

Wagner Family Holding ApS

c/o Abacus Medicine A/S, Kalvebod Brygge 35, 1560 København V

CVR no. 25 66 77 35

Annual Report 2021

Approved at the company's annual general meeting on 21 June 2022
Chairman of the meeting:

.....
Chairman of the annual general meeting

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Statement by Management on the annual report

Today, the Management has approved the Annual Report of Wagner Family Holding ApS for the financial year 1 January - 31 December 2021.

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 financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021.

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

Copenhagen, 21 June 2022

Management:

.....
Flemming Wagner
CEO

Independent auditor's report

To the shareholders of Wagner Family Holding ApS

Opinion

We have audited the financial statements of Wagner Family Holding ApS for the financial year 1 January – 31 December 2021, 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 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 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 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.

Independent auditor's report

- ▶ 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.

- ▶ 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 Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 21 June 2022
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Jan C. Olsen
State Authorised
Public Accountant
mne33717

Ole Becker
State Authorised
Public Accountant
mne33732

Company information

| | |
|----------------------------------|--|
| Name | Wagner Family Holding ApS |
| Address | c/o Abacus Medicine A/S, Kalvebod Brygge 35 1560 København V |
| CVR-no. | 25 66 77 35 |
| Founded | 15 October 2000 |
| Registered municipality | Copenhagen, Denmark |
| Financial year | 1 January – 31 December |
| Telephone | +45 70 22 02 12 |
| Management | Flemming Wagner, CEO |
| Auditors | EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, 2000 Frederiksberg |
| Ultimate parent company | FTW Holding ApS |
| Registered municipality (parent) | Copenhagen |

Management's review

Business review

The objective of the company is to hold ownership shares in Abacus Medicine A/S and DayDose ApS.

Financial review

The income statement for 2021 shows a loss of EUR 133 thousand against a profit of EUR 70 thousand last year, and the balance sheet at 31 December 2021 shows an equity of EUR 29,428 thousand.

Due to the loss, the result for the year is not satisfied.

Events after the balance sheet date

No events have occurred after the balance sheet date which could have a material effect on Wagner Family Holding ApS' financial position at 31 December 2021.

Financial statements 1 January – 31 December

Income statement

| Note | EUR'000 | <u>2021</u> | <u>2020</u> |
|------|---|--------------------|------------------|
| | Other external costs | -16 | -35 |
| | Operating profit | -16 | -35 |
| 2 | Share of net profit in subsidiaries | -121 | 165 |
| 3 | Finance income | 8 | 12 |
| 3 | Finance expenses | -85 | -99 |
| | Profit before tax | -214 | 43 |
| 4 | Tax | 81 | 27 |
| | Profit for the year | <u>-133</u> | <u>70</u> |
| | | | |
| | Proposed distribution of profit | | |
| | Transferred to reserve for net revaluation according to the equity method | -121 | 165 |
| | Proposed dividend | 135 | 887 |
| | Retained earnings | -147 | -982 |
| | | <u>-133</u> | <u>70</u> |

Financial statements 1 January – 31 December

Balance sheet

| Note | EUR'000 | <u>2021</u> | <u>2020</u> |
|------|--|----------------------|----------------------|
| | ASSETS | | |
| | Non-current assets | | |
| | Financial assets | | |
| 2 | Investments in subsidiaries | 30.769 | 30.511 |
| | Total non-current assets | <u>30.769</u> | <u>30.511</u> |
| | Current assets | | |
| | Receivables | | |
| | Deferred tax asset | 6 | 6 |
| | Corporation tax receivable | 3 | 0 |
| | Receivables from group enterprises | 76 | 336 |
| | Other receivables | 0 | 12 |
| | Total receivables | <u>85</u> | <u>354</u> |
| | Cash | 166 | 1.266 |
| | Total current assets | <u>251</u> | <u>1.620</u> |
| | TOTAL ASSETS | <u><u>31.020</u></u> | <u><u>32.131</u></u> |
| | EQUITY AND LIABILITIES | | |
| | Equity | | |
| | Share capital | 17 | 17 |
| | Reserve for net revaluation according to the equity method | 24.717 | 24.398 |
| | Retained earnings | 4.560 | 4.767 |
| | Proposed dividend | 135 | 887 |
| | Total equity | <u>29.428</u> | <u>30.069</u> |
| | Current liabilities | | |
| 5 | Borrowings | 1.587 | 1.775 |
| | Trade payables | 5 | 8 |
| | Payables to group enterprises | 0 | 279 |
| | Total current liabilities | <u>1.592</u> | <u>2.062</u> |
| | Total liabilities | <u>1.592</u> | <u>2.062</u> |
| | TOTAL EQUITY AND LIABILITIES | <u><u>31.020</u></u> | <u><u>32.131</u></u> |

Financial statements 1 January – 31 December

Statement of changes in equity

EUR'000

| | Share capital | Reserve for net re-valuation according to the equity method | Retained earnings | Proposed dividends | Total |
|--------------------------------------|---------------|---|-------------------|--------------------|---------------|
| Equity 1 January 2021 | 17 | 24.398 | 4.767 | 887 | 30.069 |
| Profit for the year | - | -121 | -147 | 135 | -133 |
| Equity movements in subsidiary, etc. | - | 379 | - | - | 379 |
| Dividends paid | - | - | - | -887 | -887 |
| Transfer | - | 61 | -61 | - | - |
| Equity 31 December 2021 | 17 | 24.717 | 4.560 | 135 | 29.428 |
| Equity 1 January 2020 | 17 | 24.714 | 4.935 | - | 29.666 |
| Profit for the year | - | 165 | -982 | 887 | 70 |
| Equity movements in subsidiary, etc. | - | 338 | - | - | 338 |
| Other movements | - | - | -5 | - | -5 |
| Transfer | - | -819 | 819 | - | - |
| Equity 31 December 2020 | 17 | 24.398 | 4.767 | 887 | 30.069 |

Notes to the Financial Statements

Overview of notes for the company

Note

- 1 Employees
- 2 Investments in subsidiaries
- 3 Net finance costs
- 4 Tax
- 5 Borrowings
- 6 Contingent liabilities and other financial obligations
- 7 Subsequent events
- 8 Accounting Policies

Notes to the Financial Statements

1 Employees

The average number of full-time employee was 0 (2020: 0).

2 Investments in subsidiaries

| Name | Registered office | Ownership 2021 and voting rights | Ownership 2020 and voting rights |
|---|-------------------|-------------------------------------|-------------------------------------|
| Abacus Medicine A/S | Denmark | 57,5% | 58,1% |
| Abacus Medicine Hungary Kft. | Hungary | 100% | 100% |
| Abacus Medicine B.V. | The Netherlands | 100% | 100% |
| +365 Medicines GmbH | Germany | 100% | 100% |
| Abacus Medicine Berlin GmbH | Germany | 100% | 100% |
| Abacus Medicine Ltd | United Kingdom | 100% | 100% |
| Abacus Medicine Austria GmbH | Austria | 100% | 100% |
| Abacus Medicine France S.A.S | France | 100% | 100% |
| Abacus Medicine Finland Oy | Finland | 100% | 100% |
| Abacus Medicine Ireland Ltd. | Ireland | 100% | 100% |
| PharmaSave BVBA | Belgium | 100% | 100% |
| Originalis B.V. | The Netherlands | 100% | 100% |
| Zdrave Med Ltd. | Bulgaria | 100% | 100% |
| Abacus Medicine Pharma Services ApS | Denmark | 100% | 100% |
| Abacus Medicine Pharma Services Ltd. | United Kingdom | 100% | 100% |
| Abacus Medicine Pharma Services Asia Ltd. | Hong Kong | 100% | 100% |
| Abacus Medicine Pharma Services Inc. | USA | 100% | 100% |
| Abacus Medicine Pharma Services B.V. | The Netherlands | 100% | 100% |
| Aposave Mexico S de RL de | Mexico | 100% | 100% |
| Aposave Peru* | Peru | - | 100% |
| Pluripharm Holding B.V. | The Netherlands | 100% | 100% |
| Pluripharm Groep B.V. | The Netherlands | 100% | 100% |
| Thuis-apotheek B.V. | The Netherlands | 50% | 50% |
| Clinic Care Services B.V. | The Netherlands | 17% | 17% |
| Pluripharm B.V. | The Netherlands | 100% | 100% |
| Pluripack Alkmaar | The Netherlands | 100% | 100% |
| Pluripack Zwolle | The Netherlands | 100% | 100% |
| Pluripack Breda | The Netherlands | 100% | 100% |
| Pluriplus B.V. | The Netherlands | 100% | 100% |
| Distrimed B.V. | The Netherlands | 100% | 100% |
| Pluripharm Apotheek Beheer B.V. | The Netherlands | 100% | 100% |
| Apotheekfonds Pharmaconnect B.V. | The Netherlands | 50% | 50% |
| Pluripharm Direct B.V. | The Netherlands | 100% | 100% |
| Risus Financieringen B.V.* | The Netherlands | - | 100% |
| Phardis B.V. | The Netherlands | 100% | 100% |
| Instellingsapotheek B.V. | The Netherlands | 100% | 100% |
| Instellingsapotheek Gelderse Vallei B.V.* | The Netherlands | - | 100% |
| Instellingsapotheek Oost B.V.* | The Netherlands | - | 100% |
| Instellingsapotheek Zuidwest B.V.* | The Netherlands | - | 100% |
| DayDose ApS | Denmark | 100% | 100% |

* Company liquidated in 2021.

Notes to the Financial Statements

2 Investments in subsidiaries (continued)

| EUR'000 | <u>2021</u> | <u>2020</u> |
|--|----------------------|----------------------|
| Cost as at 1 January | 6.113 | 6.180 |
| Disposals | -61 | -67 |
| Cost as at 31 December | <u>6.052</u> | <u>6.113</u> |
| Value adjustments as at 1 January | 24.398 | 24.714 |
| Ownership portion of profit for the year | 196 | -150 |
| Ownership portion of amortisation of Goodwill in Abacus Medicine A/S | -317 | -232 |
| Ownership portion of equity movements in Abacus Medicine A/S | 694 | 338 |
| Change in ownership, minorities | -254 | -272 |
| Value adjustments as at 31 December | <u>24.717</u> | <u>24.398</u> |
| Carrying value as at 31 December | <u>30.769</u> | <u>30.511</u> |
| Which are presented as follows: | | |
| Result for the year | -121 | -382 |
| Gain related to sale of shares | 0 | 547 |
| Share of net profit in subsidiaries | <u>-121</u> | <u>165</u> |

Investments in subsidiaries are measured using the equity method.

3 Net finance costs

| EUR'000 | <u>2021</u> | <u>2020</u> |
|-----------------------------------|--------------------|--------------------|
| Finance income | | |
| Non-deductible interests and fees | 2 | 0 |
| Intercompany interest income | 6 | 12 |
| Total finance income | <u>8</u> | <u>12</u> |
| | | |
| EUR'000 | <u>2021</u> | <u>2020</u> |
| Finance expenses | | |
| Finance costs, interests etc. | -85 | -99 |
| Total finance expenses | <u>-85</u> | <u>-99</u> |

Notes to the Financial Statements

4 Tax

| EUR'000 | <u>2021</u> | <u>2020</u> |
|--|------------------|------------------|
| Current income tax | | |
| Current income tax charge | 3 | 27 |
| Adjustment related to current income tax of previous year | <u>78</u> | <u>0</u> |
| Income tax income reporting in the income statement | <u>81</u> | <u>27</u> |

5 Borrowings

Payments due within 1 year are recognised in short-term debt.

| EUR'000 | <u>2021</u> | <u>2020</u> |
|----------------------------|---------------------|---------------------|
| Current liabilities | | |
| Bank loan | <u>1.587</u> | <u>1.775</u> |
| Carrying amount | <u>1.587</u> | <u>1.775</u> |
| Nominal amount | <u>1.587</u> | <u>1.775</u> |

6 Contingent liabilities and other financial obligations

Charges and security

Wagner Family Holding ApS has pledged the shares in Abacus Medicine A/S as security for the bank loan of Abacus Medicine A/S. The bank loan totals EUR 48.9 million as per 31 December 2021 (2020: EUR 46.9 million). Wagner Family Holding ApS has issued a declaration of withdrawal to the bank of Abacus Medicine A/S regarding current and future receivables. Wagner Family Holding ApS guarantees for a factoring agreement Abacus Medicine A/S has with AL Finans which per 31 December 2021 has a limit of EUR 114 million. Further Wagner Family Holding ApS is guarantor for the bankaccount in DayDose ApS.

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc. of the Group. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

7 Subsequent events

No events have occurred after the balance sheet date which could have a material effect on Wagner Family Holding ApS' financial position at 31 December 2021.

Notes to the Financial Statements

8 Accounting policies

The Financial statements of Wagner Family Holding ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with the adoption of individual requirements for class C.

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

The Financial Statements for 2021 are presented in EUR.

Consolidated financial statements and cash flow

Under Section 112 of the Danish Financial Statements Act, consolidated financial statements are not presented. Wagner Family Holding ApS and its subsidiaries are included in the consolidated financial statement for FTW Holding ApS (cvr. 39 87 33 89), domiciled in Copenhagen. In accordance with the Danish Financial Statements Act §86 stk. 4, the cash flow statement is omitted.

Basis of preparation

The financial statements have been prepared on a historical cost basis.

Translation policies

EUR is used as the presentation currency. All other currencies are regarded as foreign currencies. Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Income Statement

Other external expenses

Other external expenses comprise audit, legal expenses and other administration expenses.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Notes to the Financial Statements

8 Accounting policies (continued)

Balance Sheet

Investments in Group subsidiaries

The investments in its subsidiaries are accounted for using the equity method. Wagner Family Holding ApS has chosen to consider the equity method as a consolidation method.

Under the equity method, the investment in the subsidiary is initially recognised at cost. The carrying amount of the investment is adjusted to recognize changes in the Company's share of net assets of the subsidiary since the acquisition date. Goodwill relating to the subsidiary is included in the carrying amount of the investment and is not tested for impairment separately, however the carrying amount of the investments in subsidiaries is subject to an annual test for indications of impairment. Goodwill in subsidiaries is amortised over 10 years.

The statement of profit or loss reflects the Company's share of the results of operations of the subsidiaries. In addition, when there has been a change recognised directly in the equity of the subsidiary, the Company recognizes its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Company and the subsidiary are eliminated.

Investments in enterprises with negative net asset values are measured at EUR 0 (nil). The enterprise's proportionate share of any negative equity is set off against receivables from the investment to the extent the receivable is deemed irrecoverable. If the Parent Company has a constructive obligation to cover a deficit that exceeds the amount owed, the remaining amount is recognised under provisions.

Net revaluations of the investments in subsidiaries are transferred to the reserve for net revaluation, according to the equity method, to the extent that the carrying amount exceeds the acquisition value.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Taxation

Current income tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the expected taxable income for the year, adjusted for tax on the taxable income of prior years and for prepaid tax.

Provisions for deferred tax are calculated, based on the liability method, of all temporary differences between carrying amounts and tax values, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income.

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.

Joint taxation contribution payable and receivable is recognised in the balance sheet as "Corporation tax receivable" or as "Corporation tax payable".

Financial debts

Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other liabilities are measured at amortised cost, substantially corresponding to nominal value.

ΠΕΝΝΕΟ

The signatures in this document are legally binding. The document is signed using Penneo™ secure digital signature. The identity of the signers has been recorded, and are listed below.

"By my signature I confirm all dates and content in this document."

Flemming Wagner

Executive Board

On behalf of: Wagner Family Holding ApS

Serial number: PID:9208-2002-2-571632621434

IP: 83.151.xxx.xxx

2022-06-21 12:59:14 UTC

NEM ID 

Jan C Olsen

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

Serial number: CVR:30700228-RID:28761615

IP: 145.62.xxx.xxx

2022-06-21 13:04:04 UTC

NEM ID 

Ole Becker

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

Serial number: CVR:30700228-RID:65669285

IP: 145.62.xxx.xxx

2022-06-21 13:15:36 UTC

NEM ID 

Torben Mauritzen

Chairman

On behalf of: Wagner Family Holding ApS

Serial number: 46707806-f92f-436b-8e18-99b42cb8ff4a

IP: 86.48.xxx.xxx

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