



Sonas BidCo ApS

Herlev Hovedgade 82
2730 Herlev
CVR No. 40314636

Annual report 2020

The Annual General Meeting adopted the
annual report on 08.04.2021

Jeppe Ragner Andersen
Chairman of the General Meeting

Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2020	9
Balance sheet at 31.12.2020	10
Statement of changes in equity for 2020	12
Notes	13
Accounting policies	16

Entity details

Entity

Sonas BidCo ApS

Herlev Hovedgade 82

2730 Herlev

CVR No.: 40314636

Date of foundation: 05.03.2019

Registered office: Herlev

Financial year: 01.01.2020 - 31.12.2020

Board of Directors

Karl Sebastian Inger

Daniel José Lopez Cruz

Celine Infeld

Executive Board

Jeppe Ragnar Andersen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Executive Board have today considered and approved the annual report of Sonas BidCo ApS for the financial year 01.01.2020 - 31.12.2020.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Herlev, 08.04.2021

Executive Board

Jeppe Ragnar Andersen

Board of Directors

Karl Sebastian Inger

Daniel José Lopez Cruz

Celine Infeld

Independent auditor's report

To the shareholders of Sonas BidCo ApS

Opinion

We have audited the financial statements of Sonas BidCo ApS for the financial year 01.01.2020 - 31.12.2020, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

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

Copenhagen, 08.04.2021

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Jan Larsen

State Authorised Public Accountant
Identification No (MNE) mne16541

Management commentary

Financial highlights

	2020 DKK'000	2019 DKK'000
Key figures		
Operating profit/loss	(21,628)	0
Net financials	(782)	0
Profit/loss for the year	(27,629)	0
Total assets	1,354,799	50
Equity	650,591	50
Ratios		
Equity ratio (%)	48.02	100.00

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Equity ratio (%):

$\frac{\text{Equity} * 100}{\text{Total assets}}$

Total assets

Primary activities

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

Development in activities and finances

The Company's income statement for 2020 shows a loss of DKK 27.628.740, while the balance sheet shows equity of DKK 650,591.334 at 31.12.2020.

The result for the subsidiary cover the period from 10 December 2020 - 31 December 2020.

Profit/loss for the year in relation to expected developments

The company's expectations for activity and income for 2020 were met.

Outlook

Management expects the company to continue with a positive development in the coming year.

Events after the balance sheet date

No material events have occurred after the balance sheet date which affect the annual report.

Income statement for 2020

	Notes	2020 DKK	2019 DKK
Administrative expenses		(21,627,959)	0
Operating profit/loss		(21,627,959)	0
Income from investments in group enterprises		(5,242,482)	0
Other financial expenses	1	(782,299)	0
Profit/loss before tax		(27,652,740)	0
Tax on profit/loss for the year	2	24,000	0
Profit/loss for the year	3	(27,628,740)	0

Balance sheet at 31.12.2020

Assets

	Notes	2020 DKK	2019 DKK
Investments in group enterprises		1,340,279,718	0
Financial assets	4	1,340,279,718	0
Fixed assets		1,340,279,718	0
Deferred tax	5	24,000	0
Other receivables		1,457,893	50,000
Receivables		1,481,893	50,000
Cash		13,037,543	0
Current assets		14,519,436	50,000
Assets		1,354,799,154	50,000

Equity and liabilities

	Notes	2020 DKK	2019 DKK
Contributed capital		67,817,007	50,000
Retained earnings		582,774,327	0
Equity		650,591,334	50,000
Debt to other credit institutions		209,445,038	0
Other payables	6	481,000,000	0
Non-current liabilities other than provisions		690,445,038	0
Trade payables		10,451,693	0
Payables to group enterprises		2,545,464	0
Other payables	7	765,625	0
Current liabilities other than provisions		13,762,782	0
Liabilities other than provisions		704,207,820	0
Equity and liabilities		1,354,799,154	50,000
Contingent liabilities	8		
Non-arm's length related party transactions	9		
Group relations	10		

Statement of changes in equity for 2020

	Contributed capital DKK	Share premium DKK	Retained earnings DKK	Total DKK
Equity beginning of year	50,000	0	0	50,000
Increase of capital	67,817,007	610,353,067	0	678,170,074
Decrease of capital	(50,000)	50,000	0	0
Transfer to reserves	0	(610,403,067)	610,403,067	0
Profit/loss for the year	0	0	(27,628,740)	(27,628,740)
Equity end of year	67,817,007	0	582,774,327	650,591,334

Notes

1 Other financial expenses

	2020 DKK	2019 DKK
Other interest expenses	16,274	0
Other financial expenses	766,025	0
	782,299	0

2 Tax on profit/loss for the year

	2020 DKK	2019 DKK
Change in deferred tax	(24,000)	0
	(24,000)	0

3 Proposed distribution of profit and loss

	2020 DKK	2019 DKK
Retained earnings	(27,628,740)	0
	(27,628,740)	0

4 Financial assets

	Investments in group enterprises DKK
Addition through business combinations etc	1,345,522,200
Cost end of year	1,345,522,200
Amortisation of goodwill	(3,935,006)
Share of profit/loss for the year	(1,307,476)
Revaluations end of year	(5,242,482)
Carrying amount end of year	1,340,279,718
Goodwill or negative goodwill recognised during the financial year	1,279,831,033

Investments in subsidiaries	Registered in	Corporate form	Equity interest %	Equity DKK	Profit/loss DKK
Sanos Group A/S	Herlev	A/S	100,0	65,956,024	50,956,024
Sanos A/S	Herlev	A/S	100,0	21,829,997	12,044,188
NBCD A/S	Herlev	A/S	100,0	71,989,300	40,503,062
Nordic Bioscience Clinical Development VII A/S	Herlev	A/S	100,0	525,098	0

5 Deferred tax

	2020 DKK
Tax losses carried forward	24,000
Deferred tax	24,000

Changes during the year	2020 DKK
Recognised in the income statement	24,000
End of year	24,000

Deferred tax assets include the tax loss carryforwards, as a result of management's expectations for the future.

6 Other payables

	2020 DKK	2019 DKK
Other costs payable	481,000,000	0
	481,000,000	0

7 Other payables

	2020 DKK	2019 DKK
Other costs payable	765,625	0
	765,625	0

8 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Sonas HoldCo ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

9 Non-arm's length related party transactions

Only related party transactions not conducted on an arm's length basis are disclosed in the annual report. No such transactions have been conducted in the financial year.

10 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
Investcorp Holdings B.S.C., Kingdom of Bahrain

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Sonas MidCo ApS, Herlev, Denmark

Copies of the consolidated financial statements of Sonas MidCo ApS may be ordered at the following address:
Herlev Hovedgade 82, 2730 Herlev, Denmark

Accounting policies

Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

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

Consolidated financial statements

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

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses.

Income statement

Administrative expenses

Administrative expenses comprise expenses incurred for the Entity's administrative functions, including wages and salaries for administrative staff and Management, stationery and office supplies, and amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment used for administration of the Entity.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual

enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses. Refer to the above section on business combinations for more details about the accounting policies used on acquisitions of investments in group enterprises.

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

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

Goodwill is the positive difference between cost of investments and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. For one amount of goodwill useful life has been determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed annually. The amortisation periods used are 3-20 years.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Receivables

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

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

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

Cash flow statement

Pursuant to section 86 (4) of the Danish Financial statement Act the Entity has not prepared any cash flow statement, as its included in the annual report of Sonas HoldCo ApS.