



Habico Invest A/S
Energivej 15, 5260 Odense S

Central Business Registration no. 37 40 88 67

Annual Report 2019

The Annual General Meeting adopted the annual report on 20 June 2020

Chairman of General Meeting

Hans Carl Bøgh-Sørensen

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Company details

Habico Invest A/S

Energivej 15

DK-5260 Odense S

Central Business Registration no.: 37 40 88 67

Registered in: Odense

Financial year: 01.01.2019 – 31.12.2019

Board of Directors

Hans Carl Bøgh-Sørensen, Chairman

Ole Michael Friis

Birgitte Bøgh-Sørensen

Executive Board

Peter Brink Madsen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

DK-0900 Copenhagen C

Central Business Registration no.: 33 96 35 56

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Habico Invest 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, 20 June 2020

Executive Board

Peter Brink Madsen

Board of Directors

Hans Carl Bøgh-Sørensen
Chairman

Ole Michael Friis

Birgitte Bøgh-Sørensen

Independent auditor's report

To the shareholder of Habico Invest A/S

Opinion

We have audited the financial statements of Habico Invest 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 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 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, 20 June 2020

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No 33 96 35 56

Nikolaj Thomsen
State Authorised Public Accountant
Identification No (MNE) mne33276

Jens René Serup
State Authorised Public Accountant
Identification No (MNE) mne45825

Management commentary

Primary activities

Habico Invest A/S is a family office established by Birgitte and Hans Bøgh-Sørensen, who are the founders and owners of Orifarm Group A/S, which is the largest supplier of parallel imported pharmaceuticals in Europe.

Habico Invest A/S's primary activity consists of investing in securities as well as related activities.

Development in activities and finances

The annual result shows a loss of kDKK 1,251 against a loss of kDKK 4,755 in 2018.

The annual result for 2019 is considered unsatisfactory and below expectation as set out in the financial statements for 2018.

The annual result for 2019 is positively impacted from a revaluation of value on unlisted securities of kDKK 26,523 and negatively impacted from impairment of investment with a total of kDKK 23,500.

Outlook

Due to the COVID-19 situation and its impact on world economy in general and the business activities in our investments, it is not possible to state an expectation for the 2020 result.

Events since the End of the Fiscal Year

In 2020, the company will start new business activities through investing and trading with premium cars.

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 has impacted the business opportunities for some of our investments. At the time for the presentation of the annual report, it is not possible to quantify the impact, as the effect depends on the duration and extent of the virus outbreak.

Income statement for 2019

	<u>Notes</u>	<u>2019 DKK</u>	<u>2018 DKK'000</u>
Gross profit/loss		-1.369.759	-388
Staff costs		<u>-777.424</u>	<u>0</u>
Operating profit/loss		-2.147.183	-388
Income from investments in group enterprises		1.913.494	0
Income from investments in associated entities		-29.000.000	-6.500
Other financial income	2	30.415.615	5.069
Other financial expenses	3	<u>-1.845.866</u>	<u>-1.376</u>
Profit/loss before tax		-663.940	-3.195
Tax on profit/loss for the year	4	<u>-587.056</u>	<u>-1.560</u>
Profit/loss for the year		<u>-1.250.996</u>	<u>-4.755</u>
Proposed distribution of profit and loss			
Retained earnings		<u>-1.250.996</u>	<u>-4.755</u>
		<u>-1.250.996</u>	<u>-4.755</u>

Balance sheet at 31.12.2019

	<u>Notes</u>	<u>2019 DKK</u>	<u>2018 DKK'000</u>
Investments in group enterprises	5	5.913.494	0
Investments in associated entites	5	63.025.000	31.625
Receivables from associated entites	5	0	0
Other investments	5	79.049.122	38.361
Financial assets		<u>147.987.616</u>	<u>69.986</u>
Fixed assets		<u>147.987.616</u>	<u>69.986</u>
Receivables from group enterprises		20.884.111	0
Income tax receivable		1.056.429	0
Receivables		<u>21.940.540</u>	<u>0</u>
Cash		<u>1.231.436</u>	<u>623</u>
Current assets		<u>23.171.976</u>	<u>623</u>
Assets		<u><u>171.159.592</u></u>	<u><u>70.609</u></u>

Balance sheet at 31.12.2019

	<u>Notes</u>	<u>2019 DKK</u>	<u>2018 DKK'000</u>
Contributed capital	6	500.000	500
Retained earnings		<u>78.778.532</u>	<u>13.030</u>
Equity		<u>79.278.532</u>	<u>13.530</u>
Bank debt		88.937.221	12.258
Payables to group enterprises		2.483.897	44.008
Income tax payable		0	731
Other payables		<u>459.942</u>	<u>82</u>
Current liabilities		<u>91.881.060</u>	<u>57.079</u>
Liabilities		<u>91.881.060</u>	<u>57.079</u>
Equity and liabilities		<u>171.159.592</u>	<u>70.609</u>
Uncertainty relating to recognition and measurement	1		
Contingent liabilities	7		
Related parties	8		
Ownership	9		
Consolidation	10		

Statement of changes in Equity for 2019

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	500.000	13.029.528	13.529.528
Contribution	0	67.000.000	67.000.000
Profit/loss for the year	0	-1.250.996	-1.250.996
Equity end of year	500.000	78.778.532	79.278.532

Notes

1. Uncertainty relating to recognition and measurement

Investments consist of shares measured using the equity method or at estimated fair value. The measurement of such investments are based on Management's expectations on future earnings and profits, and therefore exposed with uncertainty.

	<u>2019</u> <u>DKK</u>	<u>2018</u> <u>DKK'000</u>
2. Other financial income		
Financial interest from group enterprises	118.952	0
Other financial income	<u>30.296.663</u>	<u>5.069</u>
	<u>30.415.615</u>	<u>5.069</u>
3. Other financial expenses		
Financial interest to group enterprises	1.574.064	217
Other financial expenses	<u>271.802</u>	<u>1.159</u>
	<u>1.845.866</u>	<u>1.376</u>
4. Tax on profit/loss for the year		
Current tax	0	1.300
Adjustment concerning previous years	<u>587.056</u>	<u>260</u>
	<u>587.056</u>	<u>1.560</u>

Notes

	Investments in group enterprises DKK	Investments in associated entities DKK	Receivables from associated entities DKK	Other investments DKK
5. Financial assets				
Cost beginning of year	0	38.125.000	625.000	28.474.561
Additions	4.000.000	60.400.000	0	37.056.258
Disposals	0	0	0	-22.033.172
Cost end of year	4.000.000	98.525.000	0	43.497.647
Net revaluation beginning of year	0	-6.500.000	-625.000	9.886.524
Net share of profit/loss for the year	1.913.494	-5.500.000	0	0
Fair value adjustment	0	-23.500.000	0	25.664.951
Cost end of year	1.913.494	-35.500.000	-625.000	35.551.475
Carrying amount end of year	5.913.494	63.025.000	0	79.049.122

Investments in group enterprises:

Habico Invest II ApS, Odense, 100%

Habico Invest III ApS, Odense, 100%

Investments in associated entities:

New Start 1 ApS, Odense, 25%

MidCap T ApS, Esbjerg, 39%

Ronaldo.com A/S, Aalborg, 20%

6. Contributed capital

The contributed capital consist of 200 shares of nominal 1.000 DKK and is not divided into classes.

7. Contingent liabilities

The Company participates in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable for income taxes etc for the jointly taxed companies.

Operating equipment have been financed through operational leases. The total lease obligation until expire in 2020 is kDKK 328.

The Company has engaged to subscribe for further capital in investment funds totalling a maximum of kDKK 26,793.

Notes

8. Related parties

Controlling interest

Related parties with controlling interest in Habico Invest A/S:

- Habico A/S, Central Business Registration No. 75 12 85,17, Odense (Parent Company)
- Hans Carl-Bøgh-Sørensen, Odense, Ultimate Beneficial Owner

Transactions

All transactions with related parties are carried out on arms length.

9. Ownership

The company has registered the following shareholders to hold more than 5% of the voting share capital or of the nominal value of the share capital:

- Habico A/S, Central Business Registration No. 75 12 85,17, Odense (Parent Company)

10. Consolidation

Name and registered office of the Parent preparing the consolidated financial statement for the ultimate group:

- HBS Capital ApS, Platanvej 5, 5230 Odense M, Denmark, Central Business Registration No. 41 00 08 80.

Name and registered office of the Parent preparing the consolidated financial statement for the closest group:

- Habico A/S, Energivej 15, 5260 Odense S, Denmark, Central Business Registration No. 75 12 85 17.

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 certain provisions for reporting class C.

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

Consolidated financial statements

Referring to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

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.

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.

Accounting policies

Income statement

Income from investment in group enterprises and associated entities

Income from investments in group enterprises and associated entities allocated to the company's strategic portfolio comprises the proportionate share of profit/loss after tax and any adjustment of internal profit/loss and less amortization of consolidated goodwill.

The accounting policy for income from associated entities allocated to the company's investment portfolio is described in the section "Investments in group enterprises and associated entities".

Gross profit and loss

Gross profit and loss comprises external expenses for administration etc.

Staff costs

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

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, realised and unrealised gains and losses on other investments, net capital or exchange gains on securities, payables and transactions in foreign currencies.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, realised and unrealised gains and losses on other investments, net capital or exchange losses on securities, payables and transactions in foreign currencies.

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 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 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 recognised in the company in which the interest deduction has been reduced.

Accounting policies

Balance sheet

Investments in group enterprises and associated entities

The company's investments in group enterprises and associated entities are allocated to the company's strategic portfolio or investment portfolio based on the strategy determined by management for each investment.

Strategic portfolio

Investments allocated to the strategic portfolio are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus amortised goodwill and plus or minus unrealised intra-group profits or losses.

Goodwill is amortised on a straight-line basis over its estimated useful life, which is determined on the basis of an assessment of the nature, earnings, market position of the acquired enterprise, the stability of the industry and among other factors.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises and associated entities measured according to the equity method is transferred to reserve for net revaluation according to the equity method in equity.

Investment portfolio

Investments allocated to the investment portfolio are currently monitored and evaluated based on the development of fair value in accordance with the company's investment strategy. As the company's primary activity is to run investment business, investments allocated to the investment portfolio are measured at fair value and adjusted in the equity.

The valuation is based on internationally accepted valuation methods for private equity.

Investments are written down to any lower net realisable value.

Receivables

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

Accounting policies

Joint taxation contributions receivable or payable

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax.

Cash

Cash comprises bank deposits.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

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

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Ole Michael Friis

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Dirigent

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Birgitte Bøgh-Sørensen

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Peter Brink Madsen

Adm. direktør

Serienummer: PID:9208-2002-2-567860481457

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Jens Serup

Revisor

Serienummer: CVR:33963556-RID:97983395

IP: 89.23.xxx.xxx

2020-06-20 08:29:35Z

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Nikolaj Thomsen

Revisor

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