



EVIDENSIA DANMARK APS

ENGGÅRDSVEJ 2, 4700 NÆSTVED

ANNUAL REPORT

1 OCTOBER 2018 - 30 SEPTEMBER 2019

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 25 February 2020**

Ulla Pless

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. 35 03 78 45

CONTENTS

	Page
Company Details	
Company Details.....	3
Statement and Report	
Statement by Board of Directors and Board of Executives.....	4
Independent Auditor's Report.....	5-6
Management's Review	
Management's Review.....	7
Financial Statements 1 October 2018 - 30 September 2019	
Income Statement.....	8
Balance Sheet.....	9-10
Equity.....	11
Notes.....	12-14
Accounting Policies.....	15-17

COMPANY DETAILS

Company	Evidensia Danmark ApS Enggårdsvej 2 4700 Næstved CVR No.: 35 03 78 45 Established: 7 February 2013 Registered Office: Næstved Financial Year: 1 October 2018 - 30 September 2019
Board of Directors	Ulla Pless, chairman Mark Andrew Gillings David Robert Geoffrey Hillier
Board of Executives	Ulla Pless
Auditor	Deloitte Statsautoriseret Revisionspartnerselskab Postboks 1600 Weidekampsgade 6 0900 Copenhagen

STATEMENT BY BOARD OF DIRECTORS AND BOARD OF EXECUTIVES

Today the Board of Directors and Board of Executives have discussed and approved the Annual Report of Evidensia Danmark ApS for the financial year 1 October 2018 - 30 September 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 Company's financial position at 30 September 2019 and of the results of the Company's operations for the financial year 1 October 2018 - 30 September 2019.

The Management's Review includes in our opinion a fair presentation of the matters dealt with in the Review.

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

Næstved, 25 February 2020

Board of Executives

Ulla Pless

Board of Directors

Ulla Pless
Chairman

Mark Andrew Gillings

David Robert Geoffrey Hillier

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Evidensia Danmark ApS

Opinion

We have audited the Financial Statements of Evidensia Danmark ApS for the financial year 1 October 2018 - 30 September 2019, 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 30 September 2019 and of the results of the Company's operations for the financial year 1 October 2018 - 30 September 2019 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' 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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:

- 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.

INDEPENDENT AUDITOR'S REPORT

- 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's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 25 February 2020

Deloitte Statsautoriseret Revisionspartnerselskab
CVR no. 33963556

Flemming Larsen
State Authorised Public Accountant
MNE no. mne27790

MANAGEMENT'S REVIEW

Principal activities

The company's main activity is to be a holding company for companies operating within the veterinary industry and related activities.

Development in activities and financial position

The company's result shows a deficit of DKK 6,292 thousand compared to DKK 16,068 thousand in 2018. The company's balance sheet 30.09.2019 reports a negative equity of DKK 21,420 thousand.

The company's earnings and financial position are considered unsatisfactory.

The board is currently considering how to consolidate the 3 Danish Evidensia entities. It has been considered to merge the companies with the subsidiary company Evidensia Dyrehospital A/S as the continuing company.

Essential assumptions and uncertain factors

The company has lost the entire share capital and has a negative equity. The company's parent company has undertaken to supply the company with liquidity, if the company cannot meet its own obligations for its own funds. The commitment is valid until 01.10.2020. If the decision is taken to merge Evidensia Danmark A/S into another group company, the Evidensia Danmark A/S' parent company will continue to ensure that all creditors in Evidensia Danmark A/S as at the date of the merger will be paid.

On the basis of this letter of support management determined that the financial statements can be presented in accordance with the going concern principle.

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 OCTOBER - 30 SEPTEMBER

	Note	2018/19 DKK	2017/18 DKK
GROSS PROFIT		4.883.218	5.433.806
Staff costs.....	1	-6.412.278	-6.512.440
Depreciation, amortisation and impairment losses.....		-19.090	-12.254
OPERATING LOSS		-1.548.150	-1.090.888
Result of equity investments in group and associates.....		-2.007.000	-13.480.535
Other financial income.....	2	76.081	0
Other financial expenses.....	3	-2.812.646	-1.499.010
LOSS BEFORE TAX		-6.291.715	-16.070.433
Tax on profit/loss for the year.....	4	0	2.584
LOSS FOR THE YEAR		-6.291.715	-16.067.849
PROPOSED DISTRIBUTION OF DIVIDEND			
Retained earnings.....		-6.291.715	-16.067.849
TOTAL		-6.291.715	-16.067.849

BALANCE SHEET AT 30 SEPTEMBER

ASSETS	Note	2019 DKK	2018 DKK
Other plant, machinery, tools and equipment		64.077	78.210
Tangible fixed assets	5	64.077	78.210
Equity investments in group enterprises		36.655.655	37.110.281
Fixed asset investments	6	36.655.655	37.110.281
FIXED ASSETS		36.719.732	37.188.491
Receivables from group enterprises		4.146.537	6.224.307
Corporation tax receivable		0	47.000
Prepayments and accrued income		104.441	27.068
Receivables		4.250.978	6.298.375
Cash and cash equivalents		651.034	1.341.450
CURRENT ASSETS		4.902.012	7.639.825
ASSETS		41.621.744	44.828.316

BALANCE SHEET AT 30 SEPTEMBER

EQUITY AND LIABILITIES	Note	2019 DKK	2018 DKK
Share capital.....		300.000	300.000
Retained profit.....		-21.719.635	-15.427.920
EQUITY.....		-21.419.635	-15.127.920
Provisions for equity investments in group enterpr.....		5.984.252	4.431.878
PROVISION FOR LIABILITIES.....		5.984.252	4.431.878
Payables to group enterprises.....		33.939.793	33.939.793
Long-term liabilities.....	7	33.939.793	33.939.793
Trade payables.....		634.887	354.249
Payables to group enterprises.....		21.644.684	20.497.724
Other liabilities.....		837.763	732.592
Current liabilities.....		23.117.334	21.584.565
LIABILITIES.....		57.057.127	55.524.358
EQUITY AND LIABILITIES.....		41.621.744	44.828.316
Contingencies etc.	8		
Related parties	9		
Uncertainty with respect to going concern	10		

EQUITY

	Share capital	Retained profit	Total
Equity at 1 October 2018.....	300.000	-15.427.920	-15.127.920
Proposed distribution of profit.....		-6.291.715	-6.291.715
Equity at 30 September 2019.....	300.000	-21.719.635	-21.419.635

NOTES

	2018/19 DKK	2017/18 DKK	Note
Staff costs			1
Average number of employees 9 (2017/18: 9)			
Wages and salaries.....	5.347.520	5.658.361	
Pensions.....	687.722	635.840	
Social security costs.....	29.923	31.997	
Other staff costs.....	347.113	186.242	
	6.412.278	6.512.440	
Other financial income			2
Group enterprises.....	67.060	0	
Other interest income.....	9.021	0	
	76.081	0	
Other financial expenses			3
Group enterprises.....	2.802.993	1.328.570	
Exchange rate adjustments.....	402	165.235	
Other interest expenses.....	9.251	5.205	
	2.812.646	1.499.010	
Tax on profit/loss for the year			4
Adjustment of deferred tax.....	0	-2.584	
	0	-2.584	
Tangible fixed assets			5
		Other plant, machinery, tools and equipment	
Cost at 1 October 2018.....		93.915	
Additions.....		4.957	
Cost at 30 September 2019.....		98.872	
Depreciation and impairment losses at 1 October 2018.....		15.705	
Depreciation for the year.....		19.090	
Depreciation and impairment losses at 30 September 2019.....		34.795	
Carrying amount at 30 September 2019.....		64.077	

NOTES

Note

Fixed asset investments

6

	Equity investments in group enterprises
Cost at 1 October 2018.....	55.956.795
Cost at 30 September 2019.....	55.956.795
Revaluation at 1 October 2018.....	-18.846.514
Profit/loss for the year.....	-2.007.000
Investments with negative equity value transferred to provisions.....	1.552.374
Revaluation at 30 September 2019.....	-19.301.140
Carrying amount at 30 September 2019.....	36.655.655

Investments in subsidiaries (DKK)

Name and registered office	Equity	Profit/loss for the year	Ownership
Evidensia Dyrehospital A/S, Næstved.....	24.922.266	2.848.435	100 %
Evidensia Academy ApS , Greve.....	-5.867.906	-1.324.847	100 %

Long-term liabilities

7

	30/9 2019 total liabilities	Repayment next year	Debt outstanding after 5 years	30/9 2018 total liabilities	Current portion at the beginning of the year
Payables to group enterprises...	33.939.793	0	0	33.939.793	0
	33.939.793	0	0	33.939.793	0

The debt to Evidensia Djursjukvård AB is due at the written request of the Swedish parent company. Such a request assumes that Evidensia Danmark ApS has sufficient cash flow to pay, this. An agreement has been reached that no debt must be redeemed in the coming year.

Contingencies etc.

8

Contingent liabilities

The company has issued a warranty statement towards the subsidiary company Evidensia Academy ApS. The warranty is valid until 1 October 2020.

Furthermore the company have a rent obligation which is recognised to DKK 8.018.222 as of 30th september 2019 which expire in 2024.

Joint liabilities

The Danish companies of the group is jointly and severally liable for tax on the group's jointly taxed income and for certain possible withholding taxes such as dividend tax and royalty tax, and for the joint registration of VAT.

Tax payable of the group's jointly taxed income amounts to DKK ('000) 0 at the balance sheet date.

NOTES**Note****Related parties****9**

The Company's related parties include:

Evidensia Academy ApS, Enggårdsvej 2, 4700 Næstved

Evidensia Dyrehospital A/S, Enggårdsvej 2, 4700 Næstved

Evidensia Djursjukvård AB, Djursjukhusvägen 11, 734 94 Stockholm

IVC Acquisition Midco Limited (UK), Station house Ease, Ashley Avenue, Bath, BA1 3DS.

Uncertainty with respect to going concern**10**

The company's parent company has undertaken to supply the company with liquidity, if the company cannot meet its own obligations for its own funds. The commitment is valid until 01.10.2020. If the decision is taken to merge Evidensia Danmark ApS into another group company, the Evidensia Danmark ApS' parent company will continue to ensure that all creditors in Evidensia Danmark ApS as at the date of the merger will be paid. On the basis of this letter of support management determined that the financial statements can be presented in accordance with the going concern principle.

ACCOUNTING POLICIES

The Annual Report of Evidensia Danmark ApS for 2018/19 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

Gross profit and loss

With reference to the Danish financial statement presentation act §32 management has decided not to disclose revenue. Gross profit or loss comprises revenue, other operating income, cost of raw materials and consumables and external expenses.

Net revenue

Net revenue from sale of services is recognised in the income statement when delivery is made to the buyer. Net revenue is recognised exclusive of VAT, duties and less 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 cost of sales, advertising, administration, buildings, bad debts, operational lease expenses, etc.

Staff costs

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

Investments in subsidiaries

The income statement of the parent company recognises the proportional share of the results of each subsidiary after full elimination of intercompany profits/losses and deduction of amortisation of goodwill.

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 investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

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 portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

BALANCE SHEET

Tangible fixed assets

Plant and machinery, other plant, fixtures and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciation base is cost less estimated residual value after end of useful life.

ACCOUNTING POLICIES

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	Residual value
Other plant, fixtures and equipment.....	2-5 years	0 %

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Fixed asset investments

Investments in subsidiaries are measured in the company's balance sheet under the equity method.

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

Net revaluation of investments in subsidiaries and associates is transferred under the 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 by the company's share of the negative equity 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's has a legal or actual liability to cover the subsidiary's deficit.

Impairment of fixed assets

The carrying amount of tangible assets are valued on an annual basis 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 net realisable value is lower than the carrying amount, the assets are written down to the lower value.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by impairment losses 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 on account tax 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 carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off 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

Amortised cost for short-term liabilities usually corresponds to the nominal value.

Foreign currency translation

Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the income statement as a financial income or expense.

If the foreign exchange position is considered to hedge future cash flows, the unrealised exchange adjustments are recognised directly in the equity.

Receivables, payables and other monetary items in foreign currencies that are not settled on the balance sheet date are translated at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the exchange rate at the time of occurrence of the receivables or payables is recognised in the income statement as financial income or expenses.

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.