

# 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 2022

Approved at the Company's annual general meeting on 28 June 2023

Chair of the meeting:

DocuSigned by:  
*Michael Sandusky*  
.....  
\* Signer Name: Michael Sandusky  
Signing Reason: I approve this document  
Signing Time: 28-Jun-2023 | 9:55 AM 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 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.

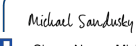
It is proposed to the annual general meeting that the financial statements for 2023 should not be audited.

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

Copenhagen, 28 June 2023  
Executive Board:

DocuSigned by:  
  
.....  
Signer Name: Daniel Scott Braem  
Signing Reason: I approve this document  
Signing Time: 28 Jun 2023 11:51 AM PDT  
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Board of Directors:

DocuSigned by:  
  
.....  
Signer Name: Michael Richard Sandusky  
Signing Reason: I approve this document  
Signing Time: 28 Jun 2023 11:50 AM EDT  
Chairman  
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DocuSigned by:  
Michael Bonello  
.....  
Signer Name: Michael Bonello  
Signing Reason: I approve this document  
Signing Time: 28 Jun 2023 11:50 AM EDT  
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DocuSigned by:  
  
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Signer Name: Daniel Scott Braem  
Signing Reason: I approve this document  
Signing Time: 28 Jun 2023 11:51 AM PDT  
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The general meeting has decided that the financial statements for the coming financial year will not be audited.

## Independent auditor's report

To the shareholder of Sunshine Enterprise Holding A/S

### Opinion

We have audited the financial statements of Sunshine Enterprise Holding A/S for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are 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 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

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.

### 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 as to 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 the 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 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 Company's internal control.



## Independent auditor's report

- ▶ 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 note 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 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, we conclude that the 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.

Copenhagen, 28 June 2023  
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 Michael John Bonello Daniel Scott Braem
Executive Board	Daniel Scott Braem
Auditors	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.

### **Financial review**

The income statement for 2022 shows a loss of DKK 1,901 thousand against a loss of DKK 628 thousand last year, and the balance sheet at 31 December 2022 shows a negative equity of DKK 5,081 thousand.

At 31 December 2022, the company holds 1 investment in Switzerland, which is currently dormant.

The company has lost more than 50% of its share capital. Management has made a plan to re-establish the share capital by way of a combination of capital injections and income from future own earnings.

### **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	2022	2021
	<b>Revenue</b>	316	221
4	Other operating income	0	1,842
	Other external expenses	-192	-646
	<b>Gross profit</b>	124	1,417
	Income from investments in group enterprises	-404	-696
5	Financial expenses	-1,621	-1,349
	<b>Profit/loss for the year</b>	-1,901	-628
	<b>Recommended appropriation of profit/loss</b>		
	Net revaluation reserve according to the equity method	-404	1,136
	Retained earnings/accumulated loss	-1,497	-1,764
		-1,901	-628

## Financial statements 1 January - 31 December

### Balance sheet

Note	DKK'000	2022	2021
	<b>ASSETS</b>		
	<b>Fixed assets</b>		
6	<b>Investments</b>		
	Investments in group enterprises	47,267	45,260
		<u>47,267</u>	<u>45,260</u>
	<b>Total fixed assets</b>	<u>47,267</u>	<u>45,260</u>
	<b>Non-fixed assets</b>		
	<b>Receivables</b>		
	Receivables from group enterprises	3,914	2,853
		<u>3,914</u>	<u>2,853</u>
	<b>Cash</b>	<u>114</u>	<u>319</u>
	<b>Total non-fixed assets</b>	<u>4,028</u>	<u>3,172</u>
	<b>TOTAL ASSETS</b>	<u><u>51,295</u></u>	<u><u>48,432</u></u>

## Financial statements 1 January - 31 December

### Balance sheet

Note	DKK'000	2022	2021
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
7	Share capital	400	400
	Net revaluation reserve according to the equity method	6,456	4,449
	Retained earnings	-11,937	-10,440
	<b>Total equity</b>	<b>-5,081</b>	<b>-5,591</b>
	<b>Provisions</b>		
	Other provisions	7,500	7,500
8	<b>Total provisions</b>	<b>7,500</b>	<b>7,500</b>
	<b>Liabilities other than provisions</b>		
	<b>Current liabilities other than provisions</b>		
	Trade payables	198	0
	Payables to group enterprises	48,669	46,326
	Other payables	9	197
		<b>48,876</b>	<b>46,523</b>
	<b>Total liabilities other than provisions</b>	<b>48,876</b>	<b>46,523</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>51,295</b>	<b>48,432</b>

- 1 Accounting policies
- 2 Going concern uncertainties
- 3 Events after the balance sheet date
- 9 Contractual obligations and contingencies, etc.
- 10 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 2021	5,000	1,275	-13,276	-7,001
Capital reduction	-4,600	0	4,600	0
Transfer through appropriation of loss	0	1,136	-1,764	-628
Adjustment of investments through foreign exchange adjustments	0	2,038	0	2,038
<b>Equity at 1 January 2022</b>	<b>400</b>	<b>4,449</b>	<b>-10,440</b>	<b>-5,591</b>
Transfer through appropriation of loss	0	-404	-1,497	-1,901
Adjustment of investments through foreign exchange adjustments	0	2,411	0	2,411
<b>Equity at 31 December 2022</b>	<b>400</b>	<b>6,456</b>	<b>-11,937</b>	<b>-5,081</b>

The company has lost more than 50% of its share capital. Management has made a plan to re-establish the share capital by capital injections and income from future own earnings.

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 statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Sunshine Enterprise Holding A/S 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.

In accordance with 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 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.

Other operating income in prior year comprised of group contributions from group companies and gain on sale of activity.

###### 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.

##### Balance sheet

###### Leases

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

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.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

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 deducted 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.

#### Cash

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

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### 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.

DKK'000	2022	2021
4 Other operating income		
Gain from sale of investment in Romania	0	1,842
	0	1,842

## Financial statements 1 January - 31 December

### Notes to the financial statements

DKK'000	2022	2021
<b>5 Financial expenses</b>		
Interest expenses, group entities	347	341
Other interest expenses	0	45
Exchange losses	1,274	917
Other financial expenses	0	46
	<u>1,621</u>	<u>1,349</u>

### 6 Investments

DKK'000	Investments in group enterprises
Cost at 1 January 2022	40,811
Cost at 31 December 2022	40,811
Value adjustments at 1 January 2022	4,449
Foreign exchange adjustments	2,411
Profit/loss for the year	-404
Value adjustments at 31 December 2022	6,456
Carrying amount at 31 December 2022	<u>47,267</u>

### Group entities

Name	Legal form	Domicile	Interest
CCBR AG Switzerland	AG	Switzerland	100.00%

DKK'000	2022		2021		
7 Share capital					
Analysis of changes in the share capital over the past 5 years:					
DKK'000	2022	2021	2020	2019	2018
Opening balance	400	5,000	5,000	5,000	5,000
Capital reduction	0	-4,600	0	0	0
	400	400	5,000	5,000	5,000

### 8 Provisions

The Danish Tax Administration (SKAT) has initiated a transfer pricing audit concerning 2017-2019 investigating the intercompany relationship and transactions. Management believes that the positions taken by the Company are supportable and in accordance with applicable tax law. As a result of the Company's assessment, including the consideration of transfer pricing audits in the past, the Company has recorded a provision for uncertain tax positions of DKK 7,500 thousand.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 9 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 2022.

#### 10 Related parties

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

##### Parties exercising control

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