

## **Contura International A/S**

Sydmarken 23, 2860 Søborg

**CVR no. 27 05 08 32**

**Annual report for the period  
1 January to 31 December 2022**

Adopted at the annual general meeting on 29 June  
2023

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Rakesh Chhaganlal Tailor  
chairman



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## Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of Contura International A/S 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 company's financial position at 31 December 2022 and of the results of the company's operations for the financial year 1 January - 31 December 2022.

In our opinion, management's review includes a fair review of the matters dealt with in the annual report for the financial year.

Management recommends that the annual report should be approved by the company in general meeting.

Søborg, 29 June 2023

### Executive board

Ieva Ankorina-Stark

### Supervisory board

Rakesh Chhaganlal Tailor  
chairman

Patrick John Banks

Ieva Ankorina-Stark

Graham Julian Fraser-Pye

## Independent auditor's report

### *To the shareholders of Contura International A/S*

#### **Opinion**

We have audited the financial statements of Contura International A/S for the financial year 1 January - 31 December 2022, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position 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.

#### **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' 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 and IESBA Code. 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 the financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance 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.

## Independent auditor's report

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 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 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.

## Independent auditor's report

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, we conclude that 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 of management's review.

Copenhagen, 29 June 2023

**Baker Tilly Denmark**  
Godkendt Revisionspartnerselskab  
CVR no. 35 25 76 91

Ramazan Turan  
statsautoriseret revisor  
MNE no. mne32779

## Company details

The company	Contura International A/S Sydmarken 23 2860 Søborg CVR no.: 27 05 08 32 Reporting period: 1 January - 31 December 2022 Incorporated: 1 March 2003 Domicile: Gladsaxe
Supervisory board	Rakesh Chhaganlal Tailor, chairman Patrick John Banks Ieva Ankorina-Stark Graham Julian Fraser-Pye
Executive board	Ieva Ankorina-Stark
Auditors	Baker Tilly Denmark Godkendt Revisionspartnerselskab Poul Bundgaards Vej 1, 1. 2500 Valby

## Financial highlights

Seen over a 5-year period, the development of the Company may be described by means of the following financial highlights:

	2022	2021	2020	2019	2018
	TDKK	TDKK	TDKK	TDKK	TDKK
<b>Key figures</b>					
<b>Profit/loss</b>					
Revenue	91.821	67.845	61.177	60.161	53.171
Gross profit	31.172	38.804	23.731	18.762	23.241
Profit/loss before net financials	8.315	19.630	7.812	1.473	6.145
Net financials	3.007	-496	1.043	2.069	1.419
Profit/loss for the year	9.705	15.340	6.929	2.445	5.833
<b>Balance sheet</b>					
Balance sheet total	218.146	184.370	141.328	119.802	116.361
Equity	120.478	110.772	95.432	88.503	86.058
<b>Financial ratios</b>					
Gross margin	33,9%	57,2%	38,8%	31,2%	43,7%
EBIT margin	9,1%	28,9%	12,8%	2,4%	11,6%
Return on assets	4,1%	12,1%	6,0%	1,2%	5,8%
Solvency ratio	55,2%	60,1%	67,5%	73,9%	74,0%

The financial ratios are calculated in accordance with the Danish Finance Society's recommendations and guidelines. For definitions, see the summary of significant accounting policies..

## Management's review

### Business review

Contura International A/S is a medical technology company based in Denmark that develops and commercialises soft tissue fillers.

### Financial review

The company's income statement for the year ended 31 December 2022 shows a profit of DKK 9.705.076, and the balance sheet at 31 December 2022 shows equity of DKK 120.477.564.

### Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

## Income statement 1 January - 31 December

	Note	2022 DKK	2021 DKK
<b>Revenue</b>		<b>91.821.256</b>	<b>67.844.660</b>
Other operating income		1.211.567	15.499.060
Raw materials and consumables		-40.926.689	-30.661.923
Other external expenses		-20.934.016	-13.877.629
<b>Gross profit</b>		<b>31.172.118</b>	<b>38.804.168</b>
Staff costs	1	-22.241.980	-18.685.373
Depreciation and impairment of tangible assets		-615.401	-489.230
<b>Profit/loss before net financials</b>		<b>8.314.737</b>	<b>19.629.565</b>
Financial income	2	6.289.629	4.118.602
Financial costs	3	-3.282.400	-4.615.041
<b>Profit/loss before tax</b>		<b>11.321.966</b>	<b>19.133.126</b>
Tax on profit/loss for the year	4	-1.616.890	-3.792.734
<b>Profit/loss for the year</b>		<b>9.705.076</b>	<b>15.340.392</b>
<b>Recommended appropriation of profit/loss</b>			
Retained earnings		9.705.076	15.340.392
		<b>9.705.076</b>	<b>15.340.392</b>

## Balance sheet 31 December

	Note	2022	2021
		DKK	DKK
<b>Assets</b>			
Plant and machinery	5	11.990.124	1.213.741
Other fixtures and fittings, tools and equipment	5	509.679	271.273
<b>Tangible assets</b>		<b>12.499.803</b>	<b>1.485.014</b>
<b>Total non-current assets</b>		<b>12.499.803</b>	<b>1.485.014</b>
Raw materials and consumables		38.764.998	22.346.680
Finished goods and goods for resale		1.490.714	1.612.331
<b>Stocks</b>		<b>40.255.712</b>	<b>23.959.011</b>
Trade receivables		13.691.484	5.367.970
Receivables from group enterprises		148.610.874	141.099.133
Other receivables		2.387.666	962.461
Prepayments		605.565	196.069
<b>Receivables</b>		<b>165.295.589</b>	<b>147.625.633</b>
<b>Cash at bank and in hand</b>		<b>94.741</b>	<b>11.300.243</b>
<b>Total current assets</b>		<b>205.646.042</b>	<b>182.884.887</b>
<b>Total assets</b>		<b>218.145.845</b>	<b>184.369.901</b>

## Balance sheet 31 December

	Note	2022	2021
		DKK	DKK
<b>Equity and liabilities</b>			
Share capital		501.000	501.000
Retained earnings		119.976.564	110.271.489
<b>Equity</b>		<b>120.477.564</b>	<b>110.772.489</b>
Other provisions		0	445.000
<b>Total provisions</b>		<b>0</b>	<b>445.000</b>
Banks		7.223	0
Trade payables		11.700.092	5.098.815
Payables to group enterprises		63.775.206	42.321.022
Joint taxation contributions payable		1.616.890	3.792.734
Other payables		8.537.620	8.033.591
Deferred income		12.031.250	13.906.250
<b>Total current liabilities</b>		<b>97.668.281</b>	<b>73.152.412</b>
<b>Total liabilities</b>		<b>97.668.281</b>	<b>73.152.412</b>
<b>Total equity and liabilities</b>		<b>218.145.845</b>	<b>184.369.901</b>
Contingent liabilities	6		
Mortgages and collateral	7		

## Statement of changes in equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	501.000	110.271.488	110.772.488
Net profit/loss for the year	0	9.705.076	9.705.076
<b>Equity at 31 December</b>	<b>501.000</b>	<b>119.976.564</b>	<b>120.477.564</b>

## Notes til accounts

	2022	2021
	DKK	DKK
<b>1 Staff costs</b>		
Wages and salaries	32.930.357	24.939.527
Pensions	1.905.127	1.233.488
Other social security costs	145.554	64.754
Other staff costs	1.940.594	859.463
	<b>36.921.632</b>	<b>27.097.232</b>
Transfer to production wages	-14.679.652	-8.411.859
	<b>22.241.980</b>	<b>18.685.373</b>
Average number of employees	46	29
<b>2 Financial income</b>		
Interests received from group enterprises	4.505.993	3.408.483
Exchange gains	1.783.636	710.119
	<b>6.289.629</b>	<b>4.118.602</b>
<b>3 Financial costs</b>		
Interest paid to group enterprises	3.105.643	2.023.408
Other financial costs	176.757	2.124.023
Exchange loss	0	467.610
	<b>3.282.400</b>	<b>4.615.041</b>

## Notes til accounts

	2022	2021
	DKK	DKK
<b>4 Tax on profit/loss for the year</b>		
Current tax for the year	1.616.890	3.792.734
	<b>1.616.890</b>	<b>3.792.734</b>

**5 Tangible assets**

	Plant and machinery	Other fixtures and fittings, tools and equipment	Total
	DKK	DKK	DKK
Cost at 1 January	55.204.109	4.681.412	59.885.521
Additions for the year	11.177.812	452.376	11.630.188
Cost at 31 December	66.381.921	5.133.788	71.515.709
Impairment losses and depreciation at 1 January	53.990.368	4.410.139	58.400.507
Depreciation for the year	401.429	213.970	615.399
Impairment losses and depreciation at 31 December	54.391.797	4.624.109	59.015.906
<b>Carrying amount at 31 December</b>	<b>11.990.124</b>	<b>509.679</b>	<b>12.499.803</b>

**6 Contingent liabilities**

The company is jointly taxed with its parent company, Contura A/S, and jointly and severally liable with other jointly taxed entities for payment of income taxes as well as for payment of withholding taxes on dividends, interest, VAT and royalties.

The company has unrecognized rental and lease commitments regarding cars and rent amounting to DKK 3.181 thousand stretching from 5-60 months.

**7 Mortgages and collateral**

The company has entered into a floating charge over certain of its assets in the amount of DKK 15.000 thousand to secure the borrowings of the company and the parent company.

## Accounting policies

The annual report of Contura International A/S for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

The accounting policies applied are consistent with those of last year.

### Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments, plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

### Income statement

#### Revenue

Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

#### Raw materials and consumables

Costs of raw materials and consumables include the raw materials and consumables used in generating the year's revenue.

## Accounting policies

### Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

### Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees.

### Amortisation and depreciation

Depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of tangible assets.

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions and surcharges and allowances under the advance-payment-of tax scheme, etc.

### Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation.

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

## Balance sheet

### Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

## Accounting policies

Plant and machinery	10-12 years
Other fixtures and fittings, tools and equipment	5 years

The useful life and residual value of the company's property, plant and equipment is reassessed annually.

### Stocks

Stocks are measured at cost using the weighted average method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct cost of labour and production/production overheads.

The net realisable value of stocks is calculated as the expected selling price less direct costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

### Receivables

Receivables are measured at amortised cost.

### Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

### Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

## Accounting policies

### Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

### Financial Highlights

Definitions of financial ratios.

Gross margin ratio	$\frac{\text{Gross Profit} \times 100}{\text{Revenue}}$
EBIT margin	$\frac{\text{Profit/loss before financials} \times 100}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit/loss before financials} \times 100}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets}}$