
Sanos Group ApS

Telefonvej 8D, 2., DK-2860 Søborg

Annual Report for 1 January - 31 December 2022

CVR No 40 31 46 36

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
27/04 2023

Jeppé Ragnar Andersen
Chairman of the General
Meeting



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Sanos Group ApS for the financial year 1 January - 31 December 2022.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2022 of the Company and of the results of the Company operations for 2022.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

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

Søborg, 27 April 2023

Executive Board

Jeppe Ragnar Andersen
CEO

Henning Heiberg Andersen

Board of Directors

Karl Sebastian Inger
Chairman

Andrea Davis

Celine Infeld

Anders Fæste

Independent Auditor's Report

To the Shareholder of Sanos Group ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Sanos Group ApS for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

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

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstate-

Independent Auditor's Report

ment, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events

Independent Auditor's Report

in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 27 April 2023

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Jacob Fromm Christiansen
State Authorized Public Accountant
mne18628

Kristian Højgaard Carlsen
State Authorized Public Accountant
mne44112

Company Information

The Company

Sanos Group ApS
Telefonvej 8D, 2.
DK-2860 Søborg
Facsimile: + 45 Telefax
E-mail: hea@sanos.com

CVR No: 40 31 46 36
Financial period: 1 January - 31 December
Municipality of reg. office: Gladsaxe

Board of Directors

Karl Sebastian Inger, Chairman
Andrea Davis
Celine Infeld
Anders Fæste

Executive Board

Jeppe Ragnar Andersen
Henning Heiberg Andersen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Financial Highlights

Seen over a two-year period, the development of the Company is described by the following financial highlights:

	<u>2022</u> TDKK	<u>2021</u> TDKK
Key figures		
Profit/loss		
Operating profit/loss	-4.060	-2.574
Profit/loss before financial income and expenses	-1.656	-2.574
Net financials	-14.702	-13.282
Net profit/loss for the year	-17.986	-50.484
Balance sheet		
Balance sheet total	846.564	858.382
Equity	610.121	628.107
Number of employees	13	5
Ratios		
Return on assets	-0,2%	-0,3%
Solvency ratio	72,1%	73,2%
Return on equity	-2,9%	-7,9%

Management's Review

Key activities

The company's main activity is to provide services exclusively to the group companies and also owning investments in associates as well as in subsidiaries.

Development in the year

The income statement of the Company for 2022 shows a loss of DKK 17,986,285, and at 31 December 2022 the balance sheet of the Company shows equity of DKK 610,120,835.

The past year and follow-up on development expectations from last year

The company's expectations of an increase in the net result has been met.

Targets and expectations for the year ahead

Management expects an increase in profit in the coming year.

External environment

The company is conscious about its impact on the environment and is committed to improving in this area.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement 1 January - 31 December

	Note	2022 DKK	2021 DKK
Gross profit/loss		0	0
Administrative expenses	1	-4.060.023	-2.573.711
Operating profit/loss		-4.060.023	-2.573.711
Other operating income		2.404.206	0
Profit/loss before financial income and expenses		-1.655.817	-2.573.711
Income from investments in subsidiaries	2	-5.388.195	-38.286.831
Financial income		31.533	0
Financial expenses		-14.733.162	-13.281.678
Profit/loss before tax		-21.745.641	-54.142.220
Tax on profit/loss for the year	3	3.759.356	3.658.006
Net profit/loss for the year		-17.986.285	-50.484.214

Balance Sheet 31 December

Assets

	Note	2022 DKK	2021 DKK
Other fixtures and fittings, tools and equipment		1.129.075	0
Property, plant and equipment	4	1.129.075	0
Investments in subsidiaries	5	827.757.109	849.992.887
Deposits	6	717.312	0
Fixed asset investments		828.474.421	849.992.887
Fixed assets		829.603.496	849.992.887
Receivables from group enterprises		9.054.761	4.178.749
Other receivables		1.320.779	7.880
Receivables		10.375.540	4.186.629
Cash at bank and in hand		6.584.619	4.202.345
Currents assets		16.960.159	8.388.974
Assets		846.563.655	858.381.861

Balance Sheet 31 December

Liabilities and equity

	Note	2022 DKK	2021 DKK
Share capital		82.817.007	82.817.007
Retained earnings		527.303.828	545.290.113
Equity		610.120.835	628.107.120
Provision for deferred tax	8	59.207	0
Provisions		59.207	0
Credit institutions		212.460.734	210.952.886
Other payables		15.502.409	15.373.162
Long-term debt	9	227.963.143	226.326.048
Trade payables		553.926	0
Other payables	9	7.866.544	3.849.013
Deferred income	10	0	99.680
Short-term debt		8.420.470	3.948.693
Debt		236.383.613	230.274.741
Liabilities and equity		846.563.655	858.381.861
Distribution of profit	7		
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Statement of Changes in Equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	82.817.007	545.290.113	628.107.120
Net profit/loss for the year	0	-17.986.285	-17.986.285
Equity at 31 December	82.817.007	527.303.828	610.120.835

Notes to the Financial Statements

	2022	2021
	DKK	DKK
1 Staff		
Wages and Salaries	19.104.310	7.081.821
Other social security expenses	55.780	0
	<u>19.160.090</u>	<u>7.081.821</u>
Wages and Salaries and other social security expenses are recognised in the following items:		
Administrative expenses	19.160.090	7.081.821
	<u>19.160.090</u>	<u>7.081.821</u>
Average number of employees	<u>13</u>	<u>5</u>
Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.		
2 Income from investments in subsidiaries		
Share of losses of subsidiaries	49.654.459	34.877.127
Amortisation of goodwill	-55.041.264	-73.190.818
Adjustment regarding prior years	-1.390	26.860
	<u>-5.388.195</u>	<u>-38.286.831</u>
3 Tax on profit/loss for the year		
Current tax for the year	-4.012.384	0
Deferred tax for the year	59.208	-3.488.186
Adjustment of deferred tax concerning previous years	193.820	-169.820
	<u>-3.759.356</u>	<u>-3.658.006</u>

Notes to the Financial Statements

4 Property, plant and equipment

	Other fixtures and fittings, tools and equipment <u>DKK</u>
Cost at 1 January	0
Additions for the year	<u>1.146.598</u>
Cost at 31 December	<u>1.146.598</u>
Impairment losses and depreciation at 1 January	0
Depreciation for the year	<u>17.523</u>
Impairment losses and depreciation at 31 December	<u>17.523</u>
Carrying amount at 31 December	<u>1.129.075</u>

Notes to the Financial Statements

	2022 DKK	2021 DKK
5 Investments in subsidiaries		
Cost at 1 January	892.241.584	1.345.522.200
Purchase price adjustment	0	-453.280.616
Additions for the year	10.748.212	0
Cost at 31 December	<u>902.989.796</u>	<u>892.241.584</u>
Value adjustments at 1 January	-42.248.696	-5.242.482
Net effect from merger and acquisition	12.498.154	0
Net profit/loss for the year	39.559.119	34.877.127
Dividend to the Parent Company	-30.000.000	0
Amortisation of goodwill	-55.041.264	-71.883.342
Value adjustments at 31 December	<u>-75.232.687</u>	<u>-42.248.697</u>
Carrying amount at 31 December	<u>827.757.109</u>	<u>849.992.887</u>
Positive differences arising on initial measurement of subsidiaries at net asset value	<u>681.045.237</u>	<u>736.085.113</u>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Votes and ownership	Equity	Net profit/loss for the year
Sanos Holding A/S	Søborg	100%	133.503.935	49.596.156
Studies & Me A/S	København	100%	13.114.939	-10.058.643
Sanos Group USA, Inc.	Delaware, USA	100%	94.387	22.996

6 Other fixed asset investments

	Deposits DKK
Cost at 1 January	0
Additions for the year	717.312
Cost at 31 December	<u>717.312</u>
Carrying amount at 31 December	<u>717.312</u>

Notes to the Financial Statements

	2022 DKK	2021 DKK
7 Distribution of profit		
Retained earnings	-17.986.285	-50.484.214
	-17.986.285	-50.484.214

8 Provision for deferred tax

Provision for deferred tax at 1 January	0	3.488.186
Amounts recognised in the income statement for the year	59.207	-3.488.186
Provision for deferred tax at 31 December	59.207	0

9 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	2022 DKK	2021 DKK
Credit institutions		
Between 1 and 5 years	212.460.734	210.952.886
Long-term part	212.460.734	210.952.886
Within 1 year	0	0
	212.460.734	210.952.886
Other payables		
Between 1 and 5 years	15.502.409	15.373.162
Long-term part	15.502.409	15.373.162
Other short-term payables	7.866.544	3.849.013
	23.368.953	19.222.175

10 Deferred income

Deferred income consists of payments received in respect of income in subsequent years.

Notes to the Financial Statements

11 Contingent assets, liabilities and other financial obligations

Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

Within 1 year	1.434.625	0
Between 1 and 5 years	5.881.963	0
After 5 years	879.231	0
	<u>8.195.819</u>	<u>0</u>

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Sonas HoldCo ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Notes to the Financial Statements

12 Related parties

Consolidated Financial Statements

The company is included in the consolidated report for the parent company

<u>Name</u>	<u>Place of registered office</u>
Investcorp Holdings B.S.C	Kingdom of Bahrain
Sonas MidCo ApS	Søborg, Denmark

The Group Annual Report of Sonas MidCo ApS may be obtained at the following address:
Telefonvej 8D, 2860 Søborg.

Notes to the Financial Statements

13 Accounting Policies

The Annual Report of Sanos Group ApS for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2022 are presented in DKK.

Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of Sanos Group A/S, the Company has not prepared consolidated financial statements.

Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of Sonas MidCo ApS, the Company has not prepared a cash flow statement.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Notes to the Financial Statements

13 Accounting Policies (continued)

Income Statement

Administrative expenses

Administrative expenses comprise expenses for Management, administrative staff, office expenses, depreciation, etc. Amortisation of goodwill and negative goodwill is also included to the extent that goodwill relates to administrative activities. Furthermore management fees allocated through the Group are offset here.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of intangible assets and property, plant and equipment, and recognition of negative goodwill.

Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of the profit for the year.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance Sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Notes to the Financial Statements

13 Accounting Policies (continued)

Interest expenses on loans raised directly for financing the construction of property, plant and equipment are recognised in cost over the period of construction.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-7	years
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The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Other fixed asset investments

Other fixed asset investments consist of deposits.

Notes to the Financial Statements

13 Accounting Policies (continued)

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Equity

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Loans, such as mortgage loans and loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

Notes to the Financial Statements

13 Accounting Policies (continued)

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.

Financial Highlights

Explanation of financial ratios

Gross margin	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$
Profit margin	$\frac{\text{Profit before financials} \times 100}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit before financials} \times 100}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets at year end}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$