

Novivitae ApS

Grusbakken 18, 2820 Gentofte

Company reg. no. 37 94 08 44

Annual report

1 January - 31 December 2019

The annual report was submitted and approved by the general meeting on the 12 May 2020.

Søren Venderby
Chairman of the meeting

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Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- To ensure the greatest possible applicability of this document, IAS/IFRS British English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

Management's report

Today, the managing director has presented the annual report of Novivitae ApS for the financial year 1 January - 31 December 2019 of Novivitae ApS.

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

I consider the accounting policies appropriate and, in my opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2019 and of the company's results of activities in the financial year 1 January – 31 December 2019.

The managing director board of directors and the executive board consider the conditions for audit exemption of the 2019 financial statements to be met.

I am of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved by the general meeting.

Gentofte, 12 May 2020

Managing Director

Søren Venderby

Auditor's report on compilation of the financial statements

To the shareholders of Novivitae ApS

We have compiled the financial statements of Novivitae ApS for the financial year 1 January - 31 December 2019 based on the company's bookkeeping and on further information provided by you.

The financial statements comprise the accounting policies, income statement, statement of financial position and notes.

We performed this engagement in accordance with the international standard ISRS 4410 applying to compilation engagements.

We have applied our professional expertise to assist you in the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant requirements of the Danish Act on Approved Auditors and Audit Firms and with ethical requirements of the Danish Institute of State Authorised Public Accountants, including principles of integrity, objectivity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

As a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us in order to compile the financial statements. Accordingly, we express neither an audit opinion nor a review opinion as to whether the financial statements have been compiled in accordance with the Danish Financial Statements Act.

Hillerød, 12 May 2020

Grant Thornton

State Authorised Public Accountants
Company reg. no. 34 20 99 36

Claus Koskelin

State Authorised Public Accountant
mne30140

Company information

The company

Novivitae ApS
Grusbakken 18
2820 Gentofte

Company reg. no. 37 94 08 44
Established: 18 August 2016
Domicile:
Financial year: 1 January - 31 December
3rd financial year

Managing Director

Søren Venderby

Auditors

Grant Thornton, Statsautoriseret Revisionspartnerselskab
Nordstensvej 11
3400 Hillerød

Parent company

AVSP Holding ApS

Management commentary

The principal activities of the company

Like previous years, the principal activities is to conduct business in the purchase, import, export, sale, negotiation, etc. of products to the hospital, other dealers and the health care industry and so on, and to run another business, which is in the opinion of the Executive Board related there to.

Development in activities and financial matters

The gross profit for the year totals t.DKK 1.187 against t.DKK 604 last year. Income from ordinary activities after tax totals t.DKK 183 against t.DKK -24 last year. Management considers the net profit for the year satisfactory.

Events occurring after the end of the financial year

No events have occurred after the end of the financial year that have a impact on the assessment of the annual report. However, reference is made to note 1 regarding the mention of COVID-19.

Accounting policies

The annual report for Novivitae ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of transaction. Exchange rate differences arising between the rate at the date of transaction and the rate at the date of payment are recognised in the income statement as an item under net financials.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets and other nonmonetary assets acquired in foreign currency and not considered to be investment assets are measured using the exchange rate at the transaction date.

Accounting policies

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, other operating income, and external costs.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Net sales are recognized in the income statement when the sale has been completed. This is generally considered to be the case when:

- The service is provided before the end of the financial year
- There is a mandatory sales agreement
- The price can be determined
- The deposit is received or can reasonably be expected to be received

It is thus ensured that the recognition is only made when the total income and costs and the degree of completion at the balance sheet date can be reliably calculated and the economic benefits, including payments, will go to the company.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Financial income and expenses

Financial income and expenses comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the income statement with the amounts concerning the financial year.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

Accounting policies

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Inventories

Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

Receivables

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Equity

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity. Proposed dividend is recognised as a liability at the time of approval by the annual general meeting (time of declaration).

Liabilities other than provisions

Other liabilities other than provisions are measured at amortised cost which usually corresponds to the nominal value.

Income statement 1 January - 31 December

Amounts concerning 2019: DKK.

Amounts concerning 2018: DKK thousand.

<u>Note</u>	<u>2019</u>	<u>2018</u>
Gross profit	1.186.718	604
2 Staff costs	-863.562	-591
Other financial income from group enterprises	678	0
Other financial income	9.672	4
3 Other financial costs	-53.125	-17
Pre-tax net profit or loss	280.381	0
Tax on ordinary results	-97.379	-24
Net profit or loss for the year	183.002	-24
Proposed appropriation of net profit:		
Dividend for the financial year	100.000	0
Transferred to retained earnings	83.002	0
Allocated from retained earnings	0	-24
Total allocations and transfers	183.002	-24

Statement of financial position at 31 December

Amounts concerning 2019: DKK.

Amounts concerning 2018: DKK thousand.

<u>Note</u>	<u>2019</u>	<u>2018</u>
Assets		
Current assets		
Manufactured goods and trade goods	70.000	0
Total inventories	<u>70.000</u>	<u>0</u>
Trade debtors	384.371	179
Amounts owed by group enterprises	17.618	0
Other debtors	5.638	0
Total receivables	<u>407.627</u>	<u>179</u>
Available funds	<u>214.388</u>	<u>306</u>
Total current assets	<u>692.015</u>	<u>485</u>
Total assets	<u>692.015</u>	<u>485</u>

Statement of financial position at 31 December

Amounts concerning 2019: DKK.

Amounts concerning 2018: DKK thousand.

<u>Note</u>	<u>2019</u>	<u>2018</u>
Equity and liabilities		
Equity		
Contributed capital	50.000	50
Results brought forward	50.793	-32
Proposed dividend for the financial year	100.000	0
Total equity	<u>200.793</u>	<u>18</u>
Liabilities other than provisions		
Bank debts	26.390	37
Trade creditors	51.028	126
Debt to group enterprises	17.735	21
Tax payables to group enterprises	97.372	47
Other debts	298.697	236
Total short term liabilities other than provisions	<u>491.222</u>	<u>467</u>
Total liabilities other than provisions	<u>491.222</u>	<u>467</u>
Total equity and liabilities	<u>692.015</u>	<u>485</u>

1 Subsequent events

4 Contingencies

Notes

Amounts concerning 2019: DKK.

Amounts concerning 2018: DKK thousand.

1. Subsequent events

The rapid spread of the Corona virus in Denmark and the rest of the world in March 2020 necessitated a number of restrictions from the Danish authorities, which could potentially have major socio-economic consequences. The company is not currently directly affected by the restrictions implemented.

If the outbreak of Corona virus becomes prolonged and the authorities take further action to curb the spread of infection, the socio-economic consequences can become significant. In such a scenario, the company could be adversely affected. However, the authorities have already planned several financial support measures that will mitigate the consequences of the restrictions.

It is not possible to make a quantitative estimate of the financial consequences of the outbreak of Coronavirus for the company at this time.

	<u>2019</u>	<u>2018</u>
2. Staff costs		
Salaries and wages	857.409	492
Other costs for social security	3.692	3
Other staff costs	<u>2.461</u>	<u>96</u>
	<u>863.562</u>	<u>591</u>
Average number of employees	<u>1</u>	<u>1</u>
3. Other financial costs		
Financial costs, group enterprises	682	0
Other financial costs	<u>52.443</u>	<u>17</u>
	<u>53.125</u>	<u>17</u>

4. Contingencies

Joint taxation

With AVSP Holding ApS, company reg. no 37 93 98 89 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

Notes

Amounts concerning 2019: DKK.

Amounts concerning 2018: DKK thousand.

4. Contingencies (continued)

Joint taxation (continued)

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

The jointly taxed enterprises' total known net liability to the Danish tax authorities emerges from the financial statements of the administration company.

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.