

# FTW Holding ApS

## Annual Report 2023

Approved at the Company's annual general meeting on 31 May 2024  
Chairman of the meeting:

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Chairman of the annual general meeting  
Torben Mauritzen

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## Management's review

## Financial highlights

In EUR'000	2023	2022	2021	2020	2019
<b>Key figures</b>					
Revenue	1.210.374	1.023.978	940.754	663.601	421.529
Gross profit	144.138	105.542	81.536	67.524	49.839
Operating profit before depreciations and amortisation (EBITDA)	47.420	26.055	16.452	12.534	13.483
Operating profit (EBIT)	34.777	14.068	5.737	4.308	3.031
Financial expenses, net	-12.832	-6.182	-4.418	-4.439	-3.034
Profit for the period	19.599	5.117	-240	-952	-1.349
<b>Non-current assets</b>					
Non-current assets	63.962	61.146	60.621	55.784	24.483
Current assets	255.321	174.056	157.382	168.662	108.649
Total assets	319.283	235.202	218.003	224.446	133.132
Portion relating to investments in items of property, plant and equipment	2.081	1.973	2.327	2.031	1.985
Portion relating to investments in intangible assets	6.589	6.635	7.354	6.895	6.436
Equity	79.386	61.563	56.471	57.174	56.229
Non-current liabilities	8.825	13.875	16.544	8.014	4.412
Current liabilities	231.072	159.764	144.988	159.258	72.491
<b>Cash flow</b>					
Cash flow from operating activities	-13.598	31.079	30.935	-14.350	-35.056
Cash flow from investing activities	-7.526	-8.687	-9.597	-9.004	-8.541
Of which relate to intangible assets	-6.589	-6.635	-7.354	-6.895	-6.436
Of which relate to tangible assets	-2.081	-1.973	-2.327	-2.031	-1.985
Cash flow from financing activities	13.099	-15.842	-19.587	20.804	50.312
Total cash flow	-8.025	6.550	1.751	-2.550	6.715
<b>Key ratios</b>					
Gross Margin	11,9%	10,3%	8,7%	10,2%	11,8%
EBITDA Margin	3,9%	2,5%	1,7%	1,9%	3,2%
Solvency	24,9%	26,2%	25,9%	25,5%	42,2%
Average number of employees	1.196	1.140	1.052	913	623

Gross margin	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$
Operating profit before depreciations and amortisations (EBITDA) margin	$\frac{\text{Operating profit excl. amortisation and depreciation} \times 100}{\text{Revenue}}$
Solvency ratio	$\frac{\text{Closing equity} \times 100}{\text{Total assets}}$

## Management's review

FTW Holding ApS was established 15 September 2018. The purpose of the company is to hold the shares in FTW Invest ApS and the majority of the shares in Wagner Family Holding ApS, which owns the majority of shares in Abacus Medicine A/S (Abacus Medicine Group) and DayDose ApS. The activities within the Group consist mainly of the activities within the Abacus Medicine Group, accordingly the business review reflects primarily the Abacus Medicine Group's business. Abacus Medicine Group is established as one of the market leaders in parallel distribution. We are growing within pharmaceutical services and also operate as a medicine wholesaler.

The result for the year in the consolidated financial statements ended at a profit of EUR 19.6 million, which was beyond expectations for 2023.

The excellent result for the year marks a promising start for the Group's updated strategy, Access26, which we launched this year. Financially, our strategic ambitions until the end of 2026 are yearly double-digit revenue growth on average and profitability that will rise at an even higher rate. We fully achieved this goal in 2023 to a degree where we find ourselves slightly ahead of the plan. The upscaling of capacity surrounding our core trading activities in combination with a higher-than-expected market demand across Europe have been a major driver of the strong growth.

The record-breaking performance was driven by strong growth in revenue and profitability in the Pharma Trading division (our parallel import business).

The service offerings of Abacus Medicine Pharma Services attracted new customers and led to a moderate growth.

Pharma Wholesale did well to navigate changing market conditions in the very competitive Dutch medicine wholesale market and signed new contracts with many customers and suppliers. 2023 was the year in which we successfully completed the turnaround of Pharma Wholesale.

As a result of the above, revenue for the Abacus Medicine Group grew 18% in 2023 to EUR 1,210 million against 1,024 million in 2022. EBITDA for the Abacus Medicine Group grew 82% in 2023 to 47.5 million against 26.2 million in 2022. This resulted in an EBITDA-margin of 3.9% for 2023. The development was beyond the Outlook. This is the Group's highest revenue and EBITDA ever.

Profit for the year for the Abacus Medicine Group was EUR 20 million (2022: EUR 5.8 million), which was beyond expectations.

The result for DayDose ApS ended with a loss of DKK 0.3 million.

The average number of full time employees was 1,196 in 2023.

### **Investing in new licences and IT**

In 2023, the Abacus Medicine Group expanded the portfolio of product licences. In combination with investments in IT, the result was an increase in Intangible assets to EUR 36.7 million from 33.1 million the year before. Assets in the form of Property, plant and equipment increased from EUR 10.4 million in 2022 to EUR 10.5 million in 2023.

Current assets, mainly in the form of Inventory and Trade and other receivables, increased to EUR 258.9 million in 2023 against 174.7 million in 2022.

### **Unusual matters**

No unusual matters occurred in the financial year which have had a material effect on the Group and Parent Company's financial position.

### **Material recognition and measurement uncertainties**

In preparing the consolidated financial statements, Management makes various accounting estimates and assumptions which form the basis of the presentation, recognition and measurement of the Group's assets and liabilities.

Determining the carrying amounts of certain assets and liabilities requires estimates and assumptions concerning future events. Estimates and assumptions are based on historical experience and other factors, which Management assesses to be reasonable, but which by their nature involve uncertainty and unpredictability. These assumptions may have to be revised, and unexpected events or circumstances may occur.

FTW Holding Group is subject to risks and uncertainties that may lead to the actual results differing from these estimates, both positively and negatively. Specific risks are discussed in the Management review in the section above.

### **Outlook for 2024**

After a record-breaking 2023, we expect the Abacus Medicine Group will again realise further organic growth in 2024. Because we delivered above our expectations in 2023 and saw benefits materialise faster than expected, we find ourselves a step ahead of the plan and foresee more moderate growth rates in 2024 than in 2023.

We believe that favourable demographic trends will underpin robust growth in prescriptions and pharmaceutical services, and together with our geographical expansion into new markets, we project that this will lead to organic revenue growth.

For 2024, Management expects that the FTW Group will achieve organic revenue growth of around 8-12%.

The FTW Group revenue is expected to be within the range of EUR 1,300-1,400 million and the EBITDA margin is expected to be within the range of 3.7%-4.1% in 2024.

The FTW Group management expects that the activities in FTW Invest and DayDose will have a limited impact on this range.

### **Events after the balance sheet date**

No events have occurred after the balance sheet date which could have a material effect on FTW Holding ApS' financial position at 31 December 2023.

## Management's review (continued)

### Special risks

#### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. Financial instruments affected by market risk include borrowings, deposits and derivative financial instruments. Abacus Medicine is not considered to be directly affected by an equity price risk or a commodity risk (price volatility of certain commodities, i.e. oil prices, metal prices etc.).

#### Currency risk

Abacus Medicine sells finished products and purchases products in currencies other than EUR and is therefore exposed to a currency risk. The exposure to fluctuations in EUR/DKK is considered to be limited due to Denmark's fixed exchange rate policy towards EUR and is consequently not hedged. Sales in SEK, NOK and GBP are considered a risk, as the currency historically has been unstable compared to EUR/DKK. It is our policy to hedge significant commercial currency risks, primarily via foreign exchange contracts. Speculative currency transactions are not made. Relating foreign exchange risks are generally not hedged, as Management is of the opinion that regular hedging of such long-term investments will not be optimal taking into account the overall risk and costs.

#### Interest rate risk

The Group's interest-bearing debt, which accounts for a significant part of the balance sheet total implies that changes in the interest rate level will have a material impact on the Group's results of operations. The Group has not hedged interest rate risks.

#### Liquidity risk

Parallel distribution is a very liquidity-intensive industry, as most of the raw material purchases are to be paid in advance or with very short payment terms, while the customer side is characterized by normal and often long payment terms. This creates a liquidity requirement in the period between payment to suppliers and receipt of customer payments. On the other hand, wholesale activity is less liquidity dependent than parallel distribution due to payment terms from suppliers and to customers are more aligned.

The Abacus Medicine Group aims to have sufficient credit facilities that can accommodate the fluctuations that occur in day-to-day operations, and that within these facilities Abacus Medicine has sufficient reserves for account unforeseen liquidity needs.

This objective is met through building and maintaining sound and trustworthy relationships with bank and factoring companies, which have resulted in the existence of sufficiently large credit lines for factoring and credit facilities.

For further information please refer to note 16.

### Sustainability

The Abacus Medicine Group constantly evolves, and so does our external environment. In addition to implementing sustainability in our Access26 Strategy, we have also prepared for upcoming EU legislation and an increased demand for sustainability from our stakeholders.

To prepare for the upcoming Corporate Sustainability Reporting Directive (CSRD), we have conducted our first Double Materiality Assessment and started calculating our Scope 3 Emissions with the support of external consultants.

We will use these insights to further inform our strategic approach to sustainability and use the outcomes to identify value-creating opportunities.

Another important step towards integration of sustainability has been to restructure our Sustainability Steering Committee (SSC). We have decided to move away from our previous Focus Programs and take a more projectbased approach. The SSC now has a broader representation of business functions across the Abacus Medicine Group and plays a crucial role in our target-setting process, which is planned to start in 2024.

In our Sustainability Report 2023, we highlighted all statutory measures relating to environmental impact, diversity and compliance in accordance with sections 99a of the Danish Financial Statements Act and section 54, part 6, of the UK Modern Slavery Act.

#### Our contribution to the UN Sustainable Development Goals

The Abacus Medicine Group's objective is to provide better access to medicine. We believe this is our strongest contribution to society, but we also want to take responsibility for our impact on the environment and society.

We support the UN Sustainable Development Goals (SDGs) to help solve major global challenges.

## Management's review (continued)

### People and Community

At the Abacus Medicine Group, we are innovative, dedicated, and we care. These well-established values are carried out in the way we work with those we cherish the most: our employees.

In 2023, we welcomed 221 new colleagues globally. Caring for our employees and developing our company culture is essential to our progress, which is the reason why we are working on initiatives to become the employer of choice, ensuring personal growth in a collaborative and friendly environment.

With the roll-out of our Diversity & Inclusion Strategy last year, we started consciously working with diversity and inclusion.

For the first time, we celebrated Diversity & Inclusion Month to create awareness about the topic among our employees globally, and a mandatory inclusive leadership course was introduced to all leaders. Ensuring people feel included is a natural part of leadership in the Abacus Medicine Group.

To further help meet our goal of being the employer of choice, we initiated a project to strengthen our culture and employer brand.

Because of our rapid growth in numerous countries, we needed to find common ground and tell our employees what the Abacus Medicine Group offers as an employer. Our new employer promise, Moving Healthcare. Moving You, was launched in December 2023 and will help us continue our efforts to attract and engage employees.

We connect through local social clubs and global initiatives that bring us together. We care about community – both our own and the ones outside our company. Therefore, just to name a few, we are engaged in Health Week, fostering healthy habits among our employees, and Rare Disease Day, creating awareness about the difference our company makes for patients living with rare diseases.

### Reporting on gender distribution, cf. FSA §99b

FTW Holding ApS only has a management consisting of a CEO and no employees.

The average number of full-time employees was 0 (2022: 0 employees).

Below we have listed the development in the gender representation at the management level at FTW Holding.

#### Executive Management

	2023	2022	2021	2020	2019
Total number of members	1	1	1	1	1
Men	100%	100%	100%	100%	100%
Women	0%	0%	0%	0%	0%
Target figure in %	N/A				
Year for fulfilment of target figure	N/A				

#### Other managerial positions (level 1 & 2)

	2023	2022	2021	2020	2019
Total number of members	0	0	0	0	0
Men	N/A	N/A	N/A	N/A	N/A
Women	N/A	N/A	N/A	N/A	N/A
Target figure in %	N/A				
Year for fulfilment of target figure	N/A				

### Statutory social responsibility statement, cf. FSA §99a

FTW Holding is the parent company of Abacus Medicine A/S and has assessed that the main impacts on social and environmental conditions are related to the business activities of the subsidiary. Therefore, the company's reporting on social responsibility, cf. the statutory requirements of FSA §99a, focuses on Abacus Medicine's efforts within the areas of corporate responsibility.

### Business model

Abacus Medicine supplies prescription medicine worldwide to pharmacies, hospitals and pharmaceutical companies. Each day, more than 1,000 employees improve global access to medicine from offices, warehouses and production facilities in Europe and Asia. The core business is known as parallel distribution. We help to reduce healthcare costs by giving patients in 40 countries around the world access to medicine at a lower price.

## Management's review (continued)

### Human Rights and Anti-Corruption

Abacus Medicine has zero tolerance regarding slavery and human trafficking, and have therefore adopted Modern Slavery Policies, which includes an Anti-Human Trafficking Policy and an Anti-Slavery Policy. Furthermore, an Anti-Corruption Policy is set in place to counter corruption in all its forms. Although the risks for human rights abuses and corruption has been assessed low, Abacus Medicine is aware of the risks of breaches to our policies in the global value chain. We maintain a zero-tolerance stance against any form of corruption, including bribery, extortion, kick-backs, and facilitation payments, and prohibit engagement in such activities by employees or associates.

Abacus Medicine continuously seeks to promote and implement these policies where it has an influence, particularly contractors, suppliers, and all other entities and individuals with whom it has a business relationship. In 2023, FTW Holding Group, therefore, have communicated these policies to relevant suppliers.

Through an investigation into breaches of the policies in 2023, no breaches of human rights and anti-corruption policies was recorded.

Abacus Medicine continuously seeks to promote respect for these policies by others where it has an influence, particularly contractors, suppliers, and all other entities and individuals with whom it has a business relationship.

### Environment

The Abacus Medicine Group's objective is to provide better access to medicine. We believe this is our strongest contribution to society, but we also want to take responsibility for our impact on the environment and society.

We support the UN Sustainable Development Goals (SDGs) to help solve major global challenges. Our efforts focus on pursuing three SDGs which relate to our core business: SDG 3 (Good Health and Well-being), SDG 8 (Decent Work and Economic Growth) and SDG 12 (Responsible Consumption and Production). In 2023, Abacus Medicine worked with three focus areas that all support our core ESG efforts and ensure that ESG is increasingly becoming an integral part of our operations and processes.

As a result of our business model, energy consumption, CO2 emissions from transport, procurement of medicine, and repackaging, are considered to pose significant risks to environmental and climatic conditions.

In 2023, we have worked on optimising the transport of our medicine, developed a more responsible waste management, and being more energy efficient, to reduce the environmental and climate footprint across all subsidiaries, to help create a more sustainable business. As a result, we have in 2023 recycled 91 % of our 192 tonnes of paper and cardboard in Hungary. We will continue the development of our responsible waste management in 2024.

### Social and Employee matters

In the Abacus Medicine Group, we are innovative, dedicated, and we care. These strong and well-established Group values are carried out in all our operations and in the way we work with those we cherish the most: Our employees. We have always had a strong focus on employee satisfaction and well-being. In 2023, we continued our annual employee satisfaction survey. The outcome for the financial year was a very positive result with a score of 3.3 out of 4. The main risks to employees are assessed to be discrimination and dissatisfaction among the employees. At our core is our diverse workforce and a dedication to be completely free of discrimination in all aspects with our well-established Anti-Discrimination Policy. In 2024, our management will discuss and consider implementing the recommendations our employees gave us in the annual survey from 2023 in order to improve the well-being of our employees.

### Data ethics

We protect fundamental rights in relation to personal data. Our Personal Data and Privacy Policy and Guidelines for Handling of Personal Data, cf. 99d of the Danish Financial Statements Act, can be found on our website. They ensure that we comply with laws and regulations in relation to the protection of personal data. In 2023 the Abacus Medicine Group has included data ethics in our Personal Data and Privacy Policy, because we believe that it is important to consider the ethical dimension of fundamental human rights when we use technology.

**Management's review****Company information**

Name	FTW Holding ApS
Address	Kalvebod Brygge 35 1560 Copenhagen
CVR-no.	39 87 33 89
Founded	15 September 2018
Registered municipality	Copenhagen, Denmark
Financial year	1 January – 31 December
E-mail	flemming.wagner@abacusmedicine.com
Telephone	+45 70 22 02 12
Management	Flemming Wagner, CEO
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, 2000 Frederiksberg



## Consolidated financial statements 1 January – 31 December

## Income statement

Note	EUR'000	<u>2023</u>	<u>2022</u>
2	Revenue	1.210.374	1.023.978
	Cost of sales	<u>-1.066.236</u>	<u>-918.436</u>
	<b>Gross profit</b>	<b>144.138</b>	<b>105.542</b>
3	Other external costs	-30.042	-26.540
4,5	Staff costs	<u>-66.676</u>	<u>-52.947</u>
	<b>Operating profit before depreciations and amortisation (EBITDA)</b>	<b>47.420</b>	<b>26.055</b>
6	Depreciation, amortisation and impairment	-12.643	-11.987
	<b>Operating profit (EBIT)</b>	<b>34.777</b>	<b>14.068</b>
7	Share of profit (loss) in associates	3.133	-121
8	Finance income	1.831	136
8	Finance expenses	<u>-14.663</u>	<u>-6.318</u>
	<b>Profit before tax</b>	<b>25.078</b>	<b>7.765</b>
9	Tax	<u>-5.479</u>	<u>-2.648</u>
	<b>Profit for the period</b>	<b><u>19.599</u></b>	<b><u>5.117</u></b>
	<b>Profit for the period attributable to:</b>		
	FTW Holding ApS	10.560	2.660
	Minority share	<u>9.039</u>	<u>2.457</u>
		<b><u>19.599</u></b>	<b><u>5.117</u></b>

## Consolidated financial statements 1 January – 31 December

## Balance sheet

Note	EUR'000	2023	2022
	<b>ASSETS</b>		
	<b>Non-current assets</b>		
10	Intangible assets	33.892	31.070
11	Property, plant and equipment	10.547	10.432
12	Right-of-use assets	7.656	9.482
	Investments in associates	217	84
	Other receivables	6.756	5.505
15	Deferred tax assets	4.894	4.573
	<b>Total non-current assets</b>	<b>63.962</b>	<b>61.146</b>
	<b>Current assets</b>		
	Raw materials and consumables	117.084	75.505
	Manufactured goods and goods for resale	82.795	41.281
	Trade receivables	23.373	17.021
13	Other receivables	24.173	25.004
	Prepayments	1.936	1.263
	Cash	5.960	13.982
	<b>Total current assets</b>	<b>255.321</b>	<b>174.056</b>
	<b>TOTAL ASSETS</b>	<b>319.283</b>	<b>235.202</b>
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
	Share capital	16	16
	Other reserves	-505	-411
	Retained earnings	42.807	32.908
	Proposed dividends	671	1.614
	<b>Shareholders in FTW Holding ApS' share of equity</b>	<b>42.989</b>	<b>34.127</b>
14	Minority share	36.397	27.436
	<b>Total equity</b>	<b>79.386</b>	<b>61.563</b>
	<b>Non-current liabilities</b>		
15	Deferred tax liabilities	1.734	4.253
16	Borrowings	0	0
12	Lease liabilities	5.018	7.382
17	Other payables	2.073	2.240
	<b>Total non-current liabilities</b>	<b>8.825</b>	<b>13.875</b>
	<b>Current liabilities</b>		
18	Provisions	5.388	4.257
12	Lease liabilities	3.420	2.825
16	Borrowings	62.843	42.105
	Trade payables	131.725	84.351
	Income tax payable	6.954	2.718
17	Other payables	20.742	23.500
19	Deferred income	0	8
	<b>Total current liabilities</b>	<b>231.072</b>	<b>159.764</b>
	<b>Total liabilities</b>	<b>239.897</b>	<b>173.639</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>319.283</b>	<b>235.202</b>
21	Contractual obligations and contingencies etc.		
22	Mortgage and collateral		
23	Financial risk and financial instruments		
24	Related party disclosures		
26	Events after the reporting period		

## Consolidated financial statements 1 January – 31 December

## Cash flow statement

Note	EUR'000	<u>2023</u>	<u>2022</u>
	<b>Operating activities</b>		
	Profit before tax	25.078	7.765
	Adjustments to reconcile profit before tax to net cash flow:		
6	Depreciation, amortisation and impairment	12.643	11.987
	Share of profit (loss) in associates	-3.133	121
	Finance income	-1.831	-136
	Finance expenses	14.663	6.318
	Working capital adjustments:		
	Non-cash items, net	-663	875
20	Changes in working capital	-42.398	10.360
8	Interest received	360	88
8	Interest paid	-14.561	-5.465
	Income tax paid	-3.756	-834
	<b>Net cash flow from operating activities</b>	<b><u>-13.598</u></b>	<b><u>31.079</u></b>
	<b>Investing activities</b>		
10	Purchase of intangible assets	-6.589	-6.635
11	Purchase of property, plant and equipment	-2.081	-1.973
	Acquisition of subsidiary	-746	0
	Disposals non-current assets	1.593	54
	Change in paid deposits	297	-133
	<b>Net cash flow used in investing activities</b>	<b><u>-7.526</u></b>	<b><u>-8.687</u></b>
	<b>Financing activities</b>		
	Proceeds from borrowings (credit facility)	20.717	-11.705
	Proceeds from exercise of warrants	0	237
	Repayment of lease liabilities	-3.403	-3.086
	Deposits regarding bank agreement	-1.548	-740
	Acquisition of minorities	0	0
	Repayment of loan	-791	0
	Dividends	-1.614	-548
	<b>Net cash flow from financing activities</b>	<b><u>13.099</u></b>	<b><u>-15.842</u></b>
	<b>Cash flow for the period</b>	<b>-8.025</b>	<b>6.550</b>
	Cash at beginning of the period	13.982	7.554
	Effect of exchange rate changes on cash in a foreign currency	3	-122
	<b>Cash at 31 December</b>	<b><u>5.960</u></b>	<b><u>13.982</u></b>

The above cannot be derived directly from the income statement and the balance sheet.

## Consolidated financial statements 1 January – 31 December

## Statement of changes in equity

EUR'000

	Share capital	Cash flow hedge reserve	Foreign currency translation reserve	Retained earnings	Proposed Dividends	Parents company share of equity	Minority share	Total
<b>Equity 1 January 2023</b>	<b>16</b>	<b>-177</b>	<b>-234</b>	<b>32.908</b>	<b>1.614</b>	<b>34.127</b>	<b>27.436</b>	<b>61.563</b>
Profit for the year	-	-	-	9.889	671	10.560	9.039	19.599
Exchange differences on translation of foreign operations	-	-	-94	-	-	-94	-87	-181
Dividends paid	-	-	-	-	-1.614	-1.614	-	-1.614
Purchase of treasury shares	-	-	-	-140	-	-140	-122	-262
Equity-settled share-based payments	-	-	-	150	-	150	131	281
Change in ownership	-	-	-	-	-	-	-	-
<b>Total equity movements</b>	<b>-</b>	<b>-</b>	<b>-94</b>	<b>9.899</b>	<b>-943</b>	<b>8.862</b>	<b>8.961</b>	<b>17.823</b>
<b>Equity 31 December 2023</b>	<b>16</b>	<b>-177</b>	<b>-328</b>	<b>42.807</b>	<b>671</b>	<b>42.989</b>	<b>36.397</b>	<b>79.386</b>
<b>Equity 1 January 2022</b>	<b>16</b>	<b>-169</b>	<b>-334</b>	<b>31.734</b>	<b>538</b>	<b>31.785</b>	<b>24.686</b>	<b>56.471</b>
Capital injection	-	-	-	126	-	126	111	237
Profit for the year	-	-	-	1.046	1.614	2.660	2.457	5.117
Cash flow hedges – effective portion of changes in fair value	-	-10	-	-	-	-10	-9	-19
Exchange differences on translation of foreign operations	-	-	100	-	-	100	88	188
Tax on other comprehensive income	-	2	-	-	-	2	2	4
Dividends paid	-	-	-	-	-538	-538	-10	-548
Equity-settled share-based payments	-	-	-	62	-	62	54	116
Change in ownership	-	-	-	-60	-	-60	57	(3)
<b>Total equity movements</b>	<b>-</b>	<b>-8</b>	<b>100</b>	<b>1.174</b>	<b>1.076</b>	<b>2.342</b>	<b>2.750</b>	<b>5.092</b>
<b>Equity 31 December 2022</b>	<b>16</b>	<b>-177</b>	<b>-234</b>	<b>32.908</b>	<b>1.614</b>	<b>34.127</b>	<b>27.436</b>	<b>61.563</b>

The share capital consist of 116.995 shares with a nominal value of 1.00 DKK each. None of the shares are assigned with special rights.

The share capital has since the establishment of the Company in September 2018 been increased with nominal shares of 2.000 in 2019 and 35 in 2020.

**Consolidated financial statements 1 January – 31 December****Overview of notes for the consolidated financial statements**

## Note

- 1 Accounting policies
- 2 Revenue
- 3 Fees paid to auditors appointed at the annual general meeting
- 4 Staff costs
- 5 Share-based payments
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## Consolidated financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies

FTW Holding is a private limited company registered in Denmark. The financial statements section of the annual report, for the period 1 January – 31 December 2023, comprise both the consolidated financial statements of FTW Holding ApS and its subsidiaries (the Group) and the separate Parent Company financial statements.

The annual report of FTW Holding ApS for 2023 have been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large reporting class C entities.

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

#### Basis of preparation

The consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments, which have been measured at fair value. The consolidated financial statements are presented in euros and all values are rounded to the nearest thousand (EUR'000), except when otherwise indicated.

#### Consolidated financial statements

The consolidated financial statements comprise the financial statements of FTW Holding ApS (the Parent) and the subsidiaries controlled by the Parent, as at 31 December 2023. FTW Holding ApS controls an entity when it is exposed to or has rights to variable returns from its involvement in the entity and has the ability to affect those returns through its power over the entity.

On consolidation, intra-Group income and expenses, shareholdings, intra-Group balances and dividends, and realised and unrealised gains on intra-Group transactions are eliminated.

The subsidiaries' financial statement items are included 100% in the consolidated financial statements. Non-controlling interests' share of the profit/loss for the year and of the equity of subsidiaries that are not wholly-owned are included in the Group's profit/loss and equity, respectively, but are presented separately.

#### Foreign currency translation

The Group's consolidated financial statements are presented in euros. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

#### Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

#### Current versus non-current classification

FTW Holding ApS presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is either:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when, either:

- It is expected to be settled in the normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

## Consolidated financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Business combinations

Business combinations are accounted for by using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group decides whether it will measure the non-controlling interest in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.

Acquisition costs incurred are expensed and included in the income statement as other operating costs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions at the acquisition date.

Subsequent changes in the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with IFRS 9 in the income statement.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for the non-controlling interest over the net identifiable assets acquired and liabilities assumed. The recognition is done using a transaction by transaction approach of the goodwill which increases the minority shares at initial recognition.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in such circumstances is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

##### Derivative financial instruments

###### Initial recognition

The Group uses forward currency contracts (derivative financial instruments) to hedge its foreign currency risks relating to receivables and payables. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in equity and later reclassified to the income statement when the hedge item affects the income statement.

##### Income Statement

###### Revenue

The company has chosen IFRS 15 as interpretation for the recognition of revenue.

Revenue from the sale of goods is recognised when the performance obligation is satisfied, i.e. when control of the goods have passed to the buyer. All sales of goods are recognized at one-point-of-time. Due to factoring agreements, the receivables are either sold or financed, and the payments are in general received from the factoring company within one day. Revenue is measured at fair value of the agreed consideration, excluding VAT and taxes charged on behalf of third parties. Provisions for rebates and discounts granted to customers are recognised as a reduction of revenue, whereas the effect of expected returns is recorded as a reduction of gross profit, i.e. revenue and cost of sales.

###### Rights of return

Certain contracts provide our customers with a right to return the goods. The expected value method is used to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. For goods that are expected to be returned, instead of revenue, a refund liability is recognised. A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

Assets and liabilities arising from rights of return:

###### Rights of return assets

A right of return asset represents the right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decrease in the value of the returned goods. The measurement of the asset is updated and recorded for any revisions to its expected level of returns, as well as any additional decrease in the value of the returned products. The right of return asset is presented under inventory.

###### Rights of return liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The estimates of refund liabilities are updated (along with the corresponding change in the transaction price) at the end of each reporting period. The right of return liability is presented under provisions.

## Consolidated financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Significant accounting judgements, estimates and assumptions

###### **Customer rebates, discounts and price adjustments**

Certain contracts for the sale of products include customer rebates, discounts and price adjustments that give rise to variable consideration. Customer rebates and discounts vary across distribution channels, and price adjustments are in some cases dependent on future market price development. In estimating the variable consideration, Abacus Medicine considers the contract information, historical experience, business forecast and the current economic conditions. The provisions for rebates, discounts and price adjustments granted to customers are recognized as a reduction of revenue.

###### **Cost of sales**

Cost of sales includes the costs for pharmaceutical goods and consumables used in generating the year's revenue.

###### **Other external expenses**

Other external costs include expenses in regards to the Group's principal activities, arising during the year. This includes expenses for sales, advertisement, administration, service relating to office buildings etc.

###### **Staff costs**

Staff costs include wages and salaries, including share-based payments, holiday pay and pensions, as well as other expenses for social security etc., relating to the Group's employees. Within staff costs, any compensation received from public authorities has been deducted.

Incentive programs under which the employee has the opportunity for net settlement are recognised on a regular basis with the share of the earned value and are, similarly, recognised under Other payables. The value of the underlying agreement is defined in the contracts and depends on the Group's earnings.

###### **Share-based payments**

Certain employees of the Group receive remuneration in the form of share-based payments, whereby program participants render services as consideration for equity instruments ("equity-settled transactions") or cash ("cash-settled transactions"), which is relevant for the program where the employees have the option to choose between equity instruments or cash. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made, using an appropriate valuation model. The cost of cash-settled transactions are determined by the expected payment to the employees.

That cost is recognised in staff costs, together with a corresponding increase in equity (other capital reserves) for equity-settled programs or other payables for cash-settled programs, over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or income in the income statement for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

A liability is recognised for the fair value of cash-settled transactions, within other payables (current). The fair value is measured initially and at each reporting date up to and including the settlement date, with changes in fair value recognised in employee benefits expense. The fair value is expensed over the period until the vesting date with recognition of a corresponding liability.

###### **Other operating costs**

Other operating costs are presented as special items in Abacus Medicine A/S. Special items are used in connection with the presentation of profit or loss for the year to distinguish consolidated operating profit from exceptional items, which by their nature are not related to the Group's ordinary operations. Special items consist of costs related to seeking new capital, i.e. IPO and private equity projects, and transaction costs related to acquisition of enterprises.

###### **Finance income and expenses**

Finance income and expenses comprise interest income and expenses, exchange gains and losses on transactions denominated in foreign currencies etc., as well as surcharges and allowances under the on-account tax scheme etc.

###### **Income tax**

###### **Tax for the year**

Tax for the year comprises current tax on the expected taxable income for the year and the year's deferred tax adjustments. The tax expense relating to the profit for the year is recognised in the income statement, and the tax expense relating to transactions recognised in equity is recognised in equity.

FTW Holding ApS is jointly taxed with its Danish Group entities, and FTW Holding ApS is also the administration company of the Danish Group entities towards the Danish Tax authorities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are, as a minimum, reimbursed by the administration company based on the current rates applicable to interest allowances, and jointly taxed entities having less tax paid, as a maximum, a surcharge based on the current rates applicable to interest surcharges to the management company.



## Consolidated financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Balance sheet

##### Intangible assets

##### Goodwill, Licenses, Software and IP rights

Goodwill is initially recognised at the amount by which the purchase price for a business combination exceeds the recognised value of the identifiable assets and liabilities assumed. Goodwill comprises future growth expectations, buyer-specific synergies, the workforce in place and know-how. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and impairment losses.

Licenses relate to marketing permits and product approvals. Licenses are measured at cost less accumulated amortisation and impairment losses. Cost comprises of the purchase price and salaries directly attributable until the date when the marketing permits and product approvals are available for use. The basis of amortisation is cost. The licenses are set with no residual value. Amortisation is provided on a straight-line basis over the expected useful lives of the assets. The basis of amortisation is based on the residual value of the asset and is reduced by impairment losses, if any. In case of changes in the depreciation period or the residual value, the effect on the amortisation charges is recognised prospectively as a change in accounting estimates.

Software is measured at cost less accumulated depreciation and impairment losses. Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

IP rights are measured at cost less accumulated depreciation and impairment losses. Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

On initial recognition, the costs of licenses, software and IP rights are recognised in the balance sheet and measured at cost and subsequently at cost less accumulated amortisation and impairment losses.

Amortisation periods are as follows:

Goodwill	10 years
Licenses	5 - 8 years
Software	3 - 10 years
IP Rights	10 years

The assets have no scrap value.

Gains and losses on the disposal of rights and licenses are made up as the difference between the selling price less selling costs and the carrying amount at the date of disposal. The gains or losses are recognised in the income statement as Other operating income or Other operating expenses, respectively.

##### Development costs

Development expenditures on an individual project are recognised as an intangible asset when the the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

##### Property, plant and equipment

Property, plant and equipment consists of leasehold improvements and other fixtures and fittings. Leasehold improvements and other fixtures and fittings are measured at cost less accumulated depreciation and impairment losses. Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

The cost for a total asset is split in separate components, which are depreciated separately, if the useful life of each of the components differ.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets/components. The expected useful lives are as follows:

Land and buildings	30 Years
Leasehold improvements	3-5 years
Other fixtures and fittings	2-10 years

The assets have no scrap value.

Depreciation is calculated on cost price less scrap value and impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. If the residual value exceeds the carrying amount, no further depreciation charges are recognised.

When the depreciation period or the residual value is changed, the effect on depreciation is recognised prospectively as a change in accounting estimates.

Gains and losses at sale of property, plant and equipment is calculated as the difference between the sales price less the sales expenses and the carrying amount at the date of sale. Gains or losses are recognised in the income statement as the item other operating income and other operating expenses, respectively.

## Consolidated financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Leases

###### Right-of-use assets

FTW Holding recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use) in accordance with IFRS 16.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term (1-5 years). Right-of-use assets are subject to impairment.

###### Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects FTW Holding's exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, FTW Holding uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

###### Short-term leases and leases of low-value assets

FTW Holding applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as other external costs on a straight-line basis over the lease term.

###### Significant judgement in determining the lease term of contracts with extension options

FTW Holding determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. Under the current contracts, FTW Holding has no material extension options.

###### Impairment of non-current assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations. The budget and forecast calculation generally covers a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the statement of profit or loss in expense categories consistent with the function of the impaired asset.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's recoverable amount.

Impairment is determined for goodwill by assessing the recoverable amount of the CGU to which the goodwill relates (Abacus Medicine Pharma Services). When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

## Consolidated financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

The cost of goods for resale, as well as materials and consumables, comprises the cost of acquisition plus delivery costs and, for finished goods, indirect production overheads, including packaging material, are added.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

##### Receivables

Receivables are measured at amortised cost.

The measurement of the provision for bad debt for receivables is based on the expected credit loss and the lifetime expected loss for all trade receivables. Where there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised at the individual receivable level.

The companies within Abacus Medicine Group are part of a Group cash pool in Danske Bank. Therefore, for subsidiaries having cash in bank these are presented as IC receivables and respectively for bank debt being part of the cash pool is presented as IC payables.

##### Prepayments

Prepayments recognised under Current assets comprise expenses incurred concerning subsequent financial years.

##### Cash

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand.

##### Equity

###### Foreign currency translation reserve

The exchange adjustment reserve in the consolidated financial statements comprises exchange differences arising on the translation of the financial statements of foreign enterprises from their functional currencies into EUR. On realisation, accumulated value adjustments are taken from equity to financial items in the income statement.

##### Cash flow hedge reserve

The hedge transaction reserve contains the accumulated net change in the fair value of hedging transactions that meet the criteria for hedging future cash flows and for which the hedged transaction has yet to be realised.

##### Dividend

Dividend proposed for the year is recognised as a liability at the date when it is adopted at the annual general meeting (declaration date).

##### Taxation

###### Current income tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the expected taxable income for the year, adjusted for tax on the taxable income of prior years and for prepaid tax.

Provisions for deferred tax are calculated, based on the liability method, of all temporary differences between carrying amounts and tax values, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income.

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.

Joint taxation contribution payable and receivable is recognised in the balance sheet as "Corporation tax receivable" or as "Corporation tax payable".

##### Provisions

Provisions comprise anticipated expenses for returned goods. Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation.

##### Liabilities

Financial liabilities are initially recognised at fair value less transaction costs. Subsequently, the financial liabilities are measured at amortised cost using the effective interest method, whereby transaction costs and any premium or discount are recognised as financial expenses over the term of the liabilities.

Other liabilities are measured at net realised value.

##### Fair value

All assets and liabilities which are measured at fair value, or whose fair value is disclosed, are classified based on the fair value hierarchy, see below:

- Level 1: Value in an active market for similar assets/liabilities.
- Level 2: Value based on recognised valuation methods on the basis of observable market information.
- Level 3: Value based on recognised valuation methods and reasonable estimates (non-observable market information).

Fair value measurements are based on the principal market. If no principal market exists, the measurement is based on the most advantageous market, i.e. the market that maximises the price of the asset or liability less transaction and/or transport costs.

## Consolidated financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Cash flow statement

The cash flow statement shows the Group's cash flows from operating, investing and financing activities for the year, the year's changes in Cash as well as the Group's Cash at the beginning and end of the year.

The cash flow effect of acquisitions and disposals of entities is shown separately in cash flows from investing activities. Cash flows from corporate acquisitions are recognised in the cash flow statement from the date of acquisition. Cash flows from disposals of entities are recognised up until the date of disposal.

Cash flows are presented using the indirect method.

##### Cash flow from operating activities

Cash flow from operating activities are calculated as the Group's share of the profit/loss adjusted for non-cash operating items, changes in working capital and income taxes paid.

##### Cash flow from investing activities

Cash flow from investing activities comprises payments in connection with acquisitions and disposals of entities, activities and intangible assets, property, plant and equipment and financial assets.

##### Cash flow from financing activities

Cash flow from financing activities comprises changes in the size or composition of the the Group's share capital and related costs as well as the raising of loans, repayment of interest-bearing debt, and payment of dividend to shareholders.

##### Segment information

The segment disclosures provided reflect the information for the reportable segments which the management receives monthly in its capacity as decision maker. The allocation of resources and the segment performance are evaluated based on revenue, gross profit and profitability measured on earnings before interest, taxes, depreciations and amortisation (EBITDA).

## Consolidated financial statements 1 January – 31 December

### Notes

#### 2 Revenue

The presentation of revenue for FTW Holding Group is defined by the operational structure which is derived from the types of activities we are engaged in. Abacus Medicine Pharma Services accounts for less than 10% of the revenue, gross profit and assets in the Group, and due to similar characteristics, Abacus Medicine Pharma Services has been presented in combination with Abacus Medicine Pharma Trading.

#### Revenue in business operations

Our business operations are carried out by the following activities.

#### Pharma Trading and Pharma Services

Supplies prescription medicine to pharmacies, hospitals and pharmaceutical companies and delivers pharmaceutical and healthcare services.

#### Pharma Wholesale

Conducts wholesale trade in pharmaceutical and related products and provides related services to pharmacies, hospitals, healthcare institutions and other wholesalers.

### Operating information

EUR'000	2023					2022				
	Pharma Trading and Pharma Services	Pharma Wholesale	Other	Eliminations	Total	Pharma Trading and Pharma Services	Pharma Wholesale	Other	Eliminations	Total
Revenue	875.639	366.915	20	-32.200	1.210.374	719.079	324.643	-	-19.744	1.023.978
Gross Profit	118.335	25.793	10	-	144.138	86.644	18.898	-	-	105.542
EBITDA	42.192	5.318	-90	-	47.420	25.784	377	-106	-	26.055
Total Assets	262.291	56.649	343	-	319.283	181.462	51.514	2.226	-	235.202
Total Liabilities	192.685	45.389	1.823	-	239.897	127.359	44.626	1.654	-	173.639

#### 3 Fees paid to auditors appointed at the annual general meeting

Fees payable to FTW Holding Group's auditor for the audit of FTW Holding Group's financial statements and other non-audit services are specified as below.

EUR'000	2023	2022
Audit	419	330
Other assurance engagements	0	0
<b>Total audit related services</b>	<b>419</b>	<b>330</b>
Tax consultancy	7	0
Other non-audit services	9	2
<b>Total fee to EY</b>	<b>435</b>	<b>332</b>

The costs are recognised in the consolidated income statement as Other external costs.

## Consolidated financial statements 1 January – 31 December

## Notes

4 Staff costs  
EUR'000

	<u>2023</u>	<u>2022</u>
Wages and salaries	58.725	46.272
Pensions, defined contribution plans	3.722	2.873
Other social security costs	2.002	683
Other staff costs	2.830	3.806
Share-based payment expense	<u>281</u>	<u>116</u>
<b>Total staff costs</b>	<b><u>67.560</u></b>	<b><u>53.750</u></b>
Of which are capitalised as intangible assets	<u>-884</u>	<u>-803</u>
<b>Total staff costs in the income statement</b>	<b><u>66.676</u></b>	<b><u>52.947</u></b>

	<u>2023</u>	<u>2022</u>
Average number of full-time employee (full year)	<u>1.196</u>	<u>1.140</u>

In the above is included staff costs to the Board of Directors, Executive Management and Key Management Personnel of the subsidiary Abacus Medicine A/S. The full year costs amounted to EUR 4,035 thousand (2022: EUR 3,806 thousand) for the year ended 31 December 2023, hereof pension payments of EUR 259 thousand (2022: EUR 203 thousand).

The above is split between an average of 16 members (2022: 15 members) of the Board of Directors, Executive Management and Key Management Personnel.

## 5 Share-based payments

Warrants have been granted to members of the board of directors, Key Management Personnel and other employees in the subsidiary Abacus Medicine A/S. Share-based plans has been established in 2020, 2021, 2022 and 2023, of which the share plans from 2020-2023 are still open.

Below is a brief description of each of the programs.

Warrant agreements entered into in April 2020 allow those eligible to subscribe for up to 98,200 new shares of EUR 0.05 each in Abacus Medicine A/S. The subscription price is EUR 10.16 per share, corresponding to a total potential subscription price of approximately EUR 998 thousand. This warrant agreement only allows settlement with shares which must take place in April 2025 at the latest. The warrant scheme has been accounted for as an equity-settled programme.

Warrant agreements entered into in July 2020 allow those eligible to subscribe for up to 66,700 new shares of EUR 0.05 each in Abacus Medicine A/S. The subscription price is EUR 10.16 per share, corresponding to a total potential subscription price of approximately EUR 678 thousand. This warrant agreement only allows settlement with shares which must take place in December 2020 (45,700 shares) and April 2025 at the latest (21,000 shares). The warrant scheme has been accounted for as an equity-settled programme.

Warrant agreements entered into in November and December 2021 allow those eligible to subscribe for up to 129,082 new shares of EUR 0.05 each in Abacus Medicine A/S. The subscription price is EUR 10.93 per share, corresponding to a total potential subscription price of approximately EUR 1,411 thousand. This warrant agreement only allows settlement with shares which must take place in April 2026 at the latest. The warrant scheme has been accounted for as an equity-settled programme.

Warrant agreements entered into in November 2022 allow those eligible to subscribe for up to 96,405 new shares of EUR 0.05 each in Abacus Medicine A/S. The subscription price is EUR 11.20 per share, corresponding to a total potential subscription price of approximately EUR 1,080 thousand. This warrant agreement only allows settlement with shares which must take place in April 2027 at the latest. The warrant scheme has been accounted for as an equity-settled programme.

Warrant agreements entered into in November 2023 allow those eligible to subscribe for up to 131,000 new shares of EUR 0.05 each in Abacus Medicine A/S. The subscription price is EUR 14.02 per share, corresponding to a total potential subscription price of approximately EUR 1,837 thousand. This warrant agreement only allows settlement with shares which must take place in April 2028 at the latest. The warrant scheme has been accounted for as an equity-settled programme.

EUR'000	<u>2023</u>	<u>2022</u>
Equity-settled expense	<u>281</u>	<u>116</u>
<b>Total share-based payment expense</b>	<b><u>281</u></b>	<b><u>116</u></b>

## Consolidated financial statements 1 January – 31 December

## Notes

## 5 Share-based payments (continued)

## Specification of outstanding share options

	Key managem. personnel	Other employees	Total number	Average exercise price per option (EUR)
<b>Outstanding at 31 December 2021</b>	<b>59.503</b>	<b>206.949</b>	<b>266.452</b>	
Granted	19.850	76.555	96.405	
Forfeited	-10.000	-18.272	-28.272	
Exercised	-17.340	-6.028	-23.368	10:16
<b>Outstanding at 31 December 2022</b>	<b>52.013</b>	<b>259.204</b>	<b>311.217</b>	
Granted	40.400	90.600	131.000	
Forfeited	0	-26.210	-26.210	
Exercised	0	0	0	
<b>Outstanding at 31 December 2023</b>	<b>92.413</b>	<b>323.594</b>	<b>416.007</b>	
<b>Exercisable at 31 December 2023</b>	<b>-</b>	<b>-</b>	<b>-</b>	

The average remaining contractual life for the share options outstanding at 31 December 2023 was 3.0 years (2022: 3.3 years). The exercise prices are between EUR 10.16 - EUR 14.02 per share option (2022: EUR 10.16 - EUR 11.20).

In 2023, the expense in regards to share-based payments recognised in the income statement amounts to EUR 281 thousand (2022: EUR 116 thousand).

The following table list the inputs to the models used for the plan for the different programs:

	2023 Equity Settled	2022 Equity Settled	2021 Equity Settled	2020 Equity Settled
Weighted average fair values at measurement date	7.3	5.9	5.1	02:07
Weighted average share price	18.7	14.9	14.6	12:00
Exercise price	14.0	11.2	10.9	10.2-13.5
Expected volatility (%)	29%	31%	35%	35%
Expected life of share options	53 months	53 months	52-53 months	1-60 months
Dividend yield (%)	0	0,0%	0,0%	0,0%
Risk-free interest rate (%)	2.8%/3.2%	1.0%/1.4%	-0.5%/-0.6%	-0.4%-0.6%
Valuation method	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes

The expected volatility reflects 29%-35%, which is based on a peer Group median.

## Consolidated financial statements 1 January – 31 December

## Notes

6 Depreciation, amortisation and impairment  
EUR'000

	2023	2022
Amortisation and write-downs, intangible assets	7.169	6.445
Depreciation, property, plant and equipment	2.074	2.200
Depreciation, right-of-use assets	3.400	3.342
<b>Total</b>	<b>12.643</b>	<b>11.987</b>

## 7 Investments in subsidiaries and other investments

Name	Registered office	Ownership 2023 and voting rights	Ownership 2022 and voting rights
FTW Invest ApS	Denmark	100%	100%
Evocative ApS*	Denmark	100%	-
Wagner Family Holding ApS	Denmark	92,8%	92,8%
Abacus Medicine A/S	Denmark	57,4%	57,4%
Abacus Medicine Hungary KFT	Hungary	100%	100%
Abacus Medicine B.V.	The Netherlands	100%	100%
+365 Medicines GmbH	Germany	100%	100%
Abacus Medicine Berlin GmbH	Germany	100%	100%
Abacus Medicine Ltd	United Kingdom	100%	100%
Abacus Medicine Austria GmbH	Austria	100%	100%
Abacus Medicine France S.A.S.	France	100%	100%
Abacus Medicine Finland Oy	Finland	100%	100%
Abacus Medicine Ireland Ltd.	Ireland	100%	100%
PharmaSave BVBA	Belgium	100%	100%
Originalis B.V.	The Netherlands	100%	100%
Abacus Medicine WH B.V.	The Netherlands	100%	100%
Aposave S.L.	Spain	100%	100%
Zdrave Med Ltd.	Bulgaria	100%	100%
Abacus Medicine Pharma Services ApS	Denmark	100%	100%
Abacus Medicine Pharma Services Ltd.	United Kingdom	100%	100%
Abacus Medicine Pharma Services Asia Ltd.	Hong Kong	100%	100%
Abacus Medicine Pharma Services Inc.	USA	100%	100%
Abacus Medicine Pharma Services B.V.	The Netherlands	100%	100%
Aposave Mexico S de RL de	Mexico	100%	100%
Pluripharm Holding B.V.	The Netherlands	100%	100%
Pluripharm Groep B.V.	The Netherlands	100%	100%
ThuisApotheek B.V.**	The Netherlands	100%	50%
Clinic Care Services B.V.***	The Netherlands	0%	17%
Pluripharm B.V.	The Netherlands	100%	100%
Pluripack Alkmaar	The Netherlands	100%	100%
Pluripack Zwolle	The Netherlands	100%	100%
Pluripack Breda	The Netherlands	100%	100%
Pluriplus B.V.	The Netherlands	100%	100%
Distrimed B.V.	The Netherlands	100%	100%
Pluripharm Apotheek Beheer B.V.	The Netherlands	100%	100%
Apotheekfonds Pharmaconnect B.V.	The Netherlands	50%	50%
Pluripharm Direct B.V.	The Netherlands	100%	100%
Phardis B.V.	The Netherlands	100%	100%
Instellingsapotheek B.V.	The Netherlands	100%	100%
DayDose ApS	Denmark	100%	100%

\* Newly established company in 2023

\*\* In 2023 the Abacus Medicine Group acquired the remaining 50 % of the shares in ThuisApotheek B.V.

\*\*\* In 2023 the Abacus Medicine Group divested all minority shares in Clinic Care Services B.V.



## Consolidated financial statements 1 January – 31 December

## Notes

## 8 Finance income and expenses

EUR'000	<u>2023</u>	<u>2022</u>
<b>Finance income</b>		
Other finance income	360	88
Foreign exchange gain, net	<u>1.471</u>	<u>0</u>
<b>Total finance income</b>	<u><b>1.831</b></u>	<u><b>88</b></u>

EUR'000	<u>2023</u>	<u>2022</u>
<b>Finance expenses</b>		
Other finance costs	14.373	5.390
Interests, lease liabilities	269	321
Amortised loan costs	21	110
Foreign exchange loss, net	<u>0</u>	<u>449</u>
<b>Total finance expenses</b>	<u><b>14.663</b></u>	<u><b>6.270</b></u>

## 9 Income tax

EUR'000	<u>2023</u>	<u>2022</u>
<b>Current income tax</b>		
Current income tax charge	8.142	3.036
Adjustment in respect of current income tax of previous year	-167	-115
<b>Deferred tax</b>		
Relating to origination and reversal of temporary difference	<u>-2.495</u>	<u>-273</u>
<b>Income tax expense reporting in the income statement</b>	<u><b>5.479</b></u>	<u><b>2.648</b></u>

## Consolidated financial statements 1 January – 31 December

## Notes

## 10 Intangible assets

EUR'000	Development costs	Software	Licenses	IP Rights	Goodwill	Total
Cost 1 January 2023	-	17.380	31.455	1.097	5.508	55.440
Additions from business combinations	-	469	-	-	2.985	3.454
Currency translation	-	-32	-87	-	-7	-126
Additions	770	96	2.256	-	-	3.122
Additions internally developed	-770	770	3.467	-	-	3.467
Reclassification	-	169	(169)	-	-	-
Cost 31 December 2023	<u>0</u>	<u>18.852</u>	<u>36.922</u>	<u>1.097</u>	<u>8.486</u>	<u>65.357</u>
Amortisation and impairment 1 January 2023	-	6.612	14.582	1.097	2.079	24.370
Currency translation	-	-21	-53	-	-	-74
Amortisation	-	1.817	4.240	-	699	6.756
Write-downs	-	-	413	-	-	413
Reclassification	-	169	-169	-	-	0
Amortisation and impairment 31 December 2023	<u>-</u>	<u>8.577</u>	<u>19.013</u>	<u>1.097</u>	<u>2.778</u>	<u>31.465</u>
<b>Carrying amount 31 December 2023</b>	<b><u>0</u></b>	<b><u>10.275</u></b>	<b><u>17.909</u></b>	<b><u>0</u></b>	<b><u>5.708</u></b>	<b><u>33.892</u></b>

Development costs comprise capitalised expenses for the new ERP system for Abacus Medicine Group.

Software is amortised over 3-10 years and Licences are amortised over 5-8 years. Software has been written down with EUR 0 thousand in 2023 (2022: EUR 277 thousand) and Licences has been written down with EUR 413 thousand in 2023 (2022: EUR 285 thousand) due to uncertainty of the future utilisation of the assets. There have been no further indications of impairment of the intangible assets.

Goodwill was recognised as a part of the acquisition of the Abacus Medicine Pharma Services entities on 21 December 2017, Pluripharm Group on 29 July 2020 and ThisApotheek on 1 July 2023. Goodwill is amortised over 10 years. There have been no indications of impairment of the Goodwill.

## 11 Property, plant and equipment

EUR'000	Land & Buildings	Leasehold improvements	Other fixtures and fittings, plant and equipment	Total
Cost 1 January 2023	3.802	1.742	13.044	18.588
Additions from business combinations	-	-	20	20
Currency translation	-	39	110	149
Additions	382	230	1.469	2.081
Disposals	-	-37	-206	-243
Cost 31 December 2023	<u>4.184</u>	<u>1.974</u>	<u>14.437</u>	<u>20.595</u>
Depreciation and impairment 1 January 2023	503	959	6.694	8.156
Currency translation	-	26	16	42
Depreciation	192	251	1.631	2.074
Disposals	-	-37	-187	-224
Depreciation and impairment 31 December 2023	<u>695</u>	<u>1.199</u>	<u>8.154</u>	<u>10.048</u>
<b>Carrying amount 31 December 2023</b>	<b><u>3.489</u></b>	<b><u>775</u></b>	<b><u>6.283</u></b>	<b><u>10.547</u></b>

## Consolidated financial statements 1 January – 31 December

## Notes

## 12 Leases (IFRS 16)

EUR'000	Buildings	Other fixed assets	Total
<b>Right-of-use assets</b>			
Opening balance at 1 January 2023	7.727	1.755	9.482
Additions from business combinations	-	34	34
Additions	-	602	602
Disposals	-	-22	-22
Depreciation	-2.628	-772	-3.400
Remeasurement of lease liabilities	960	-	960
<b>Carrying amount at 31 December 2023</b>	<b>6.059</b>	<b>1.597</b>	<b>7.656</b>

## Leasing liabilities

## Maturity analysis - contractual undiscounted cash flows

	2023	2022
Less than 1 year	3.640	3.444
Between 1 and 5 years	5.196	8.197
More than 5 years	-	-
<b>The undiscounted cash flows</b>	<b>8.836</b>	<b>11.641</b>

## Lease liability recognised on the balance sheet

Current lease liability	3.420	2.825
Non-current lease liability	5.018	7.382

## Amount recognised in the income statement

Interest expense from lease liabilities	292	321
Lease expenses for short-term leases	0	0
<b>Total</b>	<b>292</b>	<b>321</b>

In 2023, Abacus Medicine paid EUR 3,636 thousand (2022: EUR 3,275 thousand) on lease contracts of which interest payments related to lease liabilities amount to EUR 233 thousand (2022: EUR 189 thousand) and down payments on lease liabilities amounts to EUR 3,403 thousand (2022: EUR 3,086 thousand).

Costs recognised in the period for short-term leases were EUR 0 thousand (2022: EUR 0 thousand) and low-value leases were EUR xx thousand (2022: EUR 0 thousand). Expenses are recognised on a straight-line basis as Other external costs.

## 13 Other receivables

EUR'000	2023	2022
Deposits regarding factoring agreement	6.523	4.975
VAT receivables	17.311	15.427
Other receivables	339	4.602
<b>Total</b>	<b>24.173</b>	<b>25.004</b>

Abacus Medicine Group has historically not suffered any significant losses. Allowance for bad debt amounts to EUR 0.6 million as of 31 December 2023 (2022: EUR 0.8 million).

## 14 Minority share

EUR'000	2023	2022
<b>Non-controlling interests at 1 January</b>	<b>27.436</b>	<b>24.686</b>
Share of profit for the period	9.039	2.457
Equity movements etc.	-78	293
<b>Non-controlling interests at 31 December</b>	<b>36.397</b>	<b>27.436</b>

## Consolidated financial statements 1 January – 31 December

## Notes

15 Deferred tax EUR'000	2023	2022
Deferred tax 1 January	320	43
Additions from business combination	327	0
Currency translation	10	-1
Deferred tax for the year recognised in the income statement	2.496	274
Deferred tax for the year recognised on equity	0	4
Other adjustments	7	0
<b>Deferred tax 31 December</b>	<b>3.160</b>	<b>320</b>
Reflected in the statement of financial position as follows:		
Deferred tax assets	4.894	4.573
Deferred tax liabilities	-1.734	-4.253
<b>Deferred tax 31 December</b>	<b>3.160</b>	<b>320</b>
Deferred tax relates to:		
Intangible assets	-5.112	-4.953
Tangible assets	516	459
Tax losses carried forward	4.400	4.400
Other assets and liabilities, net	3.356	414
<b>Deferred tax 31 December</b>	<b>3.160</b>	<b>320</b>
<b>16 Borrowings</b>		
<b>EUR'000</b>	<b>2023</b>	<b>2022</b>
<b>Non-current</b>		
Credit institutions and banks	0	0
<b>Total non-current</b>	<b>0</b>	<b>0</b>
<b>Current</b>		
Credit institutions and banks	62.843	42.105
<b>Total current</b>	<b>62.843</b>	<b>42.105</b>
Wagner Family Holding has a credit facility of EUR 2.2 million secured by way of a pledge on a number of shares in Abacus Medicine A/S.		
At the beginning of 2024, Abacus Medicine has agreed on a new credit facility from Danske Bank, with a maximum credit limit of EUR 101 million (DKK 750 million). The credit facility will be renegotiated on a three year basis.		
<b>17 Other payables</b>		
<b>EUR'000</b>	<b>2023</b>	<b>2022</b>
<b>Non-current</b>		
VAT payables	729	995
Employee related payables	1.344	1.245
<b>Total non-current</b>	<b>2.073</b>	<b>2.240</b>
<b>Current</b>		
VAT payables	12.078	18.496
Employee related payables	8.554	4.866
Other payables	110	138
<b>Total current</b>	<b>20.742</b>	<b>23.500</b>

## Consolidated financial statements 1 January – 31 December

## Notes

**18 Provisions**  
EUR'000

	<u>2023</u>	<u>2022</u>
At 1 January	4.257	4.134
Arising during the period	5.388	4.257
Utilised	-4.257	-4.134
Unused amounts reversed	<u>0</u>	<u>0</u>
<b>At 31 December</b>	<b><u>5.388</u></b>	<b><u>4.257</u></b>
Current	<u>5.388</u>	<u>4.257</u>
Non-current	<u>-</u>	<u>-</u>

Provisions comprise provisions for sold products expected to be returned in the coming year. The return provision is utilised during the financial year.

**19 Deferred income**

Deferred income consists of payments received from customers that cannot be recognised as revenue until in the subsequent financial year.

**20 Change in working capital**  
EUR'000

	<u>2023</u>	<u>2022</u>
Change in inventory	-79.213	-4.007
Change in receivables	-5.079	-6.925
Change in trade payables etc.	<u>41.894</u>	<u>21.292</u>
<b>Total</b>	<b><u>-42.398</u></b>	<b><u>10.360</u></b>

**21 Contractual obligations and contingencies etc.****Contingent liabilities**

The parent company is jointly taxed with the Danish entities within the FTW Holding ApS Group, with FTW Holding ApS as the administrative company. The parent company is, together with the other Danish companies in FTW Holding ApS Group, liable for corporate taxes and withholding taxes on dividends, interests and royalties.

Abacus Medicine Group is currently party to certain lawsuits, disputes etc. of various scopes. In management's opinion, apart from items recognised in the statement of financial position or disclosed in the financial statements, the outcome of these lawsuits, disputes etc., individually and in the aggregate, is not expected to have a material impact on Abacus Medicine's financial position.

**22 Mortgage and collateral**

Bank debt of EUR 1.8 million within Wagner Family Holding has been secured by way of a pledge on a number of shares in Abacus Medicine A/S.

Bank debt of EUR 61 million within Abacus Medicine has been secured by way of a pledge on all of Abacus Medicine's existing as well as future receivables, totalling EUR 46 million (2022: EUR 32 million), in intangible assets totalling EUR 30 million (2022: EUR 23 million), property, plant and equipment totalling EUR 2 million (2022: EUR 2 million) and inventories totalling EUR 177 million (2022: EUR 99 million).

## Consolidated financial statements 1 January – 31 December

### Notes

#### 23 Financial risk and financial instruments

The derivative financial instruments are measured at level 2 (observable input) of the fair value hierarchy.

The subsidiary Abacus Medicine A/S uses cash flow hedges as part of hedging highly probable forecast sales and purchases in other currencies than EUR. Historically this has mainly been SEK, GBP and NOK. The Group has not used Cash flow hedging instruments in 2022 and 2023.

	Nominal value (local currency '000)	Expiry below 1 year	Expiry 1-5 years	Expiry above 5 years	Average hedging price	Fair value assets	Fair value liabilities	Change in fair value used for measuring cash flow hedge reserve
2023	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-

#### 24 Related party disclosures

The related parties of FTW Holding ApS comprise the following:

Related party	Residence	Reason for related party
Flemming Wagner Tina Wagner	Gammel Kongevej 105, 05. tv. 1850 Frederiksberg C	Shareholders

The following shareholders are registered with an ownership share exceeding 5%:

Shareholder	Residence
Flemming Wagner Tina Wagner	Gammel Kongevej 105, 05. tv. 1850 Frederiksberg C

Transactions to and from related parties are made at terms equivalent to those that prevail in arm's length transactions.

#### Executives

The FTW Holding ApS's related parties with significant influence includes the Board of Directors in the subsidiary Abacus Medicine A/S and executives in the parent company, including these employees' family members, and entities in which these executives have a significant influence.

The remuneration to executives is disclosed in note 4.

#### 25 Business combinations

##### Acquisition of *ThuisApotheek B.V.*

In July 2023, Pluripharm Groep B.V. acquired the remaining 50% of the shares in ThuisApotheek B.V., and consequently now is the majority shareholder of ThuisApotheek. Pluripharm Groep B.V. has owned 50% of ThuisApotheek B.V. since 2014.

##### Consideration transferred

The consideration transferred for the 50% shares in ThuisApotheek B.V. was EUR 746 thousand.

#### 26 Events after the reporting period

No events have occurred after the balance sheet date which could have a material effect on FTW Holding ApS' financial position at 31 December 2023.

## Parent Company financial statements 1 January – 31 December

## Income statement

Note	EUR'000	2023	2022
	Other external costs	-19	-16
2	Staff costs	-29	-57
	<b>Operating profit</b>	<b>-48</b>	<b>-73</b>
3	Share of profit from equity investments in group entities	10.349	2.686
4	Finance income	83	59
4	Finance expenses	-1	-18
	<b>Profit before tax</b>	<b>10.383</b>	<b>2.653</b>
5	Tax	177	7
	<b>Profit for the period</b>	<b>10.560</b>	<b>2.660</b>
	<b>Proposed distribution of profit</b>		
	Transferred to reserve for net revaluation according to the equity method	10.349	2.560
	Retained earnings	-460	-1.513
	Proposed dividends	671	1.614
		<b>10.560</b>	<b>2.660</b>

## Parent Company financial statements 1 January – 31 December

## Balance sheet

Note	EUR'000	<u>2023</u>	<u>2022</u>
	<b>ASSETS</b>		
	<b>Non-current assets</b>		
3	Equity investments in group entities	40.388	30.122
	<b>Total non-current assets</b>	<u>40.388</u>	<u>30.122</u>
	<b>Current assets</b>		
6	Receivables from group entities	1.141	1.124
	Income tax receivables	0	23
7	Other receivables	290	281
	Cash	1.352	2.648
	<b>Total current assets</b>	<u>2.783</u>	<u>4.076</u>
	<b>TOTAL ASSETS</b>	<u>43.171</u>	<u>34.198</u>
	 <b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
	Share capital	16	16
	Reserve for net revaluation according to the equity method	33.604	23.343
	Retained earnings	8.698	9.154
	Proposed dividends	671	1.614
	<b>Total equity</b>	<u>42.989</u>	<u>34.127</u>
	<b>Current liabilities</b>		
	Payable to/from group enterprises	158	57
	Tax payable	9	1
	Other payables	15	13
	<b>Total current liabilities</b>	<u>182</u>	<u>71</u>
	<b>Total liabilities</b>	<u>182</u>	<u>71</u>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<u>43.171</u>	<u>34.198</u>
8	Contractual obligations and contingencies etc.		
9	Mortgage and collateral		
10	Related party disclosures		
11	Events after the reporting period		



## Parent Company financial statements 1 January – 31 December

## Statement of changes in equity

EUR'000

	Share capital	Reverse for net re-valuation according to the equity method	Retained earnings	Proposed Dividends	Total
<b>Equity 1 January 2023</b>	<b>16</b>	<b>23.343</b>	<b>9.154</b>	<b>1.614</b>	<b>34.127</b>
Profit for the year	-	10.349	-460	671	10.560
Exchange difference on translation	-	-	4	-	4
Dividends paid	-	-	-	-1.614	-1.614
Equity movements in subsidiary, etc.	-	-88	-	-	-88
<b>Equity 31 December 2023</b>	<b>16</b>	<b>33.604</b>	<b>8.698</b>	<b>671</b>	<b>42.989</b>
<b>Equity 1 January 2022</b>	<b>16</b>	<b>20.562</b>	<b>10.670</b>	<b>538</b>	<b>31.785</b>
Profit for the period	-	2.560	-1.513	1.614	2.660
Dividends paid	-	-	-	-538	-538
Equity movements in subsidiary, etc.	-	221	-1	-	220
<b>Equity 31 December 2022</b>	<b>16</b>	<b>23.343</b>	<b>9.154</b>	<b>1.614</b>	<b>34.127</b>

The share capital consist of 116.995 shares with a nominal value of 1,00 DKK each. None of the shares are assigned with special rights.

The share capital has since the establishment of the Company in September 2018 been increased with nominal shares of 2.000 in 2019 and 35 in 2020.

## Parent Company financial statements 1 January – 31 December

### Overview of notes for the parent company

#### Note

- 1 Accounting policies
- 2 Staff costs
- 3 Equity investments in group entities
- 4 Finance income and expenses
- 5 Tax
- 6 Receivables from group entities
- 7 Other receivables
- 8 Contractual obligations and contingencies etc.
- 9 Mortgage and collateral
- 10 Related party disclosures
- 11 Events after the reporting period

## Parent Company financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies

For general information about the Parent Company, FTW Holding ApS, including description of its principal activities, reference is made to note 1 in the consolidated financial statements. The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### Basis of preparation

The Financial statements of FTW Holding ApS for 2023 has been prepared in accordance with the provisions applying to medium-sized reporting class C entities under the Danish Financial Statements Act. The Financial Statements for 2023 are presented in EUR.

#### Financial statements of the Parent Company

The accounting policies of the Parent Company are consistent with those applied in the consolidated financial statements, note 1 in the consolidated financial statements, including the below accounting policies for investments in group subsidiaries.

#### Cash flow statement

The parent company is omitted from preparation of cash flow statement in accordance the Danish Financial Statements Act 86 section 4. For cash flow, reference is made to the group consolidated financial statements.

#### Equity investments in group entities

The Parent's equity investments in group entities are accounted for using the equity method. FTW Holding ApS has chosen to consider the equity method as a consolidation method.

Under the equity method, an investment in the group entity is initially recognised at cost. The carrying amount of the investment is adjusted to recognize changes in the parent's share of net assets of the subsidiary since the acquisition date. Goodwill relating to the group entity is included in the carrying amount of the investment and is not tested for impairment separately, however the carrying amount of the equity investments in group entities is subject to an annual test for indications of impairment. Goodwill in group entities is amortised over 10 years.

The statement of profit or loss reflects the parent's share of the results of operations of the group entities. Any change in other comprehensive income of those group entities is presented as part of the parent's other comprehensive income. In addition, where a change has been recognised directly in the equity of the group entity, the Parent recognizes its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Parent and the group entity are eliminated.

Investments in enterprises with negative net asset values are measured at DKK 0 (nil). The enterprise's proportionate share of any negative equity is set off against receivables from the investment to the extent the receivable is deemed irrecoverable. If the Parent Company has a constructive obligation to cover a deficit that exceeds the amount owed, the remaining amount is recognised under provisions.

Net revaluations of the equity investments in group entities are transferred to the reserve for net revaluation, according to the equity method, to the extent that the carrying amount exceeds the acquisition value.

#### Reserve for net revaluation according to the equity method

Net revaluation of equity investments in group entities is recognised at cost in the reserve for net revaluation according to the equity method if the earnings amount exceeds the costs. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

#### 2 Staff costs

	<u>2023</u>	<u>2022</u>
Wages and salaries	29	57
Pensions	0	0
Other social securities costs	0	0
Other staff costs	<u>0</u>	<u>0</u>
<b>Total staff costs</b>	<b><u>29</u></b>	<b><u>57</u></b>

The average number of full-time employee was 0 (2022: 0 employee). Management is not remunerated by the entity.

## Parent Company financial statements 1 January – 31 December

## Notes

## 3 Equity investments in group entities

Name	Registered office	Ownership 2023 and voting rights	Ownership 2022 and voting rights
FTW Invest ApS	Denmark	100%	100%
Evocative ApS*	Denmark	100%	-
Wagner Family Holding ApS	Denmark	92,8%	92,8%
Abacus Medicine A/S	Denmark	57,4%	57,4%
Abacus Medicine Hungary Kft.	Hungary	100%	100%
Abacus Medicine B.V.	The Netherlands	100%	100%
+365 Medicines GmbH	Germany	100%	100%
Abacus Medicine Berlin GmbH	Germany	100%	100%
Abacus Medicine Ltd	United Kingdom	100%	100%
Abacus Medicine Austria GmbH	Austria	100%	100%
Abacus Medicine France S.A.S.	France	100%	100%
Abacus Medicine Finland Oy	Finland	100%	100%
Abacus Medicine Ireland Ltd.	Ireland	100%	100%
PharmaSave BVBA	Belgium	100%	100%
Originalis B.V.	The Netherlands	100%	100%
Abacus Medicine WH B.V.	The Netherlands	100%	100%
Aposave S.L.	Spain	100%	100%
Zdrave Med Ltd.	Bulgaria	100%	100%
Abacus Medicine Pharma Services ApS	Denmark	100%	100%
Abacus Medicine Pharma Services Ltd.	United Kingdom	100%	100%
Abacus Medicine Pharma Services Asia Ltd.	Hong Kong	100%	100%
Abacus Medicine Pharma Services Inc.	USA	100%	100%
Abacus Medicine Pharma Services B.V.	The Netherlands	100%	100%
Aposave Mexico S de RL de	Mexico	100%	100%
Pluripharm Holding B.V.	The Netherlands	100%	100%
Pluripharm Groep B.V.	The Netherlands	100%	100%
ThuisApotheek B.V.**	The Netherlands	100%	50%
Clinic Care Services B.V.***	The Netherlands	0%	17%
Pluripharm B.V.	The Netherlands	100%	100%
Pluripack Alkmaar	The Netherlands	100%	100%
Pluripack Zwolle	The Netherlands	100%	100%
Pluripack Breda	The Netherlands	100%	100%
Pluriplus B.V.	The Netherlands	100%	100%
Distrimed B.V.	The Netherlands	100%	100%
Pluripharm Apotheek Beheer B.V.	The Netherlands	100%	100%
Apotheekfonds Pharmaconnect B.V.	The Netherlands	50%	50%
Pluripharm Direct B.V.	The Netherlands	100%	100%
Phardis B.V.	The Netherlands	100%	100%
Instellingsapothek B.V.	The Netherlands	100%	100%
DayDose ApS	Denmark	100%	100%

\* Newly established company in 2023

\*\* In 2023 the Abacus Medicine Group acquired the remaining 50 % of the shares in ThuisApotheek B.V.

\*\*\* In 2023 the Abacus Medicine Group divested all minority shares in Clinic Care Services B.V.

## Parent Company financial statements 1 January – 31 December

## Notes

## 3 Equity investments in group entities and other investments (continued)

EUR'000	2023	2022
Cost as at 1 January	6.779	6.779
Addition	5	0
Cost as at 31 December	6.784	6.779
Value adjustments as at 1 January	23.343	20.562
Ownership portion of profit for the year	10.349	2.686
Ownership portion of equity movement in group entities etc.	-88	220
Dividend received	0	-125
Value adjustments as at 31 December	33.604	23.343
<b>Carrying value as at 31 December</b>	<b>40.388</b>	<b>30.122</b>
Which are presented as follows:		
Equity investments in group entities and other investments	40.388	30.122
<b>As at 31 December</b>	<b>40.388</b>	<b>30.122</b>

## 4 Finance income and expenses

EUR'000	2023	2022
<b>Finance income</b>		
Intercompany interest	56	48
Other interest	28	11
<b>Total finance income</b>	<b>83</b>	<b>59</b>
<b>EUR'000</b>	<b>2023</b>	<b>2022</b>
<b>Finance expenses</b>		
Intercompany interest	0	-18
Other interest	-1	0
<b>Total finance expense</b>	<b>-1</b>	<b>-18</b>

5 Tax  
Income statement

EUR'000	2023	2022
Current income tax	-7	7
<b>Tax</b>	<b>177</b>	<b>7</b>

## 6 Receivables from group entities

In 2022, FTW Holding ApS has provided a loan of DKK 8 million to FTW Invest ApS. The loan has to be repaid end of 2026 at the latest.

## Parent Company financial statements 1 January – 31 December

### 7 Other receivables

Other receivables includes receivables which are due end of 2024 at the latest.

### 8 Contractual obligations and contingencies etc.

#### Contingent liabilities

FTW Holding ApS is jointly taxed with the Danish entities within the FTW Holding ApS group, with FTW Holding ApS as the administrative company. FTW Holding ApS is, together with the other Danish companies in FTW Holding ApS group, liable for corporate taxes and withholding taxes on dividends, interests and royalties.

### 9 Mortgage and collateral

For information on mortgage and collateral for the Group, please refer back to the note 22 in the consolidated financial statements. The parent company has no pledges or collaterals.

FTW Holding ApS has pledged the shares in Wagner Family Holding ApS as security for the bank loans within the Group. For detailed description of terms and amounts please refer back to note 22 in the consolidated financial statements.

### 10 Related party disclosures

#### Controlling Influence

The related parties of FTW Holding ApS is disclosed in note 24 of the consolidated financial statements.

In 2022, FTW Holding ApS has provided a loan of DKK 8 million (EUR 1.1 million) to FTW Invest Aps. The entity receives interests on the loan, refer to note 4 finance income and expenses.

### 11 Events after the reporting period

No events have occurred after the balance sheet date which could have a material effect on FTW Holding ApS' financial position at 31 December 2023.

## Statement by Management on the annual report

Today, the Executive Management have discussed and approved the Annual Report of FTW Holding 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 consolidated financial statements and the Parent Company financial statements give a true and fair view of the Group's and the Parent Company's financial position at 31 December 2023 and of the results of the Group's and the Parent Company's operations and the Group's cash flow for the financial year 1 January – 31 December 2023.

In our opinion, the Management's Review includes a true and fair review of the development in the Group's and the Parent Company's operations and financial conditions, of the results for the year and of the financial position of the Group and the Parent Company, as well as a description of the more significant risks and uncertainty facing the Group and the Parent Company.

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

Copenhagen, 31 May 2024

Executive Management:

.....  
Flemming Wagner  
CEO

## Independent auditor's report

### To the shareholders of FTW Holding ApS

#### Opinion

We have audited the consolidated financial statements and the parent company financial statements of FTW Holdings ApS for the financial year 1 January – 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2023 and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows 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 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 consolidated financial statements and the parent company financial statements" (hereinafter collectively referred to as "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 Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code

#### Management's responsibilities for the financial statements

Management is responsible for the preparation of consolidated financial statements and parent company 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 Group's and the Parent 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 Group or the Parent 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 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 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 Group's and the Parent Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.



## Independent auditor's report

### To the shareholders of FTW Holding ApS

#### Auditor's responsibilities for the audit of the financial statements (continued)

► 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 Group's and the Parent 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 Group and the Parent 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.

► Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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, 31 May 2024  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28

Ole Becker  
State Authorised  
Public Accountant  
mne33732

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## Flemming Wagner

CEO

På vegne af: FTW Holding ApS

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## Torben Mauritzen

Chairman

På vegne af: FTW Holding ApS

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IP: 80.62.xxx.xxx

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## Ole Rønne Becker

State Authorised Public Accountant

På vegne af: EY Godkendt Revisionspartnerselskab

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