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PROJECTSILVER APS

C/O JØRGEN KRUUSE A/S, HAVRETOFTEN 4, 5550 LANGESKOV

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2023

The Annual Report has been presented and adopted at the Company's Annual General Meeting on 20 June 2024

Mads Bonne Alkærsig

CVR NO. 36 92 79 68

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COMPANY DETAILS

Company	Projectsilver ApS c/o Jørgen Kruuse A/S Havretoften 4 5550 Langeskov

CVR No.:	36 92 79 68
Established:	18 June 2015
Municipality:	Kerteminde
Financial Year:	1 January - 31 December

Board of Directors	Graham Rhodes, chairman Mads Bonne Alkærsig Tino Bendix
Executive Board	Mads Bonne Alkærsig
Auditor	BDO Statsautoriseret revisionsaktieselskab Fælledvej 1 5000 Odense C
Bank	Bank Mendes Gans Herengracht 619 1017 CE Amsterdam, Holland

MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of Projectsilver ApS for the financial year 1 January - 31 December 2023.

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 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

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.

Langeskov, 20 June 2024

Executive Board

Mads Bonne Alkærsig

Board of Directors

Graham Rhodes Chairman	Mads Bonne Alkærsig	Tino Bendix

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Projectsilver ApS

Opinion
We have audited the Financial Statements of Projectsilver ApS for the financial year 1 January - 31 December 2023, 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 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 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.

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 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.

Odense, 20 June 2024

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Jesper Bechsgaard Jørgensen
State Authorised Public Accountant
MNE no. mne31412

MANAGEMENT COMMENTARY

Principal activities
The principal activities comprise of investment in and ownership of subsidiary enterprises.

Development in activities and financial and economic position
The financial year did not bring any unexpected circumstances.

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	2023 DKK '000	2022 DKK '000
GROSS LOSS		**-79**	**-136**
Income from investments in subsidiaries		44.984	15.831
PROFIT BEFORE TAX		**44.905**	**15.695**
Tax on profit/loss for the year	2	18	30
PROFIT FOR THE YEAR		**44.923**	**15.725**

PROPOSED DISTRIBUTION OF PROFIT

Proposed dividend for the year		70.000	0
Extraordinary dividend		7.000	0
Retained earnings		-32.077	15.725
TOTAL		**44.923**	**15.725**

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2023 DKK '000	2022 DKK '000
Investments in subsidiaries		398.706	363.931
Financial non-current assets	3	**398.706**	**363.931**
NON-CURRENT ASSETS		**398.706**	**363.931**
Receivables from group enterprises		481	459
Corporation tax receivable		25	30
Receivables		**506**	**489**
CURRENT ASSETS		**506**	**489**
ASSETS		**399.212**	**364.420**

EQUITY AND LIABILITIES			
Share Capital		415	415
Retained earnings		328.119	363.407
Proposed dividend		70.000	0
EQUITY		**398.534**	**363.822**
Trade payables		29	34
Debt to Group companies		649	564
Current liabilities		**678**	**598**
LIABILITIES		**678**	**598**
EQUITY AND LIABILITIES		**399.212**	**364.420**

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EQUITY

DKK '000	Share Capital	Retained earnings	Proposed dividend	Total
Equity at 1 January 2023	415	363.407	0	363.822
Proposed profit allocation		-32.077	77.000	44.923
Transactions with owners				
Extraordinary dividend paid			-7.000	-7.000
Other legal bindings				
Foreign exchange adjustments		-2.382		-2.382
Other adjustments to equity value		-829		-829
Equity at 31 December 2023	**415**	**328.119**	**70.000**	**398.534**

NOTES

	2023 DKK '000	2022 DKK '000	Note
Staff costs			1
Average number of full time employees	0	0	
Tax on profit/loss for the year			2
Calculated tax on taxable income of the year	-18	-30	
	-18	**-30**	

Financial non-current assets 3

DKK '000	Investments in subsidiaries
Cost at 1 January 2023	423.586
Cost at 31 December 2023	**423.586**
Revaluation at 1 January 2023	137.569
Exchange adjustment	-2.382
Dividend	-7.000
Profit/loss for the year	70.142
Other adjustments	-829
Revaluation at 31 December 2023	**197.500**
Impairment losses and amortisation of goodwill at 1 January 2023	197.223
Amortisation of goodwill	25.157
Impairment losses and amortisation of goodwill at 31 December 2023	**222.380**
Carrying amount at 31 December 2023	**398.706**

Investments in subsidiaries (DKK '000)

Name and domicil	Equity	Profit/loss for the year	Ownership
Jørgen Kruuse A/S, Langeskov, Denmark	306.794	67.698	100 %
Kruuse Svenska AB, Huddinge, Sweden	44.671	1.966	100 %
Next2Vet AB, Ystad, Sweden	12.654	2.161	100 %
Kruuse Norge AS, Drøbak, Norway	10.212	2.774	100 %
Kruuse UK Ltd., Sheffield, UK	12.093	1.602	100 %
Kruuse Polska SP z.o.o., Srem, Poland	-21.434	-822	100 %
Kruuse Hong Kong Ltd., Hong Kong	7.541	4.851	100 %
Kruuse Shanghai Co. Ltd., China	12.505	2.456	100 %
E-Vet A/S, Haderslev, Denmark	20.780	1.700	100 %

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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 Projectgold ApS, which serves as management Company for the joint taxation.

Charges and securities 5
None.

Related parties 6
The Company's related parties include:
- Projectgold ApS, Havretoften 4, 5550 Langeskov, Denmark
- Covetrus B.V. - Beversestraat 23, Cuijk Netherlands 5431 SL
- Covetrus Holding B.V. - Beversestraat 23 Cuijk, Netherlands 5431 SL
- Covetrus Animal Health Holdings Ltd. - 37 North Wharf Road, Paddington U.K. W2 1AF
- Vet Intermediate Holdco II, LLC – 400 Metro Place, Dublin Oh 43017, USA
- Vet Intermediate Holdco I, LLC– 400 Metro Place, Dublin Oh 43017, USA
- Covetrus, Inc. – 400 Metro Place, Dublin Oh 43017, USA
- Corgi Bidco, Inc– 400 Metro Place, Dublin Oh 43017, USA
- CVET Midco 2, L.P. – 400 Metro Place, Dublin Oh 43017, USA
- CVET Midco 1, L.P. – 400 Metro Place, Dublin Oh 43017, USA
- CVET Holdco, L.P– 400 Metro Place, Dublin Oh 43017, USA
- CVET Topco, L.P. – 400 Metro Place, Dublin Oh 43017, USA

Controlling interest
Projectgold ApS, Havretoften 4, 5550 Langeskov, CVR no. 36 90 94 12, is the principal shareholder.

Transactions with related parties
The Company did not carry out any material transactions that were not concluded on market conditions. According to section 98c, subsection 7 of the Danish Financial Statements Act information is given only on transactions that were not performed on common market conditions.

ACCOUNTING POLICIES

The Annual Report of Projectsilver ApS for 2023 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.

Consolidated Financial Statements
Consolidated Financial Statements have not been prepared because the group fulfils the exemption provisions of section 112 of the Danish Financial Statements Act on sub-groups. The Company is included in the consolidated Financial Statements of Projectgold ApS, Havretoften 4, DK-5550 Langeskov, CVR No. 36 90 94 12.

INCOME STATEMENT

Other external expenses
Other external expenses include other production, sales, delivery and administrative costs, including costs of energy, marketing, premises, loss on bad debts, lease expenses, etc

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

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 subsidiaries are measured in the Parent Company Balance Sheet under the equity method, which is regarded as a method of measuring/consolidation.

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 of remaining additional values and goodwill calculated according to the acquisition method. Negative goodwill is recognised in the Income Statement upon acquisition of the Equity interest. Where the negative goodwill is related to takeover of contingent liabilities, the negative goodwill is not recognised before the contingent liabilities are settled or cancelled.

Acquired enterprises are subject to the acquisition method, reassessing all identified assets and liabilities to fair value at the acquisition date, which is the time for obtaining control. The purchase consideration consists of the fair value of the agreed consideration in the form of transferred assets and liabilities. If a part of the purchase consideration is contingent on future events or compliance with agreed terms, this part of the purchase consideration is recognised at fair value at the date of acquisition. Subsequent regulations of the contingent purchase consideration are recognised in the Income Statement.

Ascertained excess values in relation to the underlying company's equity value are recognised and measured in accordance with the accounting policies for the assets and liabilities, to which they attributable. Excess values concerning goodwill and customer relations are depreciated on a straight-line basis over the depreciation period, which is 10-12 years.

ACCOUNTING POLICIES

Consolidated goodwill is amortised over the expected useful life, which is determined on the basis of Management's experience within the individual lines of business. Consolidated goodwill is amortised on a straightline basis over the amortisation period, which is 10-12 years. The amortisation period is determined on the basis of an assessment of the acquired entity's market position and earnings profile, and the industryspecific condition.

Net revaluation of investments 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.

Investments in subsidiaries with negative equity value are measured at DKK 0. Any receivables with these companies are written off, to the extent that the receivable is uncollectible from a specifically assessed indication of impairment. To the extent that the Parent Company has a legal or actual obligation to cover a negative balance which exceeds the receivable, the remainder is recognised under provisions for liabilities.

The accounting policies applied to material financial statement items of group enterprises are:

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 and other indirect production costs include indirect materials and payroll and maintenance and depreciation of the machines, factory buildings and equipment used in the production process, the cost of factory administration and management and capitalised development costs relating to the products.

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.

Cash:
Cash comprises cash in hand and bank deposits.

Impairment of fixed assets
The carrying amount of fixed assets, which are not measured at fair value,, 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.

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

Tax payable and deferred tax

ACCOUNTING POLICIES

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.

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.

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 date when the receivables or payables come into existence 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.