
Sonas HoldCo ApS

Telefonvej 8D, 2., DK-2860 Søborg

Annual Report for 2023

CVR No. 41 90 77 03

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 17/4 2024

Jeppe 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 Sonas HoldCo ApS for the financial year 1 January - 31 December 2023.

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

In our opinion the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2023.

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.

Executive Board

Jeppe Ragnar Andersen

Board of Directors

Karl Sebastian Inger

Pierre Khaitrine

Andrea Jayne Davis

Independent Auditor's report

To the shareholder of Sonas HoldCo ApS

Opinion

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 and of consolidated cash flows for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Sonas HoldCo ApS for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("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 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. 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 Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company 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 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.

Independent Auditor's report

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 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.
- 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 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.

Independent Auditor's report

Hellerup, 17 April 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Kristian Højgaard Carlsen
State Authorised Public Accountant
mne44112

Company information

The Company	Sonas HoldCo ApS Telefonvej 8D, 2. DK-2860 Søborg CVR No: 41 90 77 03 Financial period: 1 January - 31 December Municipality of reg. office: Søborg
Board of Directors	Karl Sebastian Inger Pierre Khaitrine Andrea Jayne Davis
Executive Board	Jeppe Ragnar Andersen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Financial Highlights

Seen over a 4-year period, the development of the Group is described by the following financial highlights:

	Group			
	2023	2022	2021	2020
	TDKK	TDKK	TDKK	TDKK
Key figures				
Profit/loss				
Revenue	281,129	266,045	202,964	142,686
Gross profit	143,631	110,453	65,358	472
Profit/loss of primary operations	43,339	16,291	-29,353	-27,403
Profit/loss of financial income and expenses	-15,859	-13,905	-15,733	-27,403
Net profit/loss for the year	8,733	-17,881	-50,837	-27,713
Balance sheet				
Balance sheet total	986,314	975,412	979,991	1,455,881
Equity	645,075	632,810	648,215	684,311
Cash flows				
Cash flows from:				
- operating activities	60,249	73,128	7,397	-7,480
- investing activities	-48,417	-1,379	-7,363	-1,337,597
- financing activities	3,458	-8,250	6,962	1,402,311
Change in cash and cash equivalents for the year	15,290	63,499	6,996	57,234
Number of employees	124	120	67	51
Ratios				
Gross margin	51.1%	41.5%	32.2%	0.3%
Profit margin	15.4%	6.1%	-14.5%	-19.2%
Return on assets	4.4%	1.7%	-3.0%	-1.9%
Solvency ratio	65.4%	64.9%	66.1%	47.0%
Return on equity	1.4%	-2.8%	-7.6%	-8.1%

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 Group for 2023 shows a profit of DKK 8,733,260, and at 31 December 2023 the balance sheet of the Group shows a positive equity of DKK 645,075,077.

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 abouts 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	Group		Parent company	
		2023	2022	2023	2022
		DKK	DKK	DKK	DKK
Revenue		281,128,935	266,044,771	0	0
Production expenses	1,2	-137,498,096	-157,996,319	0	0
Gross profit		143,630,839	108,048,452	0	0
Administrative expenses	3	-100,291,814	-94,161,744	-340,167	-418,732
Operating profit/loss		43,339,025	13,886,708	-340,167	-418,732
Other operating income		0	2,404,206	0	0
Profit/loss before financial income and expenses		43,339,025	16,290,914	-340,167	-418,732
Income from investments in subsidiaries		0	0	8,930,211	-18,047,572
Financial income	4	6,309,957	1,436,580	746,335	248,092
Financial expenses	5	-22,168,987	-15,341,345	-382,789	-271,483
Profit/loss before tax		27,479,995	2,386,149	8,953,590	-18,489,695
Tax on profit/loss for the year	6	-18,746,735	-20,266,762	-74,710	242,536
Net profit/loss for the year	7	8,733,260	-17,880,613	8,878,880	-18,247,159

Balance sheet 31 December

Assets

	Note	Group		Parent company	
		2023	2022	2023	2022
		DKK	DKK	DKK	DKK
Acquired patents		125,240	196,806	0	0
Goodwill		661,785,605	714,045,173	0	0
Intangible assets	8	661,910,845	714,241,979	0	0
Land and buildings		23,610,756	24,640,487	0	0
Other fixtures and fittings, tools and equipment		11,652,793	13,255,190	0	0
Leasehold improvements		2,718,330	3,530,109	0	0
Property, plant and equipment	9	37,981,879	41,425,786	0	0
Investments in subsidiaries	10	0	0	628,983,847	619,971,999
Other investments	11	48,001,511	1,474,747	0	0
Deposits	11	485,619	457,201	0	0
Fixed asset investments		48,487,130	1,931,948	628,983,847	619,971,999
Fixed assets		748,379,854	757,599,713	628,983,847	619,971,999
Trade receivables		63,487,067	57,322,413	0	0
Receivables from group enterprises		0	0	14,717,854	23,715,782
Other receivables		14,388,944	12,957,716	6,797,495	5,367,608
Deferred tax asset	12	17,038,872	19,803,788	0	0
Receivables		94,914,883	90,083,917	21,515,349	29,083,390
Cash at bank and in hand		143,019,101	127,728,655	6,082,002	1,111,834
Current assets		237,933,984	217,812,572	27,597,351	30,195,224
Assets		986,313,838	975,412,285	656,581,198	650,167,223

Balance sheet 31 December

Liabilities and equity

	Note	Group		Parent company	
		2023	2022	2023	2022
		DKK	DKK	DKK	DKK
Share capital		73,112,584	72,953,882	73,112,584	72,953,882
Share premium account		12,424,446	10,633,148	12,424,446	10,633,148
Other statutory reserves		6,797,496	4,719,897	6,797,496	4,719,897
Retained earnings		552,521,014	544,138,096	552,521,014	544,138,096
Equity attributable to shareholders of the Parent Company		644,855,540	632,445,023	644,855,540	632,445,023
Minority interests		219,537	365,157	0	0
Equity		645,075,077	632,810,180	644,855,540	632,445,023
Credit institutions		213,968,582	212,460,734	0	0
Deposits		64,200	64,200	0	0
Other payables		18,108,895	17,486,984	0	0
Long-term debt	13	232,141,677	230,011,918	0	0
Trade payables		20,207,868	14,097,114	0	0
Payables to group enterprises		0	0	4,045,473	10,340,742
Corporation tax		7,630,185	7,319,284	7,630,185	7,319,284
Other payables	13	16,568,596	17,942,131	50,000	62,174
Deferred income	14	64,690,435	73,231,658	0	0
Short-term debt		109,097,084	112,590,187	11,725,658	17,722,200
Debt		341,238,761	342,602,105	11,725,658	17,722,200
Liabilities and equity		986,313,838	975,412,285	656,581,198	650,167,223
Contingent assets, liabilities and other financial obligations	17				
Related parties	18				
Accounting Policies	19				

Statement of changes in equity

Group

	Share capital	Share premium account	Other statutory reserves	Retained earnings	Equity excl. minority interests	Minority interests	Total
	DKK	DKK	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	72,953,882	10,633,148	4,719,897	544,138,096	632,445,023	365,157	632,810,180
Cash capital increase	158,702	1,791,298	0	1,500,000	3,450,000	0	3,450,000
Exchange adjustments relating to foreign entities	0	0	0	81,630	81,630	0	81,630
Transfers, reserves	0	0	2,077,599	-2,077,599	0	0	0
Net profit/loss for the year	0	0	0	8,878,887	8,878,887	-145,620	8,733,267
Equity at 31 December	73,112,584	12,424,446	6,797,496	552,521,014	644,855,540	219,537	645,075,077

Parent company

	Share capital	Share premium account	Other statutory reserves	Retained earnings	Total
	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	72,953,882	10,633,148	4,719,897	544,138,096	632,445,023
Cash capital increase	158,702	1,791,298	0	1,500,000	3,450,000
Exchange adjustments relating to foreign entities	0	0	0	81,637	81,637
Transfers, reserves	0	0	2,077,599	-2,077,599	0
Net profit/loss for the year	0	0	0	8,878,880	8,878,880
Equity at 31 December	73,112,584	12,424,446	6,797,496	552,521,014	644,855,540

Cash flow statement 1 January - 31 December

	Note	Group	
		2023	2022
		DKK	DKK
Result of the year		8,733,260	-17,880,613
Adjustments	15	92,242,436	97,424,225
Change in working capital	16	-7,702,159	27,756,234
Cash flow from operations before financial items		93,273,537	107,299,846
Financial income		6,309,957	1,436,580
Financial expenses		-22,168,987	-15,341,345
Cash flows from ordinary activities		77,414,507	93,395,081
Corporation tax paid		-17,165,097	-20,266,761
Cash flows from operating activities		60,249,410	73,128,320
Purchase of property, plant and equipment		-1,861,629	0
Fixed asset investments made etc		-46,555,183	-2,370,062
Sale of intangible assets		0	990,697
Cash flows from investing activities		-48,416,812	-1,379,365
Repayment of mortgage loans		0	-10,827,847
Cash capital increase		1,950,000	1,070,000
Amortization of financing costs		1,507,848	1,507,848
Cash flows from financing activities		3,457,848	-8,249,999
Change in cash and cash equivalents		15,290,446	63,498,956
Cash and cash equivalents at 1 January		127,728,655	64,229,699
Cash and cash equivalents at 31 December		143,019,101	127,728,655
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		143,019,101	127,728,655
Cash and cash equivalents at 31 December		143,019,101	127,728,655

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
1. Production expenses				
Personnel expenses	73,094,721	50,463,706	0	0
Depreciation on PP&E	3,650,934	3,716,648	0	0
Other expenses	60,752,441	103,815,965	0	0
	137,498,096	157,996,319	0	0

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
2. Staff				
Wages and salaries	94,975,460	69,080,921	0	0
Other social security expenses	705,173	542,876	0	0
	95,680,633	69,623,797	0	0

Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.

Average number of employees	124	120	0	0
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	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
3. Administrative expenses				
Personnel expenses	22,585,911	19,160,090	0	0
Depreciations on PP&E	1,654,603	1,322,250	0	0
Depreciations on goodwill	52,259,568	56,982,420	0	0
Depreciations on patents	71,566	71,566	0	0
Other expenses	23,720,166	16,625,418	340,167	418,732
	100,291,814	94,161,744	340,167	418,732

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
4. Financial income				
Interest received	484,774	223,001	484,774	223,001
Other financial income	5,123,462	521,153	261,561	25,091
Exchange adjustments	701,721	451,352	0	0
Exchange gains	0	241,074	0	0
	6,309,957	1,436,580	746,335	248,092

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
5. Financial expenses				
Impairment losses on financial assets	0	156,424	0	0
Other financial expenses	21,121,245	15,129,791	382,789	271,483
Exchange loss	1,047,742	55,130	0	0
	22,168,987	15,341,345	382,789	271,483

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
6. Income tax expense				
Current tax for the year	14,943,604	8,678,138	70,379	-242,536
Deferred tax for the year	2,771,166	1,637,148	0	0
Adjustment of tax concerning previous years	1,031,965	9,075,053	4,331	0
Adjustment of deferred tax concerning previous years	0	876,423	0	0
	18,746,735	20,266,762	74,710	-242,536

	Parent company	
	2023	2022
	DKK	DKK
7. Profit allocation		
Other statutory reserves	0	0
Retained earnings	8,878,880	-18,247,159
	8,878,880	-18,247,159

Notes to the Financial Statements

8. Intangible fixed assets Group

	Acquired patents DKK	Goodwill DKK
Cost at 1 January	357,829	850,202,426
Cost at 31 December	357,829	850,202,426
Impairment losses and depreciation at 1 January	161,023	136,157,253
Depreciation for the year	71,566	52,259,568
Impairment losses and depreciation at 31 December	232,589	188,416,821
Carrying amount at 31 December	125,240	661,785,605
Amortised over	5 years	3-20 years

9. Property, plant and equipment Group

	Land and buildings DKK	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost at 1 January	27,905,558	21,782,936	6,560,387
Additions for the year	0	1,441,187	420,443
Cost at 31 December	27,905,558	23,224,123	6,980,830
Impairment losses and depreciation at 1 January	3,265,071	8,527,746	3,030,278
Depreciation for the year	1,029,731	3,043,584	1,232,222
Impairment losses and depreciation at 31 December	4,294,802	11,571,330	4,262,500
Carrying amount at 31 December	23,610,756	11,652,793	2,718,330
Amortised over	10-50 years	3-10 years	3-7 years

Notes to the Financial Statements

	Parent company	
	2023	2022
	DKK	DKK
10. Investments in subsidiaries		
Cost at 1 January	688,132,524	688,132,524
Cost at 31 December	688,132,524	688,132,524
Value adjustments at 1 January	-68,160,525	-50,112,954
Exchange adjustment	81,637	0
Net profit/loss for the year	8,930,211	-18,047,571
Value adjustments at 31 December	-59,148,677	-68,160,525
Carrying amount at 31 December	628,983,847	619,971,999

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Ownership and Votes	Equity	Net profit/loss for the year
Sonas MidCo ApS	Søborg	100%	628,983,847	8,930,211
			628,983,847	8,930,211

11. Other fixed asset investments Group

	Other investments	Deposits
	DKK	DKK
Cost at 1 January	987,093	457,201
Additions for the year	45,827,009	28,418
Cost at 31 December	46,814,102	485,619
Revaluations at 1 January	487,654	0
Revaluations for the year	699,755	0
Revaluations at 31 December	1,187,409	0
Carrying amount at 31 December	48,001,511	485,619

Other investments consists of investments in listed and unlisted biotech companies, in the form of shares or convertible loan notes. Listed shares are measured on the basis of the latest quoted market price, while investments which are not traded in an active market are measured at fair market value, defined as the share price in the latest external funding round as of 31. December 2023.

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
12. Deferred tax asset				
Deferred tax asset at 1 January	19,803,788	16,775,115	0	0
Net amounts recognized through group acquisition and reconciliations	6,250	5,542,244	0	0
Amounts recognised in the income statement for the year	-2,771,166	-2,513,571	0	0
Deferred tax asset at 31 December	17,038,872	19,803,788	0	0

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
13. 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:

Credit institutions

After 5 years	0	0	0	0
Between 1 and 5 years	213,968,582	212,460,734	0	0
Long-term part	213,968,582	212,460,734	0	0
Within 1 year	0	0	0	0
	213,968,582	212,460,734	0	0

Deposits

After 5 years	0	0	0	0
Between 1 and 5 years	64,200	64,200	0	0
Long-term part	64,200	64,200	0	0
Within 1 year	0	0	0	0
	64,200	64,200	0	0

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
13. Long-term debt				
Other payables				
After 5 years	0	0	0	0
Between 1 and 5 years	18,108,895	17,486,984	0	0
Long-term part	18,108,895	17,486,984	0	0
Other short-term payables	16,568,596	17,942,131	50,000	62,174
	34,677,491	35,429,115	50,000	62,174

14. Deferred income

Deferred income contains prepayments received for costs derived from ongoing projects.

	Group	
	2023	2022
	DKK	DKK
15. Cash flow statement - Adjustments		
Financial income	-6,309,957	-1,436,580
Financial expenses	22,168,987	15,341,345
Depreciation, amortisation and impairment losses, including losses and gains on sales	57,636,671	62,092,883
Tax on profit/loss for the year	18,746,735	20,266,762
Other adjustments	0	1,159,815
	92,242,436	97,424,225

	Group	
	2023	2022
	DKK	DKK
16. Cash flow statement - Change in working capital		
Change in receivables	-4,830,965	4,320,233
Change in other provisions	-8,541,223	24,237,290
Change in trade payables, etc	5,670,029	-801,289
	-7,702,159	27,756,234

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	DKK	DKK	DKK	DKK
17. Contingent assets, liabilities and other financial obligations				
Rental and lease obligations				
Total liabilities under rental or lease agreements until maturity	12,108,061	14,726,858	0	0

Other 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.

18. Related parties and disclosure of consolidated financial statements

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

Name	Place of registered office
Investcorp Holdings B.S.C.	Kingdom of Bahrain

The Group Annual Report of Investcorp Holdings B.S.C. may be obtained at the following address:
PO Box 5340 Manama Bahrain

Notes to the Financial Statements

19. Accounting policies

The Annual Report of Sonas HoldCo ApS for 2023 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 Consolidated Financial Statements and the Parent Company Financial Statements for 2023 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

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.

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, Sonas HoldCo ApS, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

Minority interests

Minority interests form part of the Group's total equity. Upon distribution of net profit, net profit is broken down on the share attributable to minority interests and the share attributable to the shareholders of the Parent Company. Minority interests are recognised on the basis of a remeasurement of acquired assets and liabilities to fair value at the time of acquisition of subsidiaries.

On subsequent changes to minority interests where the Group retains control of the subsidiary, the consideration is recognised directly in equity.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses 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.

Notes to the Financial Statements

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income statement

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Group. The stage of completion is determined on the basis of completed thresholds in the underlying contracts.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Production expenses

Production expenses comprise costs incurred to achieve revenue for the year. Cost comprises materials, consumables, direct labour costs and indirect production costs such as maintenance and depreciation, etc, as well as operation, administration and management of service spots.

Administrative expenses

Administrative expenses comprise expenses for Management, administrative staff, office expenses, depreciation, etc. Amortisation of goodwill is also included to the extent that goodwill relates to administrative activities.

Other operating income and expenses

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

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.

Notes to the Financial Statements

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

Intangible fixed assets

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed at 3-20 years.

Patents and licences are measured at the lower of cost less accumulated amortisation and recoverable amount. Patents are amortised over the remaining patent period, and licences are amortised over the licence period; however not exceeding 5 years.

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.

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

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:

Buildings	10-50 years
Other fixtures and fittings, tools and equipment	3-10 years
Leasehold improvements	3-7 years

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments 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.

Notes to the Financial Statements

Fixed asset investments

Fixed asset investments, which consist of listed bonds and shares, are measured at their fair values at the balance sheet date. Fair value is determined on the basis of the latest quoted market price.

Investments which are not traded in an active market are measured at the lower of cost and recoverable amount.

Other fixed asset investments

Other fixed asset investments consist of deposits.

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.

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 liabilities

Loans, such as 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.

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

Deferred income

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

Cash Flow Statement

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

Notes to the Financial Statements

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise "Cash at bank and in hand".

The cash flow statement cannot be immediately derived from the published financial records.

Financial Highlights

Explanation of financial ratios

Gross margin	$\text{Gross profit} \times 100 / \text{Revenue}$
Profit margin	$\text{Profit/loss of ordinary primary operations} \times 100 / \text{Revenue}$
Return on assets	$\text{Profit/loss of ordinary primary operations} \times 100 / \text{Total assets at year end}$
Solvency ratio	$\text{Equity at year end} \times 100 / \text{Total assets at year end}$
Return on equity	$\text{Net profit for the year} \times 100 / \text{Average equity}$