 2016 - 31 December 2017
<b>Supervisory Board</b>	Henrique Hosken Martins Pinto Bhupendra Shantilal Shah Alexander Spector Chirag Narendrashai Shah Tejas Bhupendra Shah
<b>Executive Board</b>	Henrique Hosken Martins Pinto, Manager
<b>Auditors</b>	e-revisor.com Godkendt revisionspartnerselskab Stenhuggervej 4 5230 Odense M CVR-no.: 36412143
<b>Contacts</b>	Morten Wagner, Registered Public Accountant

## Management's Review

### **The Company's principal activities**

The company is dedicated to development, production and sales of liquid handling equipment for laboratories.

### **Insecurity regarding recognition or measurement**

There is no material insecurity regarding recognition or measurement.

### **Exceptional circumstances**

No exceptional circumstances have affected recognition or measurement.

### **Development in activities and financial matters**

The Company's Income Statement of the financial year 1 October 2016 - 31 December 2017 shows a result of DKK 3.294.439 and the Balance Sheet at 31 December 2017 a balance sheet total of DKK 20.953.293 and an equity of DKK 7.351.915.

### **Post financial year events**

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

## Accounting Policies

### Reporting Class

The Annual Report of CAPP ApS for 2016/17 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

### Reporting currency

The Annual Report is presented in Danish kroner.

## 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 amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation 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 Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

## Income Statement

### Revenue

Revenue from sales of goods is recognised in the income statement if delivery and the risk to the buyer took place before year end. Revenue is recognised exclusive of VAT and net of discounts to sales.

### Other external expenses

Other external expenses comprise expenses regarding sale and administration.

### Staff expenses

Staff expenses comprise wages and salaries, pensions and social security costs.

Other staff expenses are recognised in other external expenses.



## Accounting Policies

### Amortisation and impairment of tangible and intangible assets

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

### Financial income and expenses

Financial income and expenses are recognised in the Income Statement with the amounts that concern the financial year. Financial income and expenses include interest income and expenses, realised and unrealised capital gains and losses regarding securities, debt and foreign currency transactions, dividends received from other equity investments, amortisation of financial assets and liabilities as well as surcharges and allowances under the tax repayment scheme.

### Tax on net profit/loss for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

## Balance Sheet

### Tangible assets

Facilities, tools and equipment are measured at cost less accumulated depreciation.

The depreciation basis is its cost less any anticipated residual value after the end of useful life.

The cost includes purchase price and costs directly attributable to the acquisition until the date when the asset is ready to be put into use.

Depreciation is based on the following assessment of the expected useful lives:

Plant and machinery	5-7 years	
Other fixtures and fittings, tools and equipment		3-5 years

Gains or losses on disposal of tangible fixed assets are calculated as the difference between the selling price less selling costs and the carrying amount at the time of sale. Gains or losses are recognized in the income statement under depreciation.

### Impairment of non-current asset

The book value of tangible and intangible non-current assets and holdings in subsidiaries are assessed annually for indications of impairment in addition to those expressed through depreciation.

If there are any indications of impairment, an impairment test is carried out for each individual asset or group of assets. If an asset's recoverable value is lower than the book value, the asset is written down to the recoverable value.

### Other investments

#### Equity investments in group enterprises and associates

Equity investments in group enterprises and associates are measured at cost. Dividends that exceed accumulated earnings of the group enterprise or the associate during the ownership period are treated as a reduction of the cost. If cost exceeds the net realisable value, a write-down to this lower value will be performed.

### Inventories

Inventories are measured at cost on the basis of the FIFO principle or at the net realisable value if the latter is lower.

## Accounting Policies

Raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

Work in progress and manufactured goods are measured at manufacturing price comprising cost of goods sold and direct payroll costs.

Net realizable value of inventories is calculated as the selling price less costs of completion and costs to be incurred to make the sale and set taking into account the marketability, obsolescence and development in the anticipated selling price.

### Receivables

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

### 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.

### Equity

Proposed dividend for the year is recognised as a separate item in equity.

### Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the Balance Sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

Deferred tax is measured by the balance sheet liability method on temporary differences between accounting and tax value of assets and liabilities. In those cases, for example, for shares when determining the tax value can be made using alternative tax rules, deferred tax is measured based on the intended use of the asset or settlement of the obligation.

Deferred tax assets, including the tax value of performing legitimate tax loss, measured as the value at which the asset is expected to be realized, either by offsetting the tax on future earnings or by set-off deferred tax liabilities within the same legal tax unit. Any net deferred tax assets are measured at net.

Deferred tax is measured based on the tax rules and rates, with the closing legislation will apply when the deferred tax is expected triggered as current tax. Change in deferred taxes resulting from changes in tax rates is recognized in income.

### Debt

Financial liabilities are recognized by borrowing to the proceeds received net of transaction costs incurred. In subsequent periods, financial liabilities measured at amortized cost equivalent to the capitalized value using the effective interest rate, so that the difference between proceeds and the nominal value is recognized in income over the loan period.

Other liabilities, which include debt to suppliers, affiliates and other payables, are measured at amortized cost, which usually corresponds to the nominal value.

### Foreign currency translation

Transactions in foreign currencies are translated at transaction date. Exchange differences arising between the

## **Accounting Policies**

transaction date and price on the day of payment, is recognized in income as a financial item. If currency positions deemed security of future cash flows, value adjustments are recognized directly in equity.

Receivables, debt and other monetary items denominated in foreign currencies which are not settled at the balance sheet date, measured at balance sheet date. The difference between the closing rate and exchange rate at the time of its claims or debts incurred in the income statement under financial income and expenses.

Assets that are purchased in foreign currency are measured at the exchange rate at the transaction date.

### **Contingent assets and liabilities**

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

## Income Statement

	Note	2016/17 kr.	2015/16 kr.
<b>Gross profit</b>		<b>10.868.116</b>	<b>8.420.671</b>
Employee benefits expense	1	-5.594.525	-4.449.149
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss		-574.616	-536.782
<b>Profit from ordinary operating activities</b>		<b>4.698.975</b>	<b>3.434.740</b>
Other finance income	2	8.589	0
Finance expenses	3	-472.077	-262.749
<b>Profit from ordinary activities before tax</b>		<b>4.235.487</b>	<b>3.171.991</b>
Tax expense on ordinary activities	4	-941.048	-703.305
<b>Profit</b>		<b>3.294.439</b>	<b>2.468.686</b>
<b>Proposed distribution of results</b>			
Proposed extraordinary dividend recognised in equity		0	2.350.000
Retained earnings		3.294.439	118.686
<b>Distribution of profit</b>		<b>3.294.439</b>	<b>2.468.686</b>

## Balance Sheet as of 31 December

	Note	2017 kr.	2016 kr.
<b>Assets</b>			
Plant and machinery	5	1.088.089	1.300.400
Fixtures, fittings, tools and equipment	6	10.659	10.659
Leasehold improvements	7	6.240	10.140
Property, plant and equipment in progress and prepayments for property, plant and equipment 1		33.565	69.875
<b>Property, plant and equipment</b>		<b>1.138.553</b>	<b>1.391.074</b>
Long-term investments in group enterprises	8	11.604.060	0
<b>Investments</b>		<b>11.604.060</b>	<b>0</b>
<b>Fixed assets</b>		<b>12.742.613</b>	<b>1.391.074</b>
Raw materials and consumables		672.368	980.878
Work in progress		113.926	164.104
Manufactured goods and goods for resale		4.107.298	4.162.742
Prepayments for goods		0	-255.851
<b>Inventories</b>		<b>4.893.592</b>	<b>5.051.873</b>
Short-term trade receivables		2.276.637	2.261.192
Short-term receivables from group enterprises		235.254	0
Current deferred tax		86.706	98.760
Other short-term receivables		147.871	142.552
Prepayments		284.083	220.104
<b>Receivables</b>		<b>3.030.551</b>	<b>2.722.608</b>
<b>Cash and cash equivalents</b>		<b>286.537</b>	<b>1.341.510</b>
<b>Current assets</b>		<b>8.210.680</b>	<b>9.115.991</b>
<b>Assets</b>		<b>20.953.293</b>	<b>10.507.065</b>

## Balance Sheet as of 31 December

	Note	2017 kr.	2016 kr.
<b>Liabilities and equity</b>			
Contributed capital	9	500.000	500.000
Retained earnings		6.851.915	3.557.476
<b>Equity</b>		<b>7.351.915</b>	<b>4.057.476</b>
Debt to banks		76.666	673.469
Trade payables		2.196.089	2.941.988
Tax payables		602.994	1.062.412
Other payables		503.073	643.796
Payables to shareholders and management		10.222.556	1.127.924
<b>Short-term liabilities other than provisions</b>		<b>13.601.378</b>	<b>6.449.589</b>
<b>Liabilities other than provisions within the business</b>		<b>13.601.378</b>	<b>6.449.589</b>
<b>Liabilities and equity</b>		<b>20.953.293</b>	<b>10.507.065</b>
Significant events occurring after end of reporting period	10		
Contingent liabilities	11		
Collaterals and assets pledges as security	12		

## CAPP ApS

### Statement of changes in Equity

	Contributed capital	Retained earnings	Total
Equity 1 October 2016	500.000	3.557.476	4.057.476
Profit (loss)		3.294.439	3.294.439
<b>Equity 31 December 2017</b>	<b>500.000</b>	<b>6.851.915</b>	<b>7.351.915</b>

## Notes

	2016/17	2015/16
<b>1. Employee benefits expense</b>		
Wages and salaries	4.907.169	3.905.030
Post-employment benefit expense	590.330	456.402
Social security contributions	97.026	87.717
	<b>5.594.525</b>	<b>4.449.149</b>
Average number of employees	10	10
<b>2. Finance income</b>		
Other finance income	8.589	0
	<b>8.589</b>	<b>0</b>
<b>3. Finance expenses</b>		
Other finance expenses	472.077	262.749
	<b>472.077</b>	<b>262.749</b>
<b>4. Tax expense</b>		
Tax for the year	928.994	753.412
Reg. deferred tax	12.054	-50.107
	<b>941.048</b>	<b>703.305</b>
<b>5. Plant and machinery</b>		
Cost at the beginning of the year	3.286.341	3.175.620
Addition during the year, incl. improvements	358.405	110.721
<b>Cost at the end of the year</b>	<b>3.644.746</b>	<b>3.286.341</b>
Depreciation and amortisation at the beginning of the year	-1.985.941	-1.452.279
Amortisation for the year	-570.716	-533.662
<b>Impairment losses and amortisation at the end of the year</b>	<b>-2.556.657</b>	<b>-1.985.941</b>
<b>Carrying amount at the end of the year</b>	<b>1.088.089</b>	<b>1.300.400</b>
<b>6. Fixtures, fittings, tools and equipment</b>		
Cost at the beginning of the year	522.600	522.600
<b>Cost at the end of the year</b>	<b>522.600</b>	<b>522.600</b>
Depreciation and amortisation at the beginning of the year	-511.941	-511.941
<b>Impairment losses and amortisation at the end of the year</b>	<b>-511.941</b>	<b>-511.941</b>
<b>Carrying amount at the end of the year</b>	<b>10.659</b>	<b>10.659</b>



**Notes**

	2016/17	2015/16
	2017	2016
<b>7. Leasehold improvements</b>		
Cost at the beginning of the year	121.828	121.828
<b>Cost at the end of the year</b>	<b>121.828</b>	<b>121.828</b>
Depreciation and amortisation at the beginning of the year	-111.688	-108.568
Amortisation for the year	-3.900	-3.120
<b>Impairment losses and amortisation at the end of the year</b>	<b>-115.588</b>	<b>-111.688</b>
<b>Carrying amount at the end of the year</b>	<b>6.240</b>	<b>10.140</b>

**8. Disclosure in long-term investments in group enterprises and associates***Group enterprises*

Name	Registered office	Share held in %	Equity	Profit
AHN Biotechnologie GmbH (DRAFT)	Germany	100,00	16.974.550	550.267
			<b>16.974.550</b>	<b>550.267</b>

**9. Contributed capital**

The share capital consists of 500.000 shares of a nominal value of DKK 1.

**10. Significant events occurring after end of reporting period**

The company has closed all their activity in Denmark.

**11. Contingent liabilities**

No contingent liabilities exist at the balance sheet date.

**12. Collaterals and securities**

As security for company involvement with the bank the company has provided letter of indemnity (company charges) tDKK. 1.000 in unsecured claims, inventory, operations furniture / equipment and intangible rights.