



Life Care Europe ApS

Sundkrogsgade 19, 2.
2100 Copenhagen
CVR No. 27635385

Annual report 2021

The Annual General Meeting adopted the
annual report on 29.06.2022

Brian Friis

Chairman of the General Meeting

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Entity details

Entity

Life Care Europe ApS
Sundkrogsgade 19, 2.
2100 Copenhagen

Business Registration No.: 27635385
Registered office: Copenhagen
Financial year: 01.01.2021 - 31.12.2021

Executive Board

Brian Friis

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management

The Executive Board has today considered and approved the annual report of Life Care Europe ApS for the financial year 01.01.2021 - 31.12.2021.

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

In my opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021.

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

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

Copenhagen, 29.06.2022

Executive Board

Brian Friis

Independent auditor's report

To the shareholders of Life Care Europe ApS

Opinion

We have audited the financial statements of Life Care Europe ApS for the financial year 01.01.2021 - 31.12.2021, 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 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021 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 this auditor's report. We are independent of the Entity 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. 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, 29.06.2022

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Bjørn Winkler Jakobsen

State Authorised Public Accountant
Identification No (MNE) mne32127

Management commentary

Primary activities

Life Care Europe ApS performs consultancy, marketing and administration support for Life Extension Europe B.V.

Development in activities and finances

The loss for 2021 amounts to 21.749 TDKK, which reflects substantial activities into optimizing processes and support included projects related to closing down Life Extension B.V.'s warehouse in Netherlands and outsourcing all stock and logistic handling to a 3PL provider.

We have also updated both the E-commerce sales platform for Shopware and the Finance system to Navision Business central.

The share capital has been lost and is therefore covered by the rules in the companies Act regarding capital losses.

Outlook

We expect to increase our momentum in 2022 towards our 2025 goals, where we aim to further improve our footprint in Europe, driven by the effect of combining synergies from quality health and vitamin products, and a state-of-the-art e-commerce platform.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report. Reference is made to note 1.

Income statement for 2021

	Notes	2021 DKK	2020 DKK
Gross profit/loss		(7,722,566)	13,951,655
Staff costs	3	(14,136,892)	(12,568,049)
Depreciation, amortisation and impairment losses		0	(122,294)
Operating profit/loss		(21,859,458)	1,261,312
Other financial income	4	360,472	446,884
Other financial expenses	5	(232,798)	(228,932)
Profit/loss before tax		(21,731,784)	1,479,264
Tax on profit/loss for the year	6	(17,000)	(378,685)
Profit/loss for the year		(21,748,784)	1,100,579
Proposed distribution of profit and loss			
Retained earnings		(21,748,784)	1,100,579
Proposed distribution of profit and loss		(21,748,784)	1,100,579

Balance sheet at 31.12.2021

Assets

	Notes	2021 DKK	2020 DKK
Other fixtures and fittings, tools and equipment		0	0
Leasehold improvements		0	0
Property, plant and equipment	7	0	0
Deposits		374,533	0
Financial assets		374,533	0
Fixed assets		374,533	0
Receivables from group enterprises		9,180,123	18,135,991
Deferred tax		10,000	27,000
Other receivables		791,541	2,364,626
Prepayments		0	120,405
Receivables		9,981,664	20,648,022
Cash		3,432	1,011,640
Current assets		9,985,096	21,659,662
Assets		10,359,629	21,659,662

Equity and liabilities

	Notes	2021 DKK	2020 DKK
Contributed capital		125,000	125,000
Retained earnings		(14,554,041)	7,194,743
Equity		(14,429,041)	7,319,743
Bank loans		398,564	375,863
Trade payables		1,838,651	6,438,278
Payables to group enterprises		16,828,326	1,804,618
Payables to associates		3,212,834	1,399,328
Payables to shareholders and management		265,912	0
Joint taxation contribution payable		0	386,685
Other payables		2,244,383	3,935,147
Current liabilities other than provisions		24,788,670	14,339,919
Liabilities other than provisions		24,788,670	14,339,919
Equity and liabilities		10,359,629	21,659,662

Going concern	1
Events after the balance sheet date	2
Unrecognised rental and lease commitments	8
Contingent liabilities	9
Assets charged and collateral	10

Statement of changes in equity for 2021

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	125,000	7,194,743	7,319,743
Profit/loss for the year	0	(21,748,784)	(21,748,784)
Equity end of year	125,000	(14,554,041)	(14,429,041)

Notes

1 Going concern

G & B Friis Holding ApS has submitted a financial statement of support so that Life Care Europe ApS can continue its Operation until 31.12.2022.

Life Extension Europe B.V. has submitted a financial subordination agreement, so that Life Care Europe ApS can continue its operation until 31.12.2022.

2 Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report. The war in Ukraine which started at the end of February 2022 has not had and is not expected to have a significant impact on the company's financial position and development, as the company has no significant sales or significant suppliers in the countries concerned.

3 Staff costs

	2021 DKK	2020 DKK
Wages and salaries	13,239,443	11,696,011
Pension costs	466,069	443,622
Other social security costs	148,576	95,902
Other staff costs	282,804	332,514
	14,136,892	12,568,049
Average number of full-time employees	21	19

4 Other financial income

	2021 DKK	2020 DKK
Financial income from group enterprises	360,472	446,884
	360,472	446,884

5 Other financial expenses

	2021 DKK	2020 DKK
Financial expenses from group enterprises	29,494	44,014
Financial expenses from associates	78,362	34,130
Other financial expenses	124,942	150,788
	232,798	228,932

6 Tax on profit/loss for the year

	2021 DKK	2020 DKK
Current tax	0	386,685
Change in deferred tax	17,000	(8,000)
	17,000	378,685

7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	183,528	329,090
Disposals	(60,567)	(329,090)
Cost end of year	122,961	0
Depreciation and impairment losses beginning of year	(183,528)	(329,090)
Reversal regarding disposals	60,567	329,090
Depreciation and impairment losses end of year	(122,961)	0
Carrying amount end of year	0	0

8 Unrecognised rental and lease commitments

	2021 DKK	2020 DKK
Liabilities under rental or lease agreements until maturity in total	5,205,125	54,532

9 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where G & B FRIIS HOLDING 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.

10 Assets charged and collateral

The Entity has submitted a financial subordination agreement to the following group enterprises which applies until 31.12.2022:

- Life Care Holding II ApS

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

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.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the sale 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.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

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

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, 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 all Danish group enterprises. 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).

Balance sheet

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3 years
Leasehold improvements	3 years

Items of property, plant and equipment 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.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary

differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, 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.

Prepayments

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

Cash

Cash comprises bank deposits.

Other financial liabilities

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

Joint taxation contributions payable or receivable

Current joint taxation contributions receivable or joint taxation contributions payable are recognised in the balance sheet, calculated as tax computed on the taxable income of the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.