



Orifarm A/S

Energivej 15
5260 Odense S
CVR No. 26058708

Annual report 2019

The Annual General Meeting adopted the
annual report on 19.06.2020

Kim Jensen

Chairman of the General Meeting

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Entity details

Entity

Orifarm A/S

Energivej 15

5260 Odense S

CVR No.: 26058708

Registered office: Odense

Financial year: 01.01.2019 - 31.12.2019

Board of Directors

Erik Sandberg, Chairman

Hans Carl Bøgh-Sørensen

Birgitte Bøgh-Sørensen

Executive Board

Thomas Brandhof, Chief Executive Officer

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

P. O. Box 1600

0900 Copenhagen C

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Orifarm A/S for the financial year 01.01.2019 - 31.12.2019.

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 Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Odense, 19.06.2020

Executive Board

Thomas Brandhof
Chief Executive Officer

Board of Directors

Erik Sandberg
Chairman

Hans Carl Bøgh-Sørensen

Birgitte Bøgh-Sørensen

Independent auditor's report

To the shareholder of Orifarm A/S

Opinion

We have audited the financial statements of Orifarm A/S for the financial year 01.01.2019 - 31.12.2019, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant 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 Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 about 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 these 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary 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 commentary.

Copenhagen, 19.06.2020

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Nikolaj Thomsen

State Authorised Public Accountant
Identification No (MNE) mne33276

Jens Serup

State Authorised Public Accountant
Identification No (MNE) mne45825

Management commentary

Financial highlights

	2019 DKK'000	2018 DKK'000	2017 DKK'000	2016 DKK'000	2015 DKK'000
Key figures					
Revenue	1,200,155	1,250,457	1,192,494	1,202,590	1,035,135
Gross profit/loss	31,438	36,221	34,474	58,027	52,199
Operating profit/loss	8,961	7,288	7,608	6,786	8,545
Net financials	(1,874)	(1,433)	(1,684)	(1,857)	(1,467)
Profit/loss for the year	5,096	4,295	4,425	3,640	5,441
Total assets	175,252	194,205	232,009	312,438	194,841
Equity	35,689	40,593	36,298	31,874	28,234
Ratios					
Gross margin (%)	2.62	2.90	2.89	4.83	5.04
Net margin (%)	0.42	0.34	0.37	0.30	0.53
Return on equity (%)	13.36	11.17	12.98	12.11	21.30
Equity ratio (%)	20.36	20.90	15.65	10.20	14.49

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Gross margin (%):

$\frac{\text{Gross profit/loss} * 100}{\text{Revenue}}$

Net margin (%):

$\frac{\text{Profit/loss for the year} * 100}{\text{Revenue}}$

Return on equity (%):

$\frac{\text{Profit/loss for the year} * 100}{\text{Average equity}}$

Equity ratio (%):

$\frac{\text{Equity} * 100}{\text{Total assets}}$

Primary activities

Orifarm A/S is part of the Orifarm Group which is an ambitious operator in the European market for pharmaceuticals. Our ambition is to supply high quality pharmaceuticals at a lower price. In other words: We offer consumers and societies more healthcare for their money.

Orifarm A/S is selling Parallel Imported pharmaceuticals in Denmark. Pharmaceuticals are imported from EU/EEA Member States where original producers sell their preparations at prices that are lower than what they demand for the identical products in Denmark. In doing so, the company is depending on the principle of free movement of goods within the EU/EEA.

Orifarm A/S's activities have led to lower prices of pharmaceuticals and thus savings benefitting both patients and society.

Despite the principles of free movement of goods within the EU/EEA, and without regard for the fact that the efforts of Orifarm and its competitors have led to lower cost of pharmaceuticals, various barriers to the parallel import trade are still being tolerated by the EU; see section entitled "Obstacles to healthcare cost savings generated by the Parallel Import trade" below.

The formation and development of the company is healthcare business model innovation. This is expressed in Orifarm's mission statement, which is "Challenging the pharmaceutical market".

Orifarm's vision - "We want to be number 1 in making healthcare a better deal" - expresses the general objective. "A better deal" refers not only to savings, but also to how Orifarm delivers solutions that meet its stakeholder's needs. Orifarm's operating activities are guided by our values, which are flexibility, ambition, responsibility and customer centricity.

Development in activities and finances

Orifarm A/S's revenue decreased by 4% to MDKK 1.200 (2018: MDKK 1.250) and the market share continued to be consolidated at around 46%.

Orifarm A/S's operating margin increased to 0.8% (2018: 0.6%). Profitability increased despite fierce competition.

The company's results for 2019 are considered satisfactory and in line with the expectations set out in the financial statement for 2018.

Outlook

For 2020, Orifarm A/S expects to maintain revenue and operating income at 2019 level. No consequences from COVID-19 have been incorporated into these expectations.

The outbreak of COVID-19 in 2020 has impacted our business positively, and has led to increased uncertainty regarding our supply chain and our future ability to deliver to customers.

Reference is made to note 1 of the annual report for events after the balance sheet date.

Obstacles to healthcare cost savings generated by the Parallel Import trade

A series of measures undertaken by original producers and by some EU Member States hamper trade in pharmaceuticals and reduce Orifarm's ability to grow its parallel-import business:

Quota systems

A number of the world's biggest pharmaceutical manufacturers have introduced quota systems for selling pharmaceuticals in the EU. In some cases, pharmaceutical manufacturers have gone even further and stopped making deliveries to wholesalers who are re-exporting pharmaceuticals. This practise limits Orifarm's sourcing opportunities and consequently also the capacity to increase sales of the lower priced parallel imported pharmaceuticals. In Orifarm's view, quota systems are in breach of the EU Treaty because they let pharmaceutical manufacturers restrict competition within the EU.

Export ban

Several EU Member States have introduced or attempted to introduce bans on exports of pharmaceuticals to other member states or have hampered exports by imposing obligations onto exporters' notification as regards to regulatory authorities and approval regimens prior to export. Export bans and disproportionate export barriers violate the EU Treaty's provisions on the free movement of goods and may change Orifarm's entire business model. We therefore strongly object to such measures. The European Commission is regularly informed about developments and in this context we note that the Commission is currently investigating the extent of such export restrictions with the purpose of potential political intervention.

Dual pricing

In Spain, a number of multinational pharmaceutical manufacturers have established or maintained – supported by a legal frame work initiated by the Government – a dual pricing system. Dual pricing forces pharmaceutical manufacturers to sell their products at an artificially inflated price to Spanish pharmaceutical wholesalers. However, if the wholesalers can document that the products are intended for domestic sale - and not for re-export – then wholesalers will receive a discount bringing the price to the 'normal' Spanish price level. For parallel importers, the dual-pricing system, therefore, means that one of the EU's fundamental principles - free movement of goods between union members states - is effectively overruled. In Orifarm's opinion, dual-pricing violates the competition provisions set out in the EU Treaty.

Nonetheless, despite these trade restrictions, Orifarm has continued to provide its customers with stable deliveries of goods by cultivating new procurement countries and channels.

Particular risks

Operating conditions

To a significant extent, earnings depend on legislative measures that affect the pricing of pharmaceuticals in both the purchase and the sales countries. Earnings are also affected by measures which are intended to limit the consumption of pharmaceuticals.

It is Orifarm's policy to avoid infringing on trademark rights, and Orifarm A/S is not currently involved in any pending litigation of this kind.

Financial matters

The Company is exposed to fluctuations in foreign exchange rates and interest rate levels.

Orifarm's financial risks, including its cash management and extension of credits, are managed centrally. The aim is to maintain a low risk profile.

Culture and Employees

It is Orifarm's objective to be a leading supplier of parallel-imported pharmaceuticals in Denmark. We believe that our results and the competencies, commitment and well-being of our employees are intertwined. That is why

we are constantly seeking to maintain high motivation and engagement and develop our employees' knowledge and competencies, which in turn bolster Orifarm's results and growth-oriented culture.

In Orifarm we believe that diversity is very important to employees as well as to business. Consequently, the company is stressing internal efforts to constantly increase diversity across gender, age and culture and hence to e.g. onboard and integrate employees of diverse ethnic backgrounds. We see the potential of each employee and create opportunities for everyone to develop at work and contribute to our business, irrespective of their gender, age, ethnicity, disability or other personal characteristics.

The level of internationalization in Orifarm has increased significantly in recent years, and Orifarm has conducted international rotations of employees to ensure integration, knowledge sharing and cultural exchange.

Research and development activities

The company has development activities covering both product and process development.

Statutory report on corporate social responsibility

Orifarm joined the UN Global Compact in 2018, and we are consequently incorporating the Ten Principles into our strategies, policies and procedures.

Our 2019 progress report is available at <http://www.orifarm.com/responsibility/>.

Statutory report on the underrepresented gender

Orifarm has decided to publish diversity statements through our CSR reporting.

Our CSR reports are available at <http://www.orifarm.com/responsibility/>.

Income statement for 2019

	Notes	2019 DKK'000	2018 DKK '000
Revenue		1,200,155	1,250,457
Other operating income		20,929	24,273
Cost of sales		(1,156,526)	(1,206,735)
Other external expenses		(33,120)	(31,774)
Gross profit/loss		31,438	36,221
Staff costs	2	(16,097)	(22,040)
Depreciation, amortisation and impairment losses	3	(6,380)	(6,893)
Operating profit/loss		8,961	7,288
Other financial income	4	387	838
Other financial expenses	5	(2,261)	(2,271)
Profit/loss before tax		7,087	5,855
Tax on profit/loss for the year	6	(1,991)	(1,560)
Profit/loss for the year	7	5,096	4,295

Balance sheet at 31.12.2019

Assets

	Notes	2019 DKK'000	2018 DKK'000
Acquired intangible assets		0	0
Acquired licences		11,928	13,822
Intangible assets	8	11,928	13,822
Fixed assets		11,928	13,822
Trade receivables		126,289	144,566
Receivables from group enterprises		36,249	12,603
Other receivables		726	23,214
Prepayments	9	60	0
Receivables		163,324	180,383
Current assets		163,324	180,383
Assets		175,252	194,205

Equity and liabilities

	Notes	2019 DKK'000	2018 DKK'000
Contributed capital	10	5,100	5,100
Retained earnings		30,589	25,493
Proposed dividend		0	10,000
Equity		35,689	40,593
Deferred tax	11	2,624	3,041
Provisions		2,624	3,041
Other payables		610	0
Non-current liabilities other than provisions	12	610	0
Bank loans		117,781	121,249
Trade payables		4,788	1,417
Payables to group enterprises		9,089	19,170
Income tax payable		2,408	2,156
Other payables		2,263	6,579
Current liabilities other than provisions		136,329	150,571
Liabilities other than provisions		136,939	150,571
Equity and liabilities		175,252	194,205
Events after the balance sheet date	1		
Contingent liabilities	13		
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Statement of changes in equity for 2019

	Contributed capital DKK'000	Retained earnings DKK'000	Proposed dividend DKK'000	Total DKK'000
Equity beginning of year	5,100	25,493	10,000	40,593
Ordinary dividend paid	0	0	(10,000)	(10,000)
Profit/loss for the year	0	5,096	0	5,096
Equity end of year	5,100	30,589	0	35,689

Notes

1 Events after the balance sheet date

From the balance sheet date until today, no events have occurred which could change the assessments made in the Annual Report.

The outbreak of COVID-19 at the beginning of 2020 is not expected to have an material impact on the Company's financial position, as Orifarm's supply chain is intact and pharmaceuticals are highly demanded and essential also during the COVID-19 outbreak.

2 Staff costs

	2019 DKK'000	2018 DKK'000
Wages and salaries	13,658	19,098
Pension costs	2,168	2,662
Other social security costs	271	280
	16,097	22,040
Average number of full-time employees	38	45

Total amount for remuneration of management is 488 t.DKK in 2019 (652 t.DKK in 2018).

3 Depreciation, amortisation and impairment losses

	2019 DKK'000	2018 DKK'000
Amortisation of intangible assets	6,380	6,893
	6,380	6,893

4 Other financial income

	2019 DKK'000	2018 DKK'000
Financial income from group enterprises	345	831
Exchange rate adjustments	42	7
	387	838

5 Other financial expenses

	2019 DKK'000	2018 DKK'000
Financial expenses from group enterprises	3	4
Exchange rate adjustments	31	21
Other financial expenses	2,227	2,246
	2,261	2,271

6 Tax on profit/loss for the year

	2019 DKK'000	2018 DKK'000
Current tax	2,258	2,156
Change in deferred tax	(417)	(596)
Adjustment concerning previous years	150	0
	1,991	1,560

7 Proposed distribution of profit and loss

	2019 DKK'000	2018 DKK'000
Ordinary dividend for the financial year	0	10,000
Retained earnings	5,096	(5,705)
	5,096	4,295

8 Intangible assets

	Acquired intangible assets DKK'000	Acquired licences DKK'000
Cost beginning of year	2,640	57,352
Additions	0	4,486
Cost end of year	2,640	61,838
Amortisation and impairment losses beginning of year	(2,640)	(43,530)
Amortisation for the year	0	(6,380)
Amortisation and impairment losses end of year	(2,640)	(49,910)
Carrying amount end of year	0	11,928

Acquired licenses includes files and application fees.

9 Prepayments

Prepayments consist of expenses payed in advance.

10 Share capital

	Number	Par value DKK'000	Nominal value DKK'000
Share	5,100	1	5,100
	5,100		5,100

The shares have not been divided into classes.

There has not been changes in contributed capital in the past five financial years.

11 Deferred tax

	2019 DKK'000	2018 DKK'000
Intangible assets	2,624	3,041
Deferred tax	2,624	3,041

Changes during the year	2019 DKK'000
Beginning of year	3,041
Recognised in the income statement	(417)
End of year	2,624

12 Non-current liabilities other than provisions

	Due after more than 12 months 2019 DKK'000
Other payables	610
	610

13 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where HBS Capital ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

The Entity is a party to litigation regarding alleged infringement of trademark rights and other matters. Management believes that these legal proceedings will not lead to material losses for the Entity.

The Group has normal trade obligations on returned goods, and no significant losses are expected.

14 Assets charged and collateral

The Group has provided guarantees under which the guarantors assume joint and several liability for group enterprises' net debt with bank and credit institution. The Group's total net debt in relation to this guarantee is booked at 788 m.DKK at 31.12.2019.

The Entity has provided receivables from sales of goods and services, 126 m.DKK, as security for debt to banks and credit institutions.

15 Related parties with controlling interest

Related parties with controlling interest in Orifarm A/S:

The parent company Orifarm PI A/S, Odense, and the other companies in the HBS Capital Group.

All transactions with related parties are conducted on arms length.

16 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
HBS Capital ApS, Odense, Central Business Registration Number 41 00 08 80.

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Orifarm Group A/S, Odense, Central Business Registration Number 27 34 72 82.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

The accounting policies applied to these financial statements are consistent with those applied last year.

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 Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity 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 Entity, 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 effected 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.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Referring to section 96 (1) in the Danish Financial Statement Act the entity has decided not to show revenue allocated on segments, as the Company only has one segment as mentioned in the management commentary.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Cost of sales

Cost of sales comprises direct costs incurred to generate revenue. The cost of sales is recognized raw materials, consumables and cost of production staff.

Other external expenses

Other external expenses comprise expenses for distribution, sale, advertising, administration, premises etc.

Referring to section 96 (3) in the Danish Financial Statement Act the Entity has decided not to show the fee to auditors. Reference is made to the information for the Group in the consolidated financial statements for Orifarm Group A/S.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises and transactions in foreign currencies.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with the ultimate Parent Company and all of the ultimate Parent company's Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

The jointly taxed companies are subject to the rules of section 11B of the Danish Companies Act governing interest deduction limitation. It has been agreed in the joint taxation that reduced interest deduction is recognized in the company in which the interest deduction has been reduced.

Balance sheet**Intellectual property rights etc**

Intellectual property rights comprise application fees.

Application fees are measured at cost less depreciation accumulated and impairment losses.

Application fees regarding a specific product in relation to which a potential future market can be demonstrated and where the intention is to market the product in question are recognised as intangible assets. Other costs relating to applications are recognised as cost in the income statement as incurred. The depreciation period of the application fees regarding other products is 5 years.

When application fees are subject to impairment, files and application fees are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carry-forwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Other financial liabilities

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

Income tax receivable or payable

Current tax receivable or payable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Cash flow statement

Referring to section 86 (4) of the Danish Financial Statements Act, Orifarm A/S has not prepared any cash flow statement. Orifarm A/S is included in the consolidated cash flow statement in Orifarm Group A/S.

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“Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument.”

Hans Carl Bøgh-Sørensen

Bestyrelsesmedlem

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Erik Sandberg

Bestyrelsesformand

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Nikolaj Thomsen

Revisor

Serienummer: PID:9208-2002-2-256851643530

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Thomas Brandhof

Adm. direktør

Serienummer: PID:9208-2002-2-292821610529

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NEM ID 

Jens Serup

Revisor

Serienummer: CVR:33963556-RID:97983395

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2020-06-19 14:21:01Z

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Birgitte Bøgh-Sørensen

Bestyrelsesmedlem

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Kim Jensen

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