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CVR no. 20 22 26 70

ARCTIKO INTERNATIONAL APS

ODDESUNDVEJ 39, 6715 ESBJERG N

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2022

The Annual Report has been presented and adopted at the Company's Annual General Meeting on 10 July 2023

Jens Peter Rønn Laugesen

The English part of this document is an unofficial translation of the original Danish text, and in case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.

CVR NO. 28 50 24 43

CONTENTS

COMPANY DETAILS

Company	ARCTIKO INTERNATIONAL ApS Oddesundvej 39 6715 Esbjerg N	
	CVR No.:	28 50 24 43
	Established:	8 March 2005
	Municipality:	Esbjerg
	Financial Year:	1 January - 31 December
Board of Directors	Robert Walker Martin, chairman Carleton Earl Saunders IV John Daniel Sedlacek	
Executive Board	Jens Peter Rønn Laugesen	
Auditor	BDO Statsautoriseret revisionsaktieselskab John Tranums Vej 23, 1. sal 6705 Esbjerg Ø	

MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of ARCTIKO INTERNATIONAL ApS for the financial year 1 January - 31 December 2022.

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 assets, liabilities and financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

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

Esbjerg, 10 July 2023

Executive Board

Jens Peter Rønn Laugesen

Board of Directors

Robert Walker Martin Chairman	Carleton Earl Saunders IV	John Daniel Sedlacek

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of ARCTIKO INTERNATIONAL ApS

Opinion
We have audited the Financial Statements of ARCTIKO INTERNATIONAL ApS for the financial year 1 January - 31 December 2022, which comprise income statement, Balance Sheet, statement of changes in equity, notes *and 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 assets, liabilities and financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis for Opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other matter
With effect for the current financial year, the company has switched from an extended review to an audit according to international standards. The comparative figures are not audited according to international standards, but audited according to the disclosure standard for small businesses (extended review).

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 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 judgment and maintain professional skepticism throughout the audit. We also:

INDEPENDENT AUDITOR'S REPORT

- *Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.*
- *Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.*
- *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 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 Management Commentary
Management is responsible for Management Commentary.

Our opinion on the Financial Statements does not cover 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 Management Commentary and, in doing so, consider whether Management Commentary 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 Management Commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that 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 Management Commentary.

Esbjerg, 10 July 2023

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Anders Noe
State Authorised Public Accountant
MNE no. mne41367

MANAGEMENT COMMENTARY

Principal activities
The principal activities comprise production, sales, services and other business related thereto. Key sales channels are hospitals, laboratories, research, pharma and life science.

Significant events after the end of the financial year
No events have occurred after the end of the financial year of material importance for the Company's financial position.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2022 DKK	2021 DKK
GROSS PROFIT		**1.863.974**	**3.370.684**
Staff costs	1	-3.347.369	-3.420.045
OPERATING LOSS		**-1.483.395**	**-49.361**
Income from investments in subsidiaries		469.075	210.081
Other financial income	2	61.538	231.513
Other financial expenses	3	-86.450	-44.585
LOSS BEFORE TAX		**-1.039.232**	**347.648**
Tax on profit/loss for the year	4	80.155	-30.260
LOSS FOR THE YEAR		**-959.077**	**317.388**

PROPOSED DISTRIBUTION OF PROFIT

Extraordinary dividend		0	2.523.641
Allocation to reserve for net revaluation under the equity method		469.075	210.081
Retained earnings		-1.428.152	-2.416.334
TOTAL		**-959.077**	**317.388**

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2022 DKK	2021 DKK
Investments in subsidiaries		854.100	385.025
Financial non-current assets	5	**854.100**	**385.025**
NON-CURRENT ASSETS		**854.100**	**385.025**
Raw materials and consumables		4.318.409	4.467.189
Inventories		**4.318.409**	**4.467.189**
Trade receivables		420.915	330.916
Deferred tax assets		100.000	0
Other receivables		225.550	329.906
Corporation tax receivable		0	132.998
Prepayments		49.161	33.013
Receivables		**795.626**	**826.833**
Cash and cash equivalents		**12.530**	**2.720.061**
CURRENT ASSETS		**5.126.565**	**8.014.083**
ASSETS		**5.980.665**	**8.399.108**

EQUITY AND LIABILITIES			
Share capital		125.000	125.000
Reserve for net revaluation under the equity method		789.097	320.022
Retained earnings		159.664	1.587.816
EQUITY		**1.073.761**	**2.032.838**
Prepayments from customers		9.218	27.583
Trade payables		466.551	944.475
Debt to Group companies		4.287.717	5.250.794
Corporation tax payable		0	143.418
Other liabilities		143.418	0
Current liabilities		**4.906.904**	**6.366.270**
LIABILITIES		**4.906.904**	**6.366.270**
EQUITY AND LIABILITIES		**5.980.665**	**8.399.108**

Contingencies etc.	6		
Charges and securities	7		

EQUITY

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Total
Equity at 1 January 2022	125.000	320.022	1.587.816	2.032.838
Proposed profit allocation		469.075	-1.428.152	-959.077
Equity at 31 December 2022	**125.000**	**789.097**	**159.664**	**1.073.761**

NOTES

	2022 DKK	2021 DKK	Note
Staff costs			1
Average number of employees	5	5	
Wages and salaries	3.347.369	3.420.045	
	3.347.369	**3.420.045**	
Other financial income			2
Group enterprises	0	46.024	
Other interest income	61.538	185.489	
	61.538	**231.513**	
Other financial expenses			3
Group enterprises	72.408	0	
Other interest expenses	14.042	44.585	
	86.450	**44.585**	
Tax on profit/loss for the year			4
Adjustment of tax in previous years	19.845	-5	
Adjustment of deferred tax	-100.000	0	
Calculated tax on taxable income of the year	0	30.265	
	-80.155	**30.260**	

Financial non-current assets	Investments in subsidiaries	5
Cost at 1 January 2022	65.003	
Cost at 31 December 2022	**65.003**	
Revaluation at 1 January 2022	320.022	
Profit/loss for the year	469.075	
Revaluation at 31 December 2022	**789.097**	
Carrying amount at 31 December 2022	**854.100**	

NOTES

Note

Contingencies etc. 6
Contingent assets
The company has a deferred tax asset of T.DKK 232 which has not been recognized.

Contingent liabilities
None.

Joint liabilities
The Company is jointly and severally liable together with the Parent Company and the other group companies in the joint taxable group for tax on the group's joint taxable income and for certain possible withholding taxes, such as dividend tax, etc.

Tax payable on the Group's joint taxable income is stated in the annual report of ARCTIKO A/S, which serves as management Company for the joint taxation.

Charges and securities 7
Bank loans are secured by way of a deposited mortgage deed registered to the mortgagor of T.DKK. 6.000 nominal.

Mortgage deed includes assets, property, plant and equipment, inventories and trade receivables.

The carrying amount of mortgaged assets is T.DKK. 4.739.

ACCOUNTING POLICIES

The Annual Report of ARCTIKO INTERNATIONAL ApS for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

INCOME STATEMENT

Net revenue
Net revenue from the sale of merchandise and finished goods is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received.

Net revenue is recognised exclusive of VAT and less duties and discounts related to the sale.

Cost of sales
Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

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 wages and salaries, including holiday pay and pensions, and other costs of social security etc., for the Company's employees. Repayments from public authorities are deducted from staff costs.

Income from investments in subsidiaries
The proportional share of the results of subsidiaries, stated according to the Parent Company's accounting policies and with full elimination of unrealised intercompany profits/losses and deduction of amortisation of added value and goodwill resulting from purchase price allocation at the date of acquisition, is recognised in the Parent Company's Income Statement.

In connection with transfers, potential profits are recognised when the economic rights related to the sold subsidiaries are transferred, however, at the earliest when the profit has been realised or is regarded as realisable. Moreover, realised losses other than impairments are included where identified.

Financial income and expenses
Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from securities, debt and transactions in foreign currencies, as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised by the amounts that relate to the financial year. Interest income and expenses are calculated on amortised cost prices.

Tax
The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the Income Statement by the share that may be attributed to the profit for the year, and is recognised directly in equity by the share that may be attributed to entries directly to equity.

BALANCE SHEET

Financial non-current assets
Investments in Equity interests in subsidiaries are measured in the Parent Company Balance Sheet under the equity method, which is regarded as a method of measuring/consolidation.

ACCOUNTING POLICIES

Equity investments in subsidiaries are measured in the Balance Sheet at the proportional share of the enterprises' carrying equity value, calculated in accordance with the Parent Company's accounting policies with deduction or addition of unrealised intercompany profits or losses and with addition or deduction of the residual value of positive or negative goodwill calculated according to the acquisition method. Negative goodwill is recognised in the Income Statement when the equity interest is acquired. Where the negative goodwill is related to acquired contingent liabilities, the negative goodwill will be recognised as income when the contingent liabilities have been settled or cease.

Net revaluation of equity interests in subsidiaries is transferred under equity to reserve for net revaluation under the equity value method to the extent that the carrying amount exceeds the acquisition value.

Subsidiaries with a negative carrying equity value are measured to DKK 0 and any amounts due from these enterprises are written down to the extent that it is deemed to be irrecoverable. If the carrying negative equity value exceeds receivables, the residual amount is recognised under provision for liabilities to the extent that the Company has a legal or actual liability to cover the subsidiaries deficit.

Impairment of fixed assets
The carrying amount of tangible assets, are assessed annually for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the recoverable amount.

The recoverable amount is calculated at the higher of the capital value and the sales value less expected costs of a sale. The capital value is determined as the Company's share in the current value of the net cash flows which the subsidiary is expected to generate through its activities and from sale of assets after the end of their useful lives. A discount rate is used which reflects the risk-free market rate and the owners' minimum return on interest requirements for similar assets. The growth rate in the terminal period is determined in accordance with the standards within the industry.

Inventories
Inventories are measured at cost using the FIFO-principle. If the net realisable amount is lower than cost, the inventories are written down to the lower amount.

The cost of merchandise as well as raw materials and consumables is calculated at acquisition price with addition of transportation and similar costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct payroll cost and other direct production cost.

The net realisable value of inventories is stated at the expected sales price less direct completion costs and costs incurred to execute the sale and is determined with due regard to marketability, obsolescence and development in expected sales price of the inventories.

Receivables
Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

Accruals, assets
Accruals recognised as assets include costs incurred relating to the subsequent financial year.

ACCOUNTING POLICIES

Tax payable and deferred tax
Current tax liabilities and receivable current tax are recognised in the Balance Sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

The Company is subject to joint taxation with Danish Group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the tax-on-account scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the amount at which the asset is expected to be used within a reasonable number of years, either by setoff against tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the Balance Sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities
Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less transaction costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the loan period.

The amortised cost of current liabilities corresponds usually to the nominal value.