

Real Relief Health ApS
Esсен 26, 6000 Kolding

Annual report

2018

Company reg. no. 25 69 39 22

The annual report was submitted and approved by the general meeting on the 30 May 2019.

Poul Henrik Krøgh Nielsen
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Contents

Page

Reports

- 1 Management's report
- 2 Independent auditor's report on extended review

Management's review

- 4 Company data
- 5 Management's review

Annual accounts 1 January - 31 December 2018

- 6 Accounting policies used
- 9 Profit and loss account
- 10 Balance sheet
- 12 Notes

Management's report

The executive board has today presented the annual report of Real Relief Health ApS for the financial year 1 January to 31 December 2018.

The annual report has been presented in accordance with the Danish Financial Statements Act.

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2018 and of the company's results of its activities in the financial year 1 January to 31 December 2018.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Kolding, 30 May 2019

Executive board

Trine Angeline Sig

Torben Holm Larsen

Independent auditor's report on extended review

To the shareholder of Real Relief Health ApS

Opinion

We have performed extended review of the annual accounts of Real Relief Health ApS for the financial year 1 January to 31 December 2018, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

Based on the work we have performed, we believe that the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2018 and of the results of the company's operations for the financial year 1 January to 31 December 2018 in accordance with the Danish Financial Statements Act.

Basis for opinion

We performed the extended review in accordance with the standard from the Danish Business Authority applicable on auditor's reports to small enterprises and in accordance with the standard from the Danish Institute of State Authorised Public Accountants applicable on extended review of annual accounts prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the extended review of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor's responsibilities for the extended review of the annual accounts

Our responsibility is to express an opinion on the annual accounts. This requires that we plan and perform our procedures with the purpose of achieving moderate assurance as to our opinion on the annual accounts. Furthermore, it requires that we perform particularly required additional procedures with a view to achieving further assurance as to our opinion.

Independent auditor's report on extended review

An extended review comprises procedures primarily comprising inquiries to the management and to other persons within the enterprise when appropriate, analytical procedures, and the particularly required additional procedures along with an evaluation of the achieved audit evidence.

The scope of the procedures performed during an extended review is less than in case of an audit, and consequently, we do not express any audit opinion on the annual accounts.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our extended review of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the extended review, or whether it otherwise appears to contain material misstatement.

Furthermore, 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 believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Kolding, 30 May 2019

Martinsen

State Authorised Public Accountants
Company reg. no. 32 28 52 01

Peder Nygaard
State Authorised Public Accountant
mne12042

Maj-Britt Lykke Viskum
State Authorised Public Accountant
mne35478

Company data

The company

Real Relief Health ApS

Essen 26

6000 Kolding

Company reg. no. 25 69 39 22

Financial year: 1 January - 31 December

6th financial year

Executive board

Trine Angeline Sig

Torben Holm Larsen

Auditors

Martinsen

Statsautoriseret Revisionspartnerselskab

Jupitervej 4

6000 Kolding

Parent company

Real Relief Holding ApS

Management's review

The principal activities of the company

The company has the activity to sell nets and related activities.

Development in activities and financial matters

The gross profit for the year is DKK 267.720 against DKK 1.024.692 last year. The results from ordinary activities after tax are DKK 224.953 against DKK 821.543 last year. The management consider the results satisfactory.

Events subsequent to the financial year

No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.

Accounting policies used

The annual report for Real Relief Health ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

The profit and loss account

Gross profit

The gross profit comprises the net turnover, changes in inventories of finished goods and work in progress, work performed for own purposes and capitalised, other operating income, and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Cost of sales include costs for the purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to tangible fixed assets respectively.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concern the financial year.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

Accounting policies used

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

The balance sheet

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the book value, the amortisation discontinues.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

	Useful life
Other plants, operating assets, fixtures and furniture	3-5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or losses are recognised in the profit and loss account as other operating income or other operating expenses.

Writedown of fixed assets

The book values of tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets respectively. Writedown takes place to the recoverable amount, if this value is lower than the book value.

The recoverable value is equal to the value of the net selling price or the value in use, whichever is higher. The value in use is determined as the present value of the expected net cash flow deriving from the use of the asset or the group of assets.

Accounting policies used

Inventories

Inventories are measured at cost on the basis of measured average prices. In case the net realisable value is lower than the cost, writedown takes place at this lower value.

The cost for trade goods, raw materials, and consumables comprises the acquisition cost with the addition of the delivery costs.

The cost for manufactured goods and works in progress comprises the cost for raw materials, consumables, direct wages, and indirect production costs. Indirect production costs comprise indirect materials and wages, maintenance of and depreciation on machinery, factory buildings and equipment applied during the production process, and costs for factory administration and factory management. Borrowing costs are not recognised in cost.

The net realisable value for inventories is recognised as the market price with deduction of completion costs and selling costs. The net realisable value is determined taking into consideration the negotiability, obsolescence, and development of the expected market price.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Available funds

Available funds comprise cash at bank and in hand.

Liabilities

Mortgage debt and bank debt are for instance measured at amortised cost. As to cash loans, this corresponds to the outstanding debt of the loan. For bond loans, the amortised cost corresponds to an outstanding debt calculated as the underlying cash value at the date of borrowing adjusted by amortisation of the market value adjustment on the date of the borrowing carried out over the repayment period.

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.

Profit and loss account 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2018</u>	<u>2017</u>
Gross profit	267.720	1.024.692
1 Staff costs	16.280	33.462
Depreciation and writedown relating to tangible fixed assets	<u>208</u>	<u>1.083</u>
Operating profit	284.208	1.059.237
Other financial income	0	381
Other financial costs	<u>7.097</u>	<u>3.573</u>
Results before tax	291.305	1.063.191
Tax on ordinary results	<u>-66.352</u>	<u>-241.648</u>
Results for the year	<u>224.953</u>	<u>821.543</u>
 Proposed distribution of the results:		
Allocated to results brought forward	<u>224.953</u>	<u>821.543</u>
Distribution in total	<u>224.953</u>	<u>821.543</u>

Balance sheet 31 December

All amounts in DKK.

Assets	<u>2018</u>	<u>2017</u>
Note		
Fixed assets		
Other plants, operating assets, and fixtures and furniture	4.339	14.723
Tangible fixed assets in total	<u>4.339</u>	<u>14.723</u>
Fixed assets in total	<u>4.339</u>	<u>14.723</u>
Current assets		
Raw materials and consumables	201.814	0
Inventories in total	<u>201.814</u>	<u>0</u>
Trade debtors	2.619.644	70.366.105
Amounts owed by group enterprises	5.644.784	650.530
Other debtors	110.066	2.533
Accrued income and deferred expenses	17.253	11.743
Debtors in total	<u>8.391.747</u>	<u>71.030.911</u>
Available funds	117.544	731.045
Current assets in total	<u>8.711.105</u>	<u>71.761.956</u>
Assets in total	<u>8.715.444</u>	<u>71.776.679</u>

Balance sheet 31 December

All amounts in DKK.

Equity and liabilities	<u>2018</u>	<u>2017</u>
Note		
Equity		
2 Contributed capital	84.300	84.300
3 Results brought forward	<u>1.383.239</u>	<u>1.158.286</u>
Equity in total	<u>1.467.539</u>	<u>1.242.586</u>
 Liabilities		
Bank debts	<u>5.623.342</u>	<u>5.536.307</u>
Long-term liabilities in total	<u>5.623.342</u>	<u>5.536.307</u>
Bank debts	3.514	12.490
Trade creditors	1.446.846	64.659.648
Tax payables to group enterprises	66.352	241.648
Other debts	<u>107.851</u>	<u>84.000</u>
Short-term liabilities in total	<u>1.624.563</u>	<u>64.997.786</u>
Liabilities in total	<u>7.247.905</u>	<u>70.534.093</u>
 Equity and liabilities in total	<u>8.715.444</u>	<u>71.776.679</u>

4 Mortgage and securities**5 Contingencies**

Notes

All amounts in DKK.

	<u>2018</u>	<u>2017</u>
1. Staff costs		
Salaries and wages	796.249	1.581.019
Pension costs	960	1.576
Other staff costs	<u>-813.489</u>	<u>-1.616.057</u>
	<u>-16.280</u>	<u>-33.462</u>
Average number of employees	<u>1</u>	<u>3</u>
2. Contributed capital		
Contributed capital 1 January 2018	<u>84.300</u>	<u>84.300</u>
	<u>84.300</u>	<u>84.300</u>
3. Results brought forward		
Results brought forward 1 January 2018	1.158.286	336.743
Profit or loss for the year brought forward	<u>224.953</u>	<u>821.543</u>
	<u>1.383.239</u>	<u>1.158.286</u>
4. Mortgage and securities		
For bank debts, DKK 5.623.342, the company has provided security in company assets representing a nominal value of DKK 6.000.000. This security comprises the below assets, stating the book values:		
Tangible fixed assets	DKK 4.339	
Receivable from sales and services	DKK 2.612.144	
5. Contingencies		
Joint taxation		
Real Relief Holding ApS, company reg. no 25693922 being the administration company, the company is subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.		

Notes

All amounts in DKK.

5. Contingencies (continued)

Joint taxation (continued)

The company is unlimited jointly and severally liable with the other jointly taxed companies for any obligation to withhold tax on interest, royalties and dividends.

The total tax payable under the joint taxation amounts to DKK 0 thousand.

The liability relating to obligations in connection with withholding tax on dividends, interest and royalties represents an estimated maximum of DKK 0 thousand.

Any subsequent adjustments of corporate taxes or withheld taxes etc. may cause changes in the company's liabilities.