

# Lynx Equity Scandinavia ApS

Amaliegade 15, st., 1256

CVR no. 39 06 71 45

## Annual report 2018/19

Approved at the Company's annual general meeting on 28 January 2020

Chairman:

  
.....  
Joanna Lipfeld





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## Statement by the Board of Directors and the Executive Board

Today, the Executive Board has discussed and approved the annual report of Lynx Equity Scandinavia ApS for the financial year 1 August 2018 - 31 July 2019.

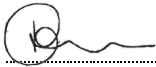
The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 July 2019 and of the results of the Company's operations for the financial year 1 August 2018 - 31 July 2019.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Copenhagen, 28 January 2020  
Executive Board:



Bradley H. Nathan



Joanna Dianne Lipfeld

## Independent auditor's report

To the shareholders of Lynx Equity Scandinavia ApS

### Opinion

We have audited the financial statements of Lynx Equity Scandinavia ApS for the financial year 1 August 2018 - 31 July 2019, which comprise income statement, balance sheet, statement of changes in equity and notes, including 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 financial position of the Company at 31 July 2019 and of the results of the Company's operations for the financial year 1 August 2018 - 31 July 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

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 rules and requirements.

### 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 as to 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 the 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.

## Independent auditor's report

- ▶ 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 note 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 the Management's review

Management is responsible for the Management's review.

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

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

Copenhagen, 28 January 2020

ERNST & YOUNG

Godkendt Revisionspartnerselskab

CVR no. 30 70 02 28



Anders Flymer-Dindler  
State Authorised Public Accountant  
mne35423

## Management's review

### Company details

|                            |   |
|----------------------------|---|
| Name                       | Lynx Equity Scandinavia ApS   |
| Address, Postal code, City | Amaliegade 15, st., 1256  |
| CVR no.                    | 39 06 71 45   |
| Established                | 6 November 2017   |
| Registered office          | Copenhagen  |
| Financial year             | 1 August 2018 - 31 July 2019  |
| Executive Board            | Bradley H. Nathan<br>Joanna Dianne Lipfeld  |
| Auditors                   | Ernst & Young Godkendt Revisionspartnerselskab<br>Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg,<br>Denmark |

## Management commentary

### Business review

The Company's activities comprise ownership of the shares in Parterservice Hver Gang ApS and Sundby Trapper A/S and related activities. Sundby Trapper was acquired in May 2019.

### Financial review

The income statement for 2018/19 shows a loss of DKK 1,223 thousand against a loss of DKK 404 thousand last year, and the balance sheet at 31 July 2019 shows a negative equity of DKK 1,577 thousand.

At 31 July 2019 the Company has lost more than 50% of the share capital and are subject to the rules on capital loss in the Danish Companies Act. Management expects the share capital to be restored through future earnings or alternatively through capital injection.

The company has received a letter of support from its parent company which confirms that the parent company will provide all the support that may be needed in order for the company to pay all liabilities as the fall due until 31 July 2020. Based on this it is management's opinion that the financial statements can be prepared on a going concern assumption.

### Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.



## Financial statements 1 August 2018 - 31 July 2019

### Income statement

| Note | DKK'000                                  | 2018/19<br>12 months | 2017/18<br>9 months |
|------|--|----------------------|---------------------|
|      | Other external expenses                  | -478                 | -507                |
|      | Gross profit                             | -478                 | -507                |
|      | Financial income                         | 0                    | 100                 |
| 4    | Financial expenses                       | -969                 | 0                   |
|      | Profit/loss before tax                   | -1,447               | -407                |
| 5    | Tax for the year                         | 224                  | 3                   |
|      | Profit/loss for the year                 | -1,223               | -404                |
|      | Recommended appropriation of profit/loss |                      |                     |
|      | Retained earnings/accumulated loss       | -1,223               | -404                |

## Financial statements 1 August 2018 - 31 July 2019

### Balance sheet

| Note | DKK'000                                       | 2018/19              | 2017/18              |
|------|---|----------------------|----------------------|
|      | <b>ASSETS</b>                                 |                      |                      |
|      | Fixed assets                                  |                      |                      |
| 6    | Investments                                   |                      |                      |
|      | Investments in group enterprises              | 79,847               | 60,161               |
|      |   | <u>79,847</u>        | <u>60,161</u>        |
|      | Total fixed assets                            | <u>79,847</u>        | <u>60,161</u>        |
|      | Non-fixed assets                              |                      |                      |
| 7    | Receivables                                   |                      |                      |
|      | Receivables from group enterprises            | 509                  | 0                    |
|      | Joint taxation contribution receivable        | 2,164                | 1,239                |
|      |   | <u>2,673</u>         | <u>1,239</u>         |
|      | Cash  | 146                  | 50                   |
|      | Total non-fixed assets                        | <u>2,819</u>         | <u>1,289</u>         |
|      | <b>TOTAL ASSETS</b>                           | <u><b>82,666</b></u> | <u><b>61,450</b></u> |
|      | <b>EQUITY AND LIABILITIES</b>                 |                      |                      |
|      | Equity  |                      |                      |
| 8    | Share capital                                 | 50                   | 50                   |
|      | Retained earnings                             | -1,627               | -404                 |
|      | Total equity                                  | <u>-1,577</u>        | <u>-354</u>          |
|      | Liabilities other than provisions             |                      |                      |
| 9    | Non-current liabilities other than provisions |                      |                      |
|      | Corporate income tax payable                  | 702                  | 1,236                |
|      | Other payables                                | 28,717               | 34,612               |
|      |   | <u>29,419</u>        | <u>35,848</u>        |
|      | Current liabilities other than provisions     |                      |                      |
|      | Trade payables                                | 39                   | 15                   |
|      | Payables to group enterprises                 | 34,087               | 8,414                |
|      | Corporation tax payable                       | 1,236                | 0                    |
| 10   | Other payables                                | 19,462               | 17,527               |
|      |   | <u>54,824</u>        | <u>25,956</u>        |
|      | Total liabilities other than provisions       | <u>84,243</u>        | <u>61,804</u>        |
|      | <b>TOTAL EQUITY AND LIABILITIES</b>           | <u><b>82,666</b></u> | <u><b>61,450</b></u> |

- 1 Accounting policies
- 2 Letter of support
- 3 Staff costs
- 11 Contractual obligations and contingencies, etc.
- 12 Collateral
- 13 Related parties



## Financial statements 1 August 2018 - 31 July 2019

## Statement of changes in equity

| DKK'000                                | Share capital | Retained earnings | Total  |
|--|---------------|-------------------|--------|
| Equity at 1 August 2018                | 50            | -404              | -354   |
| Transfer through appropriation of loss | 0             | -1,223            | -1,223 |
| Equity at 31 July 2019                 | 50            | -1,627            | -1,577 |

At 31 July 2019 the Company has lost more than 50% of the share capital and are subject to the rules on capital loss in the Danish Companies Act. Management expects the share capital to be restored through future earnings or alternatively through capital injection.

## Financial statements 1 August 2018 - 31 July 2019

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Lynx Equity Scandinavia ApS for 2018/19 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

In accordance with section 110(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

#### Income statement

##### Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to administration, audit fees etc.

##### Profit from investments in subsidiaries

The item includes dividend received from subsidiaries in so far as the dividend does not exceed the accumulated earnings in the subsidiary in the period of ownership.

##### Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

#### Tax

The parent company is covered by the Danish rules on mandatory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The parent company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Tax for the year, which comprises the current income tax charge, joint taxation contributions and deferred tax adjustments, including adjustments arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

## Financial statements 1 August 2018 - 31 July 2019

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Balance sheet

##### Investments in subsidiaries

Investments in subsidiaries are measured at cost. Dividends received that exceed the accumulated earnings in the subsidiary during the period of ownership are treated as a reduction in the cost of acquisition.

##### Impairment of fixed assets

The carrying amount of investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

##### Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

##### Cash

Cash comprise cash on the company's lawyer's trust account.

##### Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

## Financial statements 1 August 2018 - 31 July 2019

### Notes to the financial statements

#### 1 Accounting policies (continued)

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

#### Liabilities

Other liabilities are measured at net realisable value, which typically equals nominal value.

#### 2 Letter of support

The company has received a letter of support from its parent company which confirms that the parent company will provide all the support that may be needed in order for the company to pay all liabilities as the fall due until 31 July 2020. Based on this it is management's opinion that the financial statements can be prepared on a going concern assumption.

#### 3 Staff costs

The Company has no employees.

|                                    | 2018/19<br>12 months | 2017/18<br>9 months |
|------------------------------------|----------------------|---------------------|
| DKK'000                            |                      |                     |
| 4 Financial expenses               |                      |                     |
| Financial expenses, group entities | 909                  | 0                   |
| Other financial expenses           | 60                   | 0                   |
|                                    | <u>969</u>           | <u>0</u>            |
|                                    |                      |                     |
| DKK'000                            |                      |                     |
| 5 Tax for the year                 |                      |                     |
| Refund in joint taxation           | -224                 | -3                  |
|                                    | <u>-224</u>          | <u>-3</u>           |

#### 6 Investments

| Name                     | Legal form | Domicile   | Interest | Equity<br>DKK'000 | Profit/loss<br>DKK'000 |
|--------------------------|------------|------------|----------|-------------------|------------------------|
| Subsidiaries             |            |            |          |                   |                        |
| Partnerservice Hver Gang | ApS        | Copenhagen | 100.00%  | 10,471            | 3,024                  |
| Sundby Trapper           | A/S        | Morsø      | 100.00%  | 4,313             | 1,702                  |

## Financial statements 1 August 2018 - 31 July 2019

### Notes to the financial statements

#### 7 Receivables

Out of the Company's total receivables, joint taxation contribution of DKK 925 fall due for payment after more than one year after the balance sheet date.

#### 8 Share capital

The Company's share capital has remained DKK 50 thousand in the past year.

#### 9 Non-current liabilities other than provisions

Of the long-term liabilities, nothing falls due for payment after more than 5 years after the balance sheet date.

| DKK'000           | 2018/19 | 2017/18 |
|-------------------|---------|---------|
| 10 Other payables |         |         |
| Earn out payable  | 19,462  | 17,527  |
|                   | 19,462  | 17,527  |

#### 11 Contractual obligations and contingencies, etc.

##### Other contingent liabilities

As management company, the Company is jointly taxed with other Danish group entities and is jointly and severally with other jointly taxed group entities for payment of income taxes for income year 2018 onwards as well as withholding taxes on interest, royalties and dividends.

#### 12 Collateral

The Company has not provided any security or other collateral in assets at 31 July 2019.

#### 13 Related parties

##### Information about consolidated financial statements

| Parent              | Domicile        | Requisitioning of the parent company's consolidated financial statements |
|---------------------|-----------------|--|
| Lynx Equity Limited | Toronto, Canada | By contact to the Company  |

##### Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the share capital:

| Name                       | Domicile        |
|----------------------------|-----------------|
| Lynx Equity (U.K.) Limited | London, England |