

Sunshine Enterprise Holding A/S

Axeltorv 2, 1609 København V

CVR no. 25 51 63 97

Annual report

for the year 1 January - 31 December 2023

Approved at the Company's annual general meeting on 26 June 2024

Chair of the meeting:

.....
Jason Knoblauch

DocuSigned by:
Jason Knoblauch
.....
Signer Name: Jason Knoblauch
Signing Reason: I approve this document
Signing Time: 26-Jun-2024 | 16:11:17 EDT
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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 Sunshine Enterprise Holding A/S for the financial year 1 January - 31 December 2023.

The annual report, which has not been audited, has been prepared in accordance with the provisions of the Danish Financial Statements Act. The Board of Directors and the Executive Board have considered the criteria for omission of audit to be met.

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

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.

Copenhagen, 26 June 2024
Executive Board:

DocuSigned by:
Jason Knoblauch

Signer Name: Jason Knoblauch
Signing Reason: I approve this document
Signing Time: 26-Jun-2024 | 16:11:24 EDT

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Board of Directors:

DocuSigned by:
Michael Sandusky

Signer Name: Michael Sandusky
Signing Reason: I approve this document
Signing Time: 27-Jun-2024 | 06:05:37 EDT

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Michael Richard Sandusky
Chairman

DocuSigned by:
Jason Knoblauch

Signer Name: Jason Knoblauch
Signing Reason: I approve this document
Signing Time: 26-Jun-2024 | 16:11:30 EDT

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DocuSigned by:
Tom Stuckey

Signer Name: Tom Stuckey
Signing Reason: I approve this document
Signing Time: 26-Jun-2024 | 21:22:27 EDT

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Thomas Patrick Stuckey

Independent auditor's report on the compilation of financial statements

To the general management of Sunshine Enterprise Holding A/S

We have compiled the financial statements of Sunshine Enterprise Holding A/S for the financial year 1 January - 31 December 2023 based on the Company's bookkeeping and other information provided.

The financial statements comprise an income statement, balance sheet, statement of changes in equity and notes, including accounting policies.

We performed this compilation engagement in accordance with ISRS 4410 *Compilation Engagements*.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant requirements in the Danish Auditors Act and International Ethics Standards Board for Professional Accountants' International Code of Ethics for Professional Accountants (IESBA Code), including principles of integrity, objectivity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile the financial statements are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile the financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial statements are prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 26 June 2024
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Birgit Morville Schrøder
State Authorised Public Accountant
mne21337



Anders Roe Eriksen
State Authorised Public Accountant
mne46667

Management's review

Company details

Name	Sunshine Enterprise Holding A/S
Address, Postal code, City	Axeltorv 2, 1609 København V
CVR no.	25 51 63 97
Established	21 July 2000
Registered office	København
Financial year	1 January - 31 December
Board of Directors	Michael Richard Sandusky, Chairman Jason Knoblauch Thomas Patrick Stuckey
Executive Board	Jason Knoblauch
Accountant	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

Management's review

Business review

The Company's object is to establish and run research to perform clinical studies of the highest quality and to engage in research with the best Danish and foreign researchers of medical science, all in accordance with applicable ethical and health regulations and to market the outcome of such studies and research to other research centers, universities, hospitals and pharmaceutical companies. The activities of the group enterprises consist in conducting clinical studies. The company uses these results in research and in connection with other activities.

At 31 December 2023, the company holds 1 investment in Switzerland, which is currently dormant.

Financial review

The income statement for 2023 shows a profit of DKK 4,026 thousand against a loss of DKK 1,901 thousand last year, and the balance sheet at 31 December 2023 shows equity of DKK 1,825 thousand.

At 31 December 2023, the company holds 1 investment in Switzerland, which is currently dormant.

Going concern

The Bioclinica group in US has confirmed that it will continue to provide the necessary financial support in order for the Company to pay its obligations as they fall due by way of new loans or capital injections unless the Company has the means to do so.

Financial risks and use of financial instruments

The Company is exposed to fluctuations in the CHF and USD exchange rate due to investment in CCBR AG, which is nominated in both CHF and USD.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year end.

Financial statements 1 January - 31 December

Income statement

Note	DKK'000	2023	2022
	Revenue	0	316
	Other external expenses	-114	-192
	Gross profit	-114	124
	Income from investments in group enterprises	-294	-404
4	Financial expenses	-3,066	-1,621
	Profit/loss before tax	-3,474	-1,901
5	Tax for the year	7,500	0
	Profit/loss for the year	<u>4,026</u>	<u>-1,901</u>
	Recommended appropriation of profit/loss		
	Net revaluation reserve according to the equity method	-294	-404
	Retained earnings/accumulated loss	4,320	-1,497
		<u>4,026</u>	<u>-1,901</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	<u>2023</u>	<u>2022</u>
	ASSETS		
	Fixed assets		
6	Investments		
	Investments in group enterprises	49,853	47,267
		<u>49,853</u>	<u>47,267</u>
	Total fixed assets	<u>49,853</u>	<u>47,267</u>
	Non-fixed assets		
	Receivables		
	Trade receivables	10	0
	Receivables from group enterprises	3,281	3,914
		<u>3,291</u>	<u>3,914</u>
	Cash	<u>331</u>	<u>114</u>
	Total non-fixed assets	<u>3,622</u>	<u>4,028</u>
	TOTAL ASSETS	<u><u>53,475</u></u>	<u><u>51,295</u></u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2023	2022
	EQUITY AND LIABILITIES		
	Equity		
7	Share capital	400	400
	Net revaluation reserve according to the equity method	9,042	6,456
	Retained earnings	-7,617	-11,937
	Total equity	<u>1,825</u>	<u>-5,081</u>
	Provisions		
	Other provisions	0	7,500
	Total provisions	<u>0</u>	<u>7,500</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Trade payables	141	198
	Payables to group enterprises	51,502	48,669
	Other payables	7	9
		<u>51,650</u>	<u>48,876</u>
	Total liabilities other than provisions	<u>51,650</u>	<u>48,876</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>53,475</u></u>	<u><u>51,295</u></u>

- 1 Accounting policies
- 2 Going concern uncertainties
- 3 Events after the balance sheet date
- 8 Contractual obligations and contingencies, etc.
- 9 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

DKK'000	Share capital	Net revaluation reserve according to the equity method	Retained earnings	Total
Equity at 1 January 2022	400	4,449	-10,440	-5,591
Transfer through appropriation of loss	0	-404	-1,497	-1,901
Adjustment of investments through foreign exchange adjustments	0	2,411	0	2,411
Equity at 1 January 2023	400	6,456	-11,937	-5,081
Transfer through appropriation of profit	0	-294	4,320	4,026
Adjustment of investments through foreign exchange adjustments	0	2,880	0	2,880
Equity at 31 December 2023	400	9,042	-7,617	1,825

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Sunshine Enterprise Holding A/S for 2023 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.

Pursuant to section 110(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

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

Basis of recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event 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 the Company has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is affected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

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.

Foreign group entities

Foreign group entities and associates are considered separate entities. Items in such entities' income statements are translated at an average exchange rate for the month, and balance sheet items are translated at closing rates. Foreign exchange differences arising on translation of the opening equity of foreign group entities to closing rates and on translation of the income statements from average exchange rates to closing rates are taken directly to equity.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income statement

Revenue

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

Income from the rendering of services is recognised as revenue as the services are rendered. Accordingly, revenue corresponds to the market value of the services rendered during the year (percentage-of-completion method).

The Company holds revenue agreements with group companies where the Company is not undertaking any significant risks and rewards related to the revenue transactions. Revenue, considered to be the agent fee, is recognised when the service has been rendered to the customer by the group companies.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Profit/loss from investments in group entities

The income statement includes the proportional share of the underlying companies' profit or loss after elimination of internal profit/loss and after tax. In group entities, the full elimination of internal profit and loss is carried out without regard to ownership shares.

Financial expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities and associates, declared dividends from other securities and investments, financial expenses relating to finance leases, realised and unrealised capital gains and losses relating to other securities and investments, exchange gains and losses and amortisation of financial assets and liabilities.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. 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).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

On initial recognition, leases for assets that transfer substantially all the risks and rewards incident to the ownership to the Company (finance leases) are measured in the balance sheet at the lower of fair value and the present value of the future lease payments. In calculating the net present value, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently accounted for in the same way as the Company's other assets.

The capitalised residual lease liability is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Investments in group entities

Equity investments in group entities are measured according to the equity method.

On initial recognition, equity investments in group entities are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in group entities measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Gains and losses on disposal of group entities and associates are made up as the difference between the sales price and the carrying amount of net assets at the date of disposal including non-amortised goodwill and anticipated costs of disposal. Gains or losses are recognised in the income statement as financial income or financial expenses.

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.

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.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Cash

Cash comprises cash and is subject only to minor risks of changes in value.

Equity

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in group entities and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Income 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. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

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.

Other payables

Other payables are measured at net realisable value.

2 Going concern uncertainties

The Bioclinica group in US has confirmed that it will continue to provide the necessary financial support in order for the Company to pay its obligations as they fall due by way of new loans or capital injections unless the Company has the means to do so.

3 Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year end.

Financial statements 1 January - 31 December

Notes to the financial statements

DKK'000		2023	2022
4	Financial expenses		
	Interest expenses, group entities	707	347
	Exchange losses	2,850	1,274
	Other financial expenses	-491	0
		<u>3,066</u>	<u>1,621</u>

DKK'000		2023	2022
5	Tax for the year		
	Tax adjustments, prior years	-7,500	0
		<u>-7,500</u>	<u>0</u>

6 Investments

DKK'000		Investments in group enterprises
	Cost at 1 January 2023	40,811
	Cost at 31 December 2023	<u>40,811</u>
	Value adjustments at 1 January 2023	6,456
	Foreign exchange adjustments	2,880
	Profit/loss for the year	-294
	Value adjustments at 31 December 2023	<u>9,042</u>
	Carrying amount at 31 December 2023	<u><u>49,853</u></u>

Group entities

Name	Legal form	Domicile	Interest	
CCBR AG	Switzer-land	AG	Switzerland	100.00%

DKK'000		2023	2022
7	Share capital		

Analysis of changes in the share capital over the past 5 years:

DKK'000	2023	2022	2021	2020	2019
Opening balance	400	400	5,000	5,000	5,000
Capital reduction	0	0	-4,600	0	0
	<u>400</u>	<u>400</u>	<u>400</u>	<u>5,000</u>	<u>5,000</u>

Financial statements 1 January - 31 December

Notes to the financial statements

8 Contractual obligations and contingencies, etc.

Contingent liabilities

The Company is jointly taxed with its sister company, Bioclinica ApS, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends falling due for payment.

Other financial obligations

The company has no contractual obligations and contingencies at 31 December 2023.

9 Related parties

Sunshine Enterprise Holding A/S' related parties comprise the following:

Parties exercising control

<u>Related party</u>	<u>Domicile</u>	<u>Basis for control</u>
Bioclinica Holding B.V	Industrieweg 5 A, 5262GJ, Vught, Netherlands	Participating interest