



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 919 401 044  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: COLOSSEUM DENTAL GROUP HOLDING AS  
Forretningsadresse: Sørkedalsveien 10D  
0369 OSLO

### Regnskapsår

Årsregnskapets periode: 01.01.2022 - 31.12.2022

### Konsern

Mørselskap i konsern: Ja  
Konsernregnskap lagt ved: Ja

### Regnskapsregler

Regler for små foretak benyttet: Nei  
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler  
Benyttet ved utarbeidelsen av årsregnskapet til konsernet: -

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Pål Mørkved  
Dato for fastsettelse av årsregnskapet: 07.07.2023

### Grunnlag for avgivelse

År 2022: Årsregnskapet er elektronisk innlevert  
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022

*Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.*

Brønnøysundregistrene, 18.08.2024



### Resultatregnskap

Beløp i: NOK	Note	2022	2021
<b>RESULTATREGNSKAP</b>			
<b>Kostnader</b>			
Annen driftskostnad	2	266 000	461 000
<b>Sum kostnader</b>		<b>266 000</b>	<b>461 000</b>
<b>Driftsresultat</b>		<b>-266 000</b>	<b>-461 000</b>
<b>Finansinntekter og finanskostnader</b>			
Annen renteinntekt	3	32 397 000	18 193 000
Annen finansinntekt	3	38 483 000	24 655 000
<b>Sum finansinntekter</b>		<b>70 880 000</b>	<b>42 848 000</b>
Annen rentekostnad	3	23 522 000	9 011 000
Annen finanskostnad	3	25 387 000	35 539 000
<b>Sum finanskostnader</b>		<b>48 909 000</b>	<b>44 550 000</b>
<b>Netto finans</b>		<b>21 971 000</b>	<b>-1 702 000</b>
<b>Ordinært resultat før skattekostnad</b>		<b>21 705 000</b>	<b>-2 163 000</b>
Skattekostnad på ordinært resultat	4	4 776 000	-476 000
<b>Ordinært resultat etter skattekostnad</b>		<b>16 929 000</b>	<b>-1 687 000</b>
<b>Årsresultat</b>		<b>16 929 000</b>	<b>-1 687 000</b>
<b>Overføringer og disponeringer</b>			
Overføringer til/fra annen egenkapital		16 929 000	-1 687 000
<b>Sum overføringer og disponeringer</b>		<b>16 929 000</b>	<b>-1 687 000</b>



### Balanse

Beløp i: NOK	Note	2022	2021
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap	5	5 725 117 000	4 026 336 000
Lån til foretak i samme konsern	6	1 161 556 000	496 223 000
<b>Sum finansielle anleggsmidler</b>		<b>6 886 673 000</b>	<b>4 522 559 000</b>
<b>Sum anleggsmidler</b>		<b>6 886 673 000</b>	<b>4 522 559 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Konsernfordringer	6	34 172 000	
<b>Sum fordringer</b>		<b>34 172 000</b>	
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd, kontanter og lignende		20 000	16 000
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>20 000</b>	<b>16 000</b>
<b>Sum omløpsmidler</b>		<b>34 192 000</b>	<b>16 000</b>
<b>SUM EIENDELER</b>		<b>6 920 865 000</b>	<b>4 522 575 000</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Selskapskapital	7	247 567 000	227 311 000
Overkurs	8	5 671 923 000	4 005 329 000
<b>Sum innskutt egenkapital</b>		<b>5 919 490 000</b>	<b>4 232 640 000</b>
<b>Opptjent egenkapital</b>			



## Balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2022</b>	<b>2021</b>
Annen egenkapital	8	19 657 000	2 728 000
<b>Sum opptjent egenkapital</b>		<b>19 657 000</b>	<b>2 728 000</b>
<b>Sum egenkapital</b>		<b>5 939 147 000</b>	<b>4 235 368 000</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Utsatt skatt	4	3 119 000	1 695 000
<b>Sum avsetninger for forpliktelser</b>		<b>3 119 000</b>	<b>1 695 000</b>
<b>Annen langsiktig gjeld</b>			
Langsiktig konserngjeld	6	921 239 000	267 906 000
<b>Sum annen langsiktig gjeld</b>		<b>921 239 000</b>	<b>267 906 000</b>
<b>Sum langsiktig gjeld</b>		<b>924 358 000</b>	<b>269 601 000</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		7 000	
Kortsiktig konserngjeld	6	32 839 000	17 295 000
Annen kortsiktig gjeld		24 514 000	311 000
<b>Sum kortsiktig gjeld</b>		<b>57 360 000</b>	<b>17 606 000</b>
<b>Sum gjeld</b>		<b>981 718 000</b>	<b>287 207 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>6 920 865 000</b>	<b>4 522 575 000</b>



# Colosseum HoldCo II AG

Zürich

Independent auditor's report  
to the Board of Directors

on the consolidated financial statements 2022





# Independent auditor's report

to the Board of Directors of Colosseum HoldCo II AG

Zürich

## Opinion

On your instructions, we have audited the consolidated financial statements of Colosseum HoldCo II AG and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2022 and the consolidated income statement for the year then ended, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2022 and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS).

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and Swiss Auditing Standards. Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report.

We are independent of the Group in accordance with the requirements of the Swiss audit profession and the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code), 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.

## Responsibilities of Management and the Board of Directors for the consolidated financial statements

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

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

The Board of Directors is responsible for overseeing the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 Swiss Auditing Standards 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 consolidated financial statements.

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As part of an audit in accordance with ISAs and Swiss Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 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 the Management's use of the going concern basis of accounting 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 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 consolidated 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors or its relevant committee 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.

PricewaterhouseCoopers AG

Patrick Balkanyi  
Licensed audit expert

Samuel Häring  
Licensed audit expert

Zürich, 16 June 2023

Enclosure:

- Consolidated financial statements (consolidated balance sheet, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and notes)



3 Colosseum HoldCo II AG



Colosseum HoldCo II AG - Consolidated Financial Statements 2022

## Consolidated Balance Sheet as of

EUR million	Notes	31.12.2022	31.12.2021
Cash and cash equivalents		96.0	91.7
Trade receivables and other assets	15	115.1	96.3
Income tax receivables		4.2	1.9
Loan receivables	23	0.4	4.0
Inventories	14	28.7	24.6
<b>Total current assets</b>		<b>244.5</b>	<b>218.5</b>
Property, plant and equipment	16	476.9	444.7
Intangible assets and goodwill	17	1'418.9	1'326.7
Other assets		4.5	3.3
Loan receivables	23	7.3	29.3
Employee benefit assets	12	1.8	-
Other Investments		26.8	4.3
Deferred tax assets	13	16.3	10.5
<b>Total non-current assets</b>		<b>1'952.5</b>	<b>1'818.8</b>
<b>Total assets</b>		<b>2'197.0</b>	<b>2'037.3</b>
Trade payables and other liabilities	21	216.3	217.3
Financial liabilities at fair value	23	21.9	22.2
Lease liabilities	23	40.7	37.0
Borrowings	20	193.7	71.5
Provisions	22	2.5	1.4
Income tax payables		9.8	8.2
<b>Total current liabilities</b>		<b>484.9</b>	<b>357.7</b>
Other liabilities	21	24.7	22.1
Financial liabilities at fair value	23	44.7	47.7
Lease liabilities	23	279.9	260.0
Borrowings	20	1'012.8	916.7
Provisions	22	8.7	9.7
Deferred tax liabilities	13	45.1	45.2
Post-employee benefit liabilities	12	2.2	4.5
Put options to non-controlling interests (NCI)	23	111.7	77.4
<b>Total non-current liabilities</b>		<b>1'529.7</b>	<b>1'383.3</b>
<b>Total liabilities</b>		<b>2'014.6</b>	<b>1'741.0</b>
Share capital	18	124.0	124.0
Share premium	18	574.4	574.4
Retained earnings and other reserves		-550.1	-427.1
<b>Equity attributable to owners to the Company</b>		<b>148.3</b>	<b>271.3</b>
Non-controlling interests (NCI)		34.1	24.9
<b>Total equity</b>		<b>182.4</b>	<b>296.3</b>
<b>Total equity and liabilities</b>		<b>2'197.0</b>	<b>2'037.3</b>

The accompanying notes form an integral part of these consolidated financial statements.



Colosseum HoldCo II AG - Consolidated Financial Statements 2022

## Consolidated Income Statement

EUR million	Notes	2022	2021
Revenue	6	1'138.8	806.2
Dental material		-150.6	-108.7
Personal expenses	7	-695.9	-497.8
Other operating expenses	8	-149.4	-110.6
Other operating income	9	20.7	6.5
Depreciation	16	-83.2	-60.6
Amortisation and impairment	17	-40.2	-27.9
Operating profit / (loss)		40.2	7.1
Finance income	10	0.9	8.8
Finance expenses	10	-97.2	-48.8
Loss before tax		-56.0	-32.9
Income tax expense	13	-1.9	-12.6
<b>Loss for the period</b>		<b>-57.9</b>	<b>-45.5</b>
attributable to shareholders of Colosseum HoldCo II AG		-67.7	-53.5
attributable to non-controlling interests (NCI)		9.8	8.0

The accompanying notes form an integral part of these consolidated financial statements.



Colosseum HoldCo II AG - Consolidated Financial Statements 2022

## Consolidated Statement of Other Comprehensive Income (OCI)

EUR million	Notes	2022	2021
<b>Loss for the period</b>		<b>-57.9</b>	<b>-45.5</b>
Remeasurement of fair value of financial liabilities through OCI		-2.1	-4.9
Exchange differences on translation of foreign operations		-3.8	-9.3
<b>Items that may be reclassified to Income Statement</b>		<b>-5.8</b>	<b>-14.3</b>
Remeasurements of post-employment benefit obligations	12	4.5	4.1
Tax effect on remeasurement of post-employment benefit obligations		-0.7	-0.7
<b>Items that will not be reclassified to Income Statement</b>		<b>3.8</b>	<b>3.4</b>
<b>Other comprehensive loss for the year, net of tax</b>		<b>-2.0</b>	<b>-10.9</b>
<b>Total comprehensive income / (expenses) for the year</b>		<b>-59.9</b>	<b>-56.4</b>
attributable to shareholders of Colosseum HoldCo II AG		-70.2	-64.5
attributable to non-controlling interests (NCI)		10.2	8.1

The accompanying notes form an integral part of these consolidated financial statements.



Colosseum HoldCo II AG - Consolidated Financial Statements 2022

## Consolidated statement of changes in equity

EUR million	Notes	Share Capital	Share premium	Retained earnings and other reserves			Total	Non-controlling interest	Total equity
				Translation reserve	Put-options to NCI	Retained earnings			
Balance at 1 January 2022		124.0	574.4	-18.8	-71.0	-337.3	271.3	24.9	296.3
Loss for the year 2022		-	-	-	-	-67.7	-67.7	9.8	-57.9
Other comprehensive income		-	-	-3.9	-	1.4	-2.5	0.5	-2.0
Total comprehensive income for the year		-	-	-3.9	-	-66.3	-70.2	10.2	-59.9
Dividends to NCI		-	-	-	-	-	-	-5.3	-5.3
Acquisition and change of NCI		-	-	-	-	-25.1	-25.1	4.2	-20.9
Equity-settled share based payment	11	-	-	-	-	3.9	3.9	-	3.9
Put-options to NCI		-	-	-	-31.6	-	-31.6	-	-31.6
Total transactions with shareholders in their capacity as shareholders		-	-	-	-31.6	-21.2	-52.8	-1.1	-53.9
<b>Balance at 31 December 2022</b>		<b>124.0</b>	<b>574.4</b>	<b>-22.7</b>	<b>-102.6</b>	<b>-424.7</b>	<b>148.4</b>	<b>34.1</b>	<b>182.4</b>
Balance at 1 January 2021		102.1	410.4	-9.1	-43.2	-259.3	200.9	8.6	209.5
Loss for the year 2021		-	-	-	-	-53.5	-53.5	8.0	-45.5
Other comprehensive income		-	-	-9.7	-	-2.2	-11.9	1.0	-10.9
Total comprehensive income for the year		-	-	-9.7	-	-55.7	-65.4	9.0	-56.4
Issuance of ordinary shares	18	21.9	164.1	-	-	-1.7	184.2	-	184.2
Dividends paid to NCI		-	-	-	-	-	-	-2.5	-2.5
Acquisition and change of NCI	26	-	-	-	-	-21.4	-21.4	10.0	-11.5
Equity-settled share based payment	11	-	-	-	-	0.8	0.8	-	0.8
Put-options to NCI		-	-	-	-27.8	-	-27.8	-0.2	-27.9
Total transactions with shareholders in		21.9	164.1	-	-27.8	-22.3	135.8	7.3	143.1
<b>Balance at 31 December 2021</b>		<b>124.0</b>	<b>574.4</b>	<b>-18.8</b>	<b>-71.0</b>	<b>-337.3</b>	<b>271.3</b>	<b>24.9</b>	<b>296.3</b>

The accompanying notes form an integral part of these consolidated financial statements.



Colosseum HoldCo II AG - Consolidated Financial Statements 2022

## Consolidated statement of cash flow

EUR million	Notes	31.12.2022	31.12.2021
Loss for the period		-57.9	-45.5
Adjustments for:			
Depreciation	16	83.3	60.6
Amortisation and impairment	17	40.3	27.9
(Gain)/loss on disposal of property, plant and equipment		0.4	0.0
Net interest result	10	63.4	36.4
Arrangement fees	10	16.0	4.2
Change in provisions and retirement benefit obligations		-0.1	-0.5
Income tax expense	13	1.9	12.6
Other non-cash items		-15.1	-3.9
Changes in working capital:			
Inventories		-2.7	0.9
Trade receivables and other assets		-14.4	19.8
Trade payables and other liabilities		-1.8	18.3
<b>Cash generated/(used) from operating activities</b>		<b>113.4</b>	<b>130.9</b>
Interest paid		-49.3	-29.8
Income taxes paid		-14.2	-6.4
<b>Cash flows from operating activities</b>		<b>49.9</b>	<b>94.6</b>
Acquisition of subsidiaries, net of cash acquired	25	-123.3	-580.0
(Acquisition)/Sale of investments in Associates & Joint Venture		-5.3	
(Acquisition)/Sale of investments in subsidiaries to/from minorities			
Purchases of property, plant and equipment	16	-51.4	-46.8
Proceeds from sale of property, plant and equipment	16		2.2
Purchases of intangible assets	17	-17.9	-11.7
Proceeds from sale of intangible assets	17		0.4
Loans granted			-32.2
Loans repayments received		7.1	
Dividends received		0.7	
<b>Cash flows from investing activities</b>		<b>-190.0</b>	<b>-668.0</b>
Proceeds from borrowings	20	435.3	680.7
Repayments of borrowings	20	-232.5	-19.8
Payment of lease liabilities	27	-37.2	-29.6
Acquisition of NCI	26	-13.0	-13.0
Dividends paid to minorities		-5.3	-2.5
<b>Cash flows from financing activities</b>		<b>147.3</b>	<b>615.8</b>
<b>Net (decrease)/increase in cash &amp; cash equivalents</b>		<b>7.3</b>	<b>42.4</b>
Cash and cash equivalents at 1 January		91.7	47.2
Effect of movements in exchange rates on cash held		-0.6	1.3
<b>Cash and cash equivalents at 31 December</b>		<b>96.0</b>	<b>91.7</b>

The accompanying notes form an integral part of these consolidated financial statements.



Colosseum HoldCo II AG - Consolidated Financial Statements 2022

## Notes to the Consolidated Financial Statements

### 1 Reporting Entity

Colosseum HoldCo II AG (the Company) is domiciled in Switzerland. The Company's registered office is at Talstrasse 70, 8001 Zurich. These consolidated financial statements comprise the Company and its subsidiaries (together referred to as the 'Group'). The Group is primarily involved in the operation of dental practices in Belgium, Denmark, Finland, France, Germany, Italy, Netherlands, Norway, Sweden, Switzerland and the United Kingdom.

### 2 Basis of accounting

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The consolidated financial statements for the year ended 31 December 2022 were authorized for issue in accordance with a resolution of the Board of Directors on 5 June 2023 and are subject to approval by the Annual General Meeting on 27 June 2023.

Details of the Group's accounting policies are included in Note 30.

### 3 Functional and presentation currency

These consolidated financial statements are presented in euro, which is the Group's reporting currency. The major part of the Group's in- and outflows of funds as well the majority of the Group's financing activities are in euro. All amounts have been rounded to the nearest million, unless otherwise indicated.

### 4 Use of judgements and estimates

In preparing these consolidated financial statements, management has made judgements and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

#### A. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at 31 December 2022 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year are included in the following notes:

- Note 13: recognition of deferred tax assets: availability of future taxable profits against which deductible temporary differences and tax losses carried forward can be utilised;
- Note 17: impairment test of intangible assets and goodwill: key assumptions underlying recoverable amounts, including the recoverability of development costs;
- Note 25: acquisition of subsidiary: fair value of the consideration transferred (including contingent consideration).

#### i. Measurement of fair value

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 23 - Financial risk management

Note 25 - Business combinations

### 5 Changes in significant accounting policies

The Group has adopted the following amendments to the International Financial Reporting Standards (IFRS) from 1 January 2022:

- Amendments to IAS 37: Onerous Contracts - Costs of Fulfilling a Contract
- Amendments to IFRS 3: Reference to the Conceptual Framework
- Annual Improvements to IFRS Standards 2018 - 2020

These amendments had no significant impact on the Group.



Colosseum HoldCo II AG - Consolidated Financial Statements 2022

## Notes to the Consolidated Financial Statements

### 6 Revenue

#### A. Revenue streams

EUR million		2022	2021
Dentistry treatment revenue		1'053.4	742.7
Laboratory revenue		64.6	50.5
Other revenue		20.7	13.0
<b>Total revenue</b>		<b>1'138.8</b>	<b>806.2</b>

#### B. Contract balances

EUR million	Note	2022	2021
Receivables presented in "trade and other receivables"	15	82.6	77.0
Accrued income (contract assets)	15	18.6	8.0
Deferred Revenue (contract liabilities)	21	39.6	22.8

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date on dentistry treatments. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer.

The contract liabilities primarily relate to the advance consideration received from customers for dentistry treatments, for which revenue is either recognised over time or treatment has not yet started. The contract liabilities at 31 December 2021 have been recognised as revenue in 2022.

For assets / liabilities acquired through acquisitions, see Note 25.

### 7 Personal expenses

EUR million	Note	2022	2021
Wages and salaries		-595.7	-427.5
Social security contributions		-53.9	-37.2
Expenses related to post-employment defined benefit plans	12	-2.7	-2.1
Contributions to defined contribution plans		-20.5	-13.1
Expenses related to cash-settled share-based payments	11	1.5	-2.5
Expenses related to equity-settled share-based payments	11	-3.9	-0.8
Long-term employee benefits		-6.7	-4.8
Other personal costs		-14.4	-10.0
<b>Total personal expenses</b>		<b>-696.2</b>	<b>-497.8</b>



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## Notes to the Consolidated Financial Statements

### 8 Other operating expenses

EUR million	2022	2021
IT cost	-25.4	-15.4
Premise maintenance expenses	-37.2	-21.1
Equipment and related maintenance expenses	-14.0	-10.6
Consulting expenses	-23.8	-25.7
Marketing	-15.4	-11.5
Others	-33.6	-26.1
<b>Other operating expenses</b>	<b>-149.3</b>	<b>-110.5</b>

### 9 Other operating income

#### A. Other operating income

EUR million	2022	2021
Government grant income	0.0	0.5
Change of Financial liabilities at fair value	12.5	2.1
Others	8.2	3.9
<b>Other operating income</b>	<b>20.7</b>	<b>6.5</b>

#### Change of Financial liabilities at fair value

Earn-outs are subsequently measured at fair value (see accounting policy in Note 30). In 2022, the change in fair value of the earn-outs amounted EUR 12.5 million.

### 10 Finance income / finance expenses

#### A. Finance income

EUR million	2022	2021
Interest income	0.6	0.5
Net foreign exchange gains		6.2
Other financial income	0.2	2.1
<b>Finance income</b>	<b>0.9</b>	<b>8.8</b>

#### B. Finance expenses

EUR million	2022	2021
Interest expenses on borrowings	-51.7	-27.7
Interest expenses on lease liabilities	-12.3	-9.2
Arrangement fees on borrowings	-16.0	-4.2
Net foreign exchange losses	-10.2	
Other financial expenses	-6.9	-7.7
<b>Finance expenses</b>	<b>-97.2</b>	<b>-48.8</b>



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## Notes to the Consolidated Financial Statements

### 11 Share-based payments

See accounting policy in Note 30.

#### A. Description of share-based payments arrangements

The Group had the following share-based payments arrangements.

##### *i. Share-based payment scheme 1 (equity settled)*

Selected employees have been granted shares in Colosseum HoldCo II AG. As at 31 December 2022 74,238 shares are held by employees (2021: 85,768). The employees acquired the shares at their fair value at grant date from Colosseum HoldCo I AG (the parent company of Colosseum HoldCo II AG) in exchange for cash consideration. The scheme was open to key management personnel within the Group. Participation in the scheme and the number of shares granted to each participant was at the discretion of the principal shareholder of the Group.

To obtain the full economic benefits of the first 25% of the shares, the employees must remain employed with the Group for a period of three years from their agreed vesting start date (which might differ from grant date). If an employee ceases to be employed by the Group within the vesting period, the shares will be forfeited at the lower of the amount originally paid for the shares or their fair value on the termination date, except in limited contractual circumstances or as are approved by the board on a case-by-case basis.

After the third anniversary of their vesting start date, employees are entitled to, on termination of their employment, the fair value of their shareholding as of the cessation date, except in limited contractual circumstances. After the third anniversary, an employee has a put option which requires Colosseum HoldCo I AG (parent entity of Colosseum HoldCo II AG) to bear the cost of 25% of their shareholding for cash consideration at fair value with subsequent put options on each of the following three years thereafter for 25% of their shareholding.

In all other respects the shares rank equally with other fully paid ordinary shares.

The liability is accrued over the service period with a corresponding entry in equity.

EUR million	31.12.2022	31.12.2021
Carrying amount in equity from share-based payment transactions (scheme 1)	6.9	3.0
Expenses arising from share-based payment transactions (scheme 1)	3.9	0.8

##### *ii. Share-based payment scheme 2 (cash settled)*

In 2021, the Group granted 81,632,396 shares of Colosseum AG to selected employees. The employees acquired the shares at their fair value in exchange for cash consideration. The scheme was open to key personnel within the Group. Participation in the scheme and the number of shares granted to each participant was at the discretion of the principal shareholder of the Group. In 2022 an additional 2,104,606 shares of Colosseum AG to select employees were granted. 1,527,990 shares were forfeited. Colosseum HoldCo II AG repurchased these shares for the original value the shares were sold for in 2021. As at 31 December 2022 there 82,209,012 shares held by select employees as part of this programme.

To obtain the full economic benefits of the first 50% of the shares, the employees must remain employed with the Group for a period of five years from their agreed vesting start date, for 50% of the remaining shares another 5 years and so on. If an employee ceases to be employed by the Group within the vesting period, the shares will be forfeited at the lower of the amount originally paid for the shares or their fair value on the termination date, except in limited contractual circumstances or as are approved by the board on a case-by-case basis.

After the fifth anniversary of their vesting start date, employees are entitled to, on termination of their employment, the fair value of their shareholding as of the cessation date, except in limited contractual circumstances. After the fifth anniversary, an employee has a put option which requires the Group to bear the cost of 50% of their shareholding for cash consideration at fair value with subsequent put options in five years for 50% of the remaining shareholding. In 2022 none of the shares were vested (2021: none).

In all other respects the shares rank equally with other fully paid ordinary shares.

The liability is accrued over the service period with subsequent measurement until the final settlement.

EUR million	31.12.2022	31.12.2021
Carrying amount of liabilities from share-based payment transactions (scheme 2)	5.9	7.7
(Gains)/expenses arising from share-based payment transactions (scheme 2)	-1.8	2.1



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## Notes to the Consolidated Financial Statements

### III. Share-based payment scheme 3 (cash settled)

The Group granted a Co-Investing scheme to selected employees to receive part or all of their Value STI in the form of Bonus Phantom Shares (and receive additional Matching Phantom Shares for free) that will track the value of Common Shares and Preference Shares of Colosseum HoldCo II AG. The scheme was open to key personal within the Group.

To obtain the full economic benefits of the Phantom Shares, the employees must remain employed with the Group for a period of three years from their agreed vesting start date. If an employee ceases to be employed by the Group within the vesting period, the shares will be forfeited at the lower of the amount originally paid for the shares or their fair value on the termination date. In 2022 none of the shares were forfeited (2021: none).

After the third anniversary of their vesting start date, employees are entitled to, on termination of their employment, the fair value of their shareholding including the shares matched by the Group as of the cessation date for cash consideration. In 2022 none of the shares were vested (2021: none).

The liability is accrued over the service period with subsequent measurement until the final settlement.

EUR million	31.12.2022	31.12.2021
Carrying amount of liabilities from share-based payment transactions (scheme 3)	2.3	1.9
Expenses arising from share-based payment transactions (scheme 3)	0.4	0.4



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## Notes to the Consolidated Financial Statements

### 12 Employee benefits

See accounting policy in Note 30.

From the pension plans in the Group, most qualify as defined contribution plans while only the plans in Switzerland and two plans in Germany qualify as defined benefit plans. Those plans provide benefits in the event of retirement, death, or disability. The plans' benefits are based on age, salary and on an individual old age account. The plans in Switzerland are funded by assets held within legally separate entities of external foundations. The plan is financed by contributions paid by the employees and by the Group. The assets of the foundations are invested in equities, bonds, real estate, alternative investments and cash and qualified insurance policies. The plan in Germany is funded by company assets.

EUR million	31.12.2022	31.12.2021
<b>Reconciliation of funded status as at</b>		
Present value of funded obligation	76.9	69.4
Plan assets at fair value	-78.3	-66.7
<b>Under / (over) funding</b>	<b>-1.4</b>	<b>2.7</b>
Present value of unfunded obligation	1.4	1.8
<b>Net liability / (asset)</b>	<b>0.0</b>	<b>4.5</b>

#### A. Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components.

EUR million	2022	2021
<b>Development of net liability / (asset)</b>		
Opening net liability / (asset)	4.5	6.4
Total defined benefit cost	-2.1	-2.0
Company contributions	-2.3	-1.9
Benefits paid by employer	-0.1	-0.0
Business combinations	-0.1	1.8
Exchange rate differences	0.1	0.1
<b>Closing net liability / (asset)</b>	<b>0.0</b>	<b>4.5</b>
<b>Defined benefit cost (P&amp;L)</b>		
Service cost		
Current service cost	2.5	2.6
Past service cost including effects of curtailment	-	-0.6
Total service cost	2.5	2.0
Net interest		
Interest cost on defined benefit obligation	1.7	0.1
Interest income on plan assets	-1.7	-0.1
Total net interest	-0.0	0.0
Administration expense	0.1	0.1
<b>Total defined benefit cost recognized in profit or loss</b>	<b>2.6</b>	<b>2.1</b>
thereof personnel expense	2.7	2.1
thereof financial expense	-0.1	0.0
<b>Remeasurement of the defined benefit liability (OCI)</b>		
Actuarial (gain) / loss		
Arising from changes in demographic assumptions	-	-2.2
arising from changes in financial assumptions	-12.5	0.5
arising from experience	-0.0	0.0
Return on plan assets (excl. Interest income)	7.9	-2.3
Changes in asset ceiling	-	-0.1
<b>Total defined benefit cost recognized in OCI</b>	<b>-4.6</b>	<b>-4.1</b>



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## Notes to the Consolidated Financial Statements

### 12 Employee benefits

EUR million	2022	2021
<b>Changes in the defined benefit obligation</b>		
Opening defined benefit obligation	71.2	42.1
Service cost	3.1	2.6
Plan participants' contribution	2.0	1.6
Interest cost	-0.0	0.1
Actuarial (gains) / losses for the year	-12.5	-1.7
Liabilities assumed in a business combination	8.6	21.9
Benefits paid through pension assets	3.0	2.1
Benefits paid by employer	-0.1	-0.0
Plan amendments	-0.5	-0.6
Exchange rate differences	3.5	3.1
<b>Closing defined benefit obligation</b>	<b>78.3</b>	<b>71.2</b>
<b>Changes in the fair value of plan assets</b>		
Opening fair value of assets	66.7	35.8
Interest income	0.2	0.1
Return on plan assets excluding interest income	-7.9	2.3
Plan participants' contribution	2.0	1.6
Company contributions	2.3	1.9
Assets assumed in a business combination	8.7	20.1
Benefits paid through pension assets	3.0	2.1
Administration expense	-0.1	-0.1
Exchange rate differences	3.4	2.9
<b>Closing fair value of assets</b>	<b>78.3</b>	<b>66.7</b>
Actual return on plan assets	-7.7	2.4
<b>Major asset categories at</b>		
Equities		
Quoted market prices	17.2	15.5
Other than quoted market prices		
Bonds		
Quoted market prices	18.2	16.6
Other than quoted market prices	0.2	-
Real estate		
Quoted market prices	0.5	
Other than quoted market prices	13.7	10.9
Alternative investments		
Quoted market prices	0.5	
Other than quoted market prices	5.5	4.8
Qualified insurance policies	20.6	16.2
Others	0.1	1.0
Cash	1.9	1.7
<b>Total</b>	<b>78.3</b>	<b>66.7</b>
<b>Components of the defined benefit obligation at</b>		
Defined benefit obligation for active employees	75.9	68.3
Defined benefit obligation for vested terminations	0.2	0.4
Defined benefit obligation for pensioners	2.3	2.5
<b>Total</b>	<b>78.3</b>	<b>71.2</b>
<b>Modified duration of the obligations at</b>		
Active employees	11.4	14.8
Vested terminations	19.0	20.0
Pensioners	13.3	14.2
Weighted modified duration	11.5	14.8



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## Notes to the Consolidated Financial Statements

### 12 Employee benefits

EUR million	31.12.2022	31.12.2021
<b>Assumptions at</b>		
Discount rate	2.28%	0.32%
Salary increase	1.77%	1.02%

#### Sensitivity analysis as at: (reduction)/increase in defined benefit obligation

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

EUR million	31.12.2022	31.12.2021
Discount rate -0.25%	1.3	2.3
Discount rate +0.25%	-1.0	-2.1
Salary increase -0.25%	-0.1	-0.2
Salary increase +0.25%	0.1	0.2



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## Notes to the Consolidated Financial Statements

### 13 Income Taxes

See accounting policy in Note 30.

#### A. Income tax expense

EUR million	2022	2021
Current income tax expenses	-10.4	-9.3
Deferred income tax expenses	8.5	-3.4
<b>Total income tax expenses</b>	<b>-1.9</b>	<b>-12.6</b>

#### B. Reconciliation of effective tax rate

EUR million	2022	2021
Loss before tax from continuing operations	-56.0	-32.9
Expected tax rate	18%	23%
Expected income tax income at weighted average applicable tax rate	10.2	7.5
Expenses not deductible for tax purposes	-2.2	-9.9
Expenses exclusively tax-deductible	11.0	6.0
Income not subject to tax	0.7	3.7
Income exclusively tax-deductible	-0.5	-0.4
Utilisation of previously unrecognised tax losses	2.2	0.2
Capitalization of tax losses for which no deferred income tax asset was recognised in prior years	-2.6	0.0
Waived capitalization of tax loss carry forwards	-21.0	-18.6
Current income tax charges/credits related to prior periods	0.5	0.0
Impact from changes in local tax legislation and/or local tax rates	0.0	-1.2
Impact from application of different tax rates	-0.1	0.0
<b>Total income taxes</b>	<b>-1.9</b>	<b>-12.6</b>
<b>Effective income tax rate</b>	<b>3%</b>	<b>38%</b>

#### C. Deferred taxes

EUR million	2022		2021	
	Assets	Liabilities	Assets	Liabilities
Trade receivables and other current assets		0.1		0.1
Property, plant and equipment	1.2	0.9	4.6	
Intangible assets		43.9		51.0
Other non-current assets		0.8		0.6
Trade payables and other current liabilities			0.4	-
Borrowings		0.1		0.4
Other non-current liabilities			0.4	
Loss carry-forwards	15.7		9.7	-
<b>Total</b>	<b>16.9</b>	<b>45.7</b>	<b>15.2</b>	<b>52.0</b>
<b>Amounts to be netted</b>	<b>-0.6</b>	<b>-0.6</b>	<b>-4.6</b>	<b>-4.6</b>
Deferred tax assets	16.3		10.5	
Deferred tax liabilities		45.1		45.2



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## Notes to the Consolidated Financial Statements

### 13 Income Taxes (continued)

#### D. Movement in deferred taxes

EUR million	2022		2021	
	Assets	Liabilities	Assets	Liabilities
Deferred taxes at 1 January	10.5	45.2	14.0	22.9
Increase in scope of consolidation	0.1	2.4	-0.2	21.8
Recognised in the income statement for the period	6.6	-1.6	-2.9	0.4
Offsetting		-0.0	-0.9	-0.9
FX difference	-0.7	-0.8	0.4	1.0
Deferred taxes at 31 December	16.3	45.1	10.5	45.2

#### E. Tax losses carried forward

Tax losses for which no deferred tax asset was recognised expire as follows.

EUR million	31.12.2022	31.12.2021
<b>Expiry:</b>		
within 1 year		
after 1 up to 2 years	1.7	
after 2 up to 3 years	6.0	1.6
after 3 up to 7 years	62.3	64.1
after 7 years		
unlimited	98.7	85.7
<b>Total unrecognised tax losses carried forward</b>	<b>168.7</b>	<b>151.3</b>



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## Notes to the Consolidated Financial Statements

### 14 Inventories

See accounting policy in Note 30.

EUR million	31.12.2022	31.12.2021
Raw materials and consumables	26.5	22.6
Dental tech	1.7	1.6
Work in progress		0.0
Finished goods	0.5	0.4
<b>Inventories</b>	<b>28.7</b>	<b>24.6</b>

### 15 Trade and other receivables

See accounting policy in Note 30.

EUR million	Notes	31.12.2022	31.12.2021
Trade receivables	6	60.6	58.1
Prepaid expenses		13.9	11.4
Accrued income	6	18.6	8.0
Other current assets	6	22.0	18.9
<b>Trade receivables and other current assets</b>		<b>115.1</b>	<b>96.3</b>

Information about the Group's exposure to credit and market risks, and impairment losses for trade receivables is included in Note 23.



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## Notes to the Consolidated Financial Statements

### 16 Property, plant and equipment

See accounting policy in Note 30.

EUR million	Property and buildings	Installations and fittings	Furniture and other equipment	Other	Total
<b>Cost</b>					
Balance at 1 January 2022	16.3	80.2	147.4	18.0	262.0
Increase in scope of consolidation	0.1	1.5	5.3	0.3	7.1
Additions	3.7	11.6	30.4	5.7	51.4
Net variation	-0.0	0.0	-0.0	0.0	-0.0
Disposals	0.0	-1.0	-2.1	-0.2	-3.3
Reclassification	-4.6	3.9	0.0	-0.5	-1.3
FX difference	0.1	-1.5	-3.0	-0.4	-4.8
<b>Balance at 31 December 2022</b>	<b>15.5</b>	<b>94.8</b>	<b>178.0</b>	<b>22.9</b>	<b>311.2</b>
<b>Accumulated depreciation</b>					
Balance at 1 January 2022	-0.6	-28.8	-71.3	-9.3	-110.0
Increase in scope of consolidation (Depreciation/Amortization)	-1.5	-7.7	-27.0	-4.8	-41.0
Disposals	-0.0	0.9	1.5	0.2	2.6
Reclassification	0.1	0.1	0.6	0.2	1.0
FX difference	-0.0	0.4	1.7	0.2	2.3
<b>Balance at 31 December 2022</b>	<b>-2.0</b>	<b>-35.2</b>	<b>-94.5</b>	<b>-13.4</b>	<b>-145.1</b>
<b>Carrying amounts</b>					
at 1 January 2021	3.8	29.6	46.6	2.4	82.3
at 31 December 2021	15.8	51.4	76.1	8.7	152.0
at 31 December 2022	13.6	59.6	83.5	9.5	166.1



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## Notes to the Consolidated Financial Statements

### 16 Property, plant and equipment (continued)

EUR million	Right of use asset: Property and buildings	Right of use asset: Furniture and other equipment	Right of use asset: Other	Total
<b>Cost</b>				
Balance at 1 January 2022	323.9	29.3	3.5	356.6
Increase in scope of consolidation		0.1		0.1
(Decrease in scope of consolidation)				
Additions	73.6	1.2	2.3	77.1
Disposals	-2.2	-0.9	-0.8	-4.0
Value Adjustment	-13.1			-13.1
Reclassification	0.8	-0.1		0.7
Remeasurements and contract modifications	-5.2	-0.4	-0.0	-5.6
<b>Balance at 31 December 2022</b>	<b>377.8</b>	<b>29.2</b>	<b>4.9</b>	<b>411.9</b>
<b>Accumulated depreciation</b>				
Balance at 1 January 2022	-46.1	-16.5	-1.4	-63.9
(Decrease in scope of consolidation)				
Net variation	-0.0	-0.0	-0.0	-0.0
Disposals	2.2	0.9	0.8	3.9
Depreciation	-36.5	-4.1	-1.6	-42.3
Reclassification	-0.5	0.1	0.0	-0.4
FX difference	1.3	0.3	0.0	1.6
<b>Balance at 31 December 2022</b>	<b>-79.7</b>	<b>-19.3</b>	<b>-2.1</b>	<b>-101.1</b>
<b>Cost</b>				
Balance at 1 January 2021	179.2	24.4	2.0	205.6
Increase in scope of consolidation	119.0	11.9	1.7	132.6
Additions	35.9			35.9
Disposals	-2.8	-6.0	-0.3	-9.0
Remeasurements and contract modifications	-12.3			-12.3
Reclassification	-	-0.9		-0.9
FX difference	4.9	-0.2	0.0	4.8
<b>Balance at 31 December 2021</b>	<b>323.9</b>	<b>29.3</b>	<b>3.5</b>	<b>356.6</b>
<b>Accumulated depreciation</b>				
Balance at 1 January 2021	-20.4	-17.8	-0.6	-38.8
Disposals	2.4	6.0	0.1	8.5
Depreciation	-27.4	-5.6	-0.9	-34.0
Reclassification	-	0.9	-	0.9
FX difference	-0.6	0.1	-0.0	-0.5
<b>Balance at 31 December 2021</b>	<b>-46.1</b>	<b>-16.5</b>	<b>-1.4</b>	<b>-63.9</b>
<b>Carrying amounts</b>				
at 1 January 2021	168.8	6.7	1.4	166.8
at 31 December 2021	277.9	12.8	2.1	292.8
at 31 December 2022	298.2	9.9	2.7	310.8
<b>Carrying amounts total property, plant and equipment</b>				
at 1 January 2021				249.2
at 31 December 2021				444.7
at 31 December 2022				476.9



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## Notes to the Consolidated Financial Statements

### 17 Intangible assets and Goodwill

See accounting policy in Note 30.

#### A. Reconciliation of carrying amount

EUR million	Goodwill	Patient lists	Brand value	Other	Total
<b>Cost</b>					
Balance at 1 January 2022	1'227.6	182.7	37.3	105.9	1'553.5
Increase in scope of consolidation	117.7	9.6		0.1	127.4
Additions		4.0		13.6	17.6
Disposals	-0.7	-1.3		-1.2	-3.2
Reclassification	-0.3	-0.2	0.1	0.7	0.2
FX difference	-10.9	-2.4	-0.7	-3.5	-17.5
<b>Balance at 31 December 2022</b>	<b>1'333.4</b>	<b>192.4</b>	<b>36.7</b>	<b>115.7</b>	<b>1'678.2</b>
<b>Accumulated amortisation and impairment losses</b>					
Balance at 1 January 2022	-127.5	-47.6	-12.5	-39.2	-226.8
Increase in scope of consolidation		-0.6		-0.0	-0.6
Amortisation / Impairment	-0.0	-19.1	-3.2	-17.9	-40.3
Disposals		1.3		1.2	2.4
Reclassification	-0.0	0.0	-0.1	0.0	-0.0
FX difference	2.7	1.2	0.5	1.5	5.9
<b>Balance at 31 December 2022</b>	<b>-124.8</b>	<b>-64.9</b>	<b>-15.3</b>	<b>-54.4</b>	<b>-259.3</b>
<b>Cost</b>					
Balance at 1 January 2021	698.4	99.6	34.7	82.9	915.6
Increase in scope of consolidation	520.8	79.6	2.3	14.5	617.1
Additions		5.7	-	6.0	11.7
Disposals	-3.7	-4.5	-	-1.3	-9.5
Reclassification	-0.0	1.0	-	-1.0	-0.0
FX difference	12.2	1.3	0.3	4.7	18.6
<b>Balance at 31 December 2021</b>	<b>1'227.6</b>	<b>182.7</b>	<b>37.3</b>	<b>105.9</b>	<b>1'553.5</b>
<b>Accumulated amortisation and impairment losses</b>					
Balance at 1 January 2021	-128.3	-38.9	-8.6	-27.5	-203.3
Amortisation / Impairment	-	-12.5	-3.7	-11.7	-27.9
Disposals	3.4	4.5	-	1.3	9.1
Reclassification		-0.1	0.0	0.1	-0.0
FX difference	-2.6	-0.6	-0.1	-1.4	-4.7
<b>Balance at 31 December 2021</b>	<b>-127.5</b>	<b>-47.6</b>	<b>-12.5</b>	<b>-39.2</b>	<b>-226.8</b>
<b>Carrying amounts</b>					
at 1 January 2021	570.1	60.7	26.1	55.4	712.3
at 31 December 2021	1'100.1	135.0	24.9	66.8	1'326.7
at 31 December 2022	1'208.6	127.5	21.4	61.3	1'418.9



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## Notes to the Consolidated Financial Statements

### 17 Intangible assets and goodwill

#### B. Impairment testing for cash-generating units (CGU) containing goodwill

The value in use of CGUs to which goodwill has been allocated is determined annually using the discounted cash flow method, or more frequently if any indication of impairment exists.

Future cash flows, pre-tax discount rates, and other parameters relating to the respective CGU are determined using various assumptions. Generally, the forecast for the following five years forms the basis for the test. Assumptions such as market conditions, revenues, capital expenditures and tax rates are considered reasonable by management.

An impairment loss is recognised in the income statement if the carrying amount of the CGU exceeds the value in use. Impairment losses for the earlier periods cannot be reversed.

The value in use calculation was based on the following assumptions:

EUR million	Goodwill	Pre-tax discount rate	Average annual revenue*	Terminal growth rate	Inflation rate
As of 31 December 2022					
Europe	1'208.6	10.0%	3.1%	2.5%	2.5%
As of 31 December 2021					
Europe	1'100.1	6.3%	3.8%	2.0%	2.0%

\*expected average annual growth rate over the forecasted period

No impairment was necessary in the reporting year as the value in use is greater than the carrying value (2021: no impairment).

The value in use of the CGUs to which goodwill has been allocated is reviewed for the impact of reasonably possible changes in key assumptions. In particular, an increase in the discount rate or a deterioration of future cash flow expectations is considered. These reasonably possible changes in key assumptions would not alter the results of the impairment test.



Colosseum HoldCo II AG - Consolidated Financial Statements 2022

## Notes to the Consolidated Financial Statements

### 18 Equity and reserves

#### A. Share capital

In thousands of shares	Ordinary shares	Preference Shares
In issue at 1 January 2021 - fully paid	1'128	111'675
Issued for contribution in kind	226	22'377
<b>In issue at 31 December 2021 - fully paid</b>	<b>1'354</b>	<b>134'052</b>
In issue at 1 January 2022 - fully paid	1'354	134'052
Issued for contribution in kind	-	-
<b>In issue at 31 December 2022 - fully paid</b>	<b>1'354</b>	<b>134'052</b>

All ordinary shares rank equally with regard to the Company's residual assets. Preference shareholders participate only to the extent of the face value of the shares. Both share classes nominal value amounts to CHF 1.

#### *i. Ordinary shares*

Holders of ordinary shares are entitled to dividends and are entitled to one vote per share at shareholders' meetings of the Company.

#### *ii. Preference shares*

Holders of preference shares receive a fixed dividend at the Company's discretion, or whenever dividends to ordinary shareholders are declared. They do not have the right to participate in any additional dividends declared for ordinary shareholders. These shares do not have voting rights.

#### *iii. Issue of shares*

On 17 December 2021, the shareholders' meeting approved a capital increase by way of contribution in kind from Colosseum HoldCo I AG in the amount of CHF 192.1M (EUR 186.0M). Share Capital increased in total by CHF 22.6M (EUR 21.9M) and share premium by CHF 169.5M (EUR 164.1M). The contribution consisted of 99 Share class B of Colosseum Dental Finance B.V.

#### B. Nature and purpose of reserves

##### *i. Translation reserve*

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations (see Note 30).

##### *ii. Reserve for put options to NCI*

The reserve for put options to NCI comprises the carrying amount of the liability and the changes in the carrying amount of the put liability (see Note 30).

#### C. Dividends

No dividends were declared by the Company for the year. After the reporting date, no dividends were proposed by the board of directors.

### 19 Capital Management

The Group continues to apply its policy to maintain a sound capital base to support the continued development of the business. The Board periodically reviews the capital structure of the Group, including the cost of capital and the risks associated with each class of capital. The Group manages and, if necessary, adjusts its capital structure taking into account underlying economic conditions; any material adjustments to the Group's capital structure in terms of the relative proportions of debt and equity are approved by the board of directors. In order to maintain or adjust the capital structure, the Group may issue new shares, dispose of assets, amend investment plans, alter dividend policy or return capital to shareholders. No changes were made in the objectives or policies during 2022.



Colosseum HoldCo II AG - Consolidated Financial Statements 2022

## Notes to the Consolidated Financial Statements

### 20 Borrowings

See accounting policy in Note 30.

#### A. Terms and repayment schedule

The terms and conditions of outstanding loans are as follows.

EUR million				31.12.2022	31.12.2022	31.12.2021	31.12.2021
Lender	nominal interest rate	Currency	Year of maturity	Face value	Carrying value	Face value	Carrying value
Bank loans, senior secured	SARON + 4%	CHF	2025	33.6	33.9	32.3	31.7
	EURIBOR + 4 -						
Bank loans, senior secured	4.75%	EUR	2025	885.2	891.6	777.6	761.3
Bank loans, senior secured	SONIA + 4%	GBP	2025	47.1	47.4	50.1	49.3
Bank loans, senior secured	NIBOR 4%	NOK	2025	33.3	33.6	35.7	35.1
Bank loans, senior secured	STIBOR 4%	SEK	2025	11.2	11.3	11.6	11.4
Bank loans, senior secured	EURIBOR + 4.5%	EUR	2023	100.0	100.0	11.3	11.3
Bank loans, unsecured	SARON + 3%	EUR	UFN	20.3	20.3	70.8	70.8
Shareholder loan, unsecured	SARON + 6%	CHF	2027	50.0	50.0		
Other borrowings			various	18.3	18.3	17.1	17.1
<b>Total borrowings</b>					<b>1'206.5</b>		<b>988.0</b>
thereof current					193.7		71.5
thereof non-current					1'012.8		916.7

On 19 October 2021, the reference rate for GBP and CHF switched from LIBOR to daily compounded rates, namely SONIA and SARON. For the secured bank loans such reference rate is at least zero percent, which is unchanged to prior year.

The senior secured bank loans are secured with cash, receivables, operating assets, inventory and shares of subsidiaries with a carrying amount of EUR 826M (2021: EUR 626.9M).

As of year-end, the Group had access to bank loan facilities in the total of EUR 1,220M (2021: EUR 1,006.4M), whereof EUR 1,206M (2021: EUR 988M) were drawn.

#### B. Reconciliation of movements of liabilities to cash flow arising from financing activities

EUR million	2022	2021
Balance at 1 January	988.1	453.9
Increase in scope of consolidation	3.0	18.7
Additions	435.2	660.7
Repayments	-232.5	-19.8
Interest expense and arrangement fees	67.5	31.1
Interest paid	-37.1	-19.9
Reclassification (conversion into equity)		-176.7
FX difference	-17.7	20.0
<b>Balance at 31 December</b>	<b>1'206.5</b>	<b>988.0</b>



Colosseum HoldCo II AG - Consolidated Financial Statements 2022

## Notes to the Consolidated Financial Statements

### 21 Trade and other liabilities

See accounting policy in Note 30.

EUR million	Notes	31.12.2022	31.12.2021
Accounts payable trade		41.0	43.5
Other accounts payable		54.5	72.3
Other liabilities		3.7	1.3
Deferred revenue	6	39.6	22.8
Accrued expenses		77.7	75.6
Liabilities from share-based payment transactions	11	6.6	9.6
Long-term employee benefits liability		17.9	14.1
		<b>241.0</b>	<b>239.2</b>
thereof current		216.3	217.3
thereof non-current		24.7	22.1

### 22 Provisions

See accounting policy in Note 30.

EUR million	Legal cases	Dismantling costs	Other	Total
Balance at 1 January 2022	1.4	5.3	4.4	11.2
Additions	0.4	1.6	0.7	2.8
Utilisation	-0.3	-0.5	-1.1	-1.9
Released as no longer required	-0.3			-0.3
Reclassification	0.0		-0.3	-0.3
FX difference	-0.0	-0.3		-0.3
<b>Balance at 31 December 2022</b>	<b>1.2</b>	<b>6.1</b>	<b>3.8</b>	<b>11.2</b>
thereof current				2.5
thereof non-current				8.7

  

EUR million	Legal cases	Dismantling costs	Other	Total
Balance at 1 January 2021	0.8	5.1	0.9	6.8
Increase in scope of consolidation	0.4		3.5	3.9
Additions	0.5		1.1	1.6
Utilisation	-0.0	-0.1	-1.1	-1.2
Released as no longer required	-0.3		-0.0	-0.3
FX difference	0.0	0.4		0.4
<b>Balance at 31 December 2021</b>	<b>1.4</b>	<b>5.3</b>	<b>4.4</b>	<b>11.2</b>
thereof current				1.4
thereof non-current				9.7

#### A Legal cases

The provision for legal cases relates mainly to patient claims. The Group expects to settle the majority of the liability over the next year.

#### B Dismantling cost

The provision for dismantling cost relates mainly to rental contracts and will be used when premises are returned to the property owner.



Colosseum HoldCo II AG - Consolidated Financial Statements 2022

## Notes to the Consolidated Financial Statements

### 23 Financial instruments – Fair values and risk management

#### A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 December 2022	Carrying amount (by measurement basis)					Fair Value
	EUR million	Amortized cost	Level 1	Level 2	Level 3	
<b>Financial assets measured at amortised cost</b>						
Cash and cash equivalents	96.0	-	-	-	-	96.0
Trade receivables and other assets	119.6	-	-	-	-	119.6
Loan receivables	7.7	-	-	-	-	7.7
<b>Financial liabilities measured at fair value</b>						
Financial liabilities at fair value	-	-	-	66.6	-	66.6
<b>Financial liabilities remeasured through equity</b>						
Put options to non-controlling interests (NCI)	-	-	-	111.7	-	111.7
<b>Financial liabilities measured at amortised cost</b>						
Secured bank loans	1'167.7	-	-	-	-	1'167.7
Unsecured bank loans	20.3	-	-	-	-	20.3
Other loans	18.3	-	-	-	-	18.3
Trade and other payables *	201.4	-	-	-	-	201.4
Lease liabilities	320.6	-	-	-	-	320.6
<b>Total</b>	<b>1'951.7</b>			<b>178.3</b>		<b>2'130.0</b>
<b>31 December 2021</b>						
EUR million	Carrying amount (by measurement basis)					Fair Value
	Amortized cost	Level 1	Level 2	Level 3	Total carrying amount	
<b>Financial assets not measured at fair value</b>						
Cash and cash equivalents	91.7	-	-	-	-	91.7
Trade receivables and other assets	96.3	-	-	-	-	96.3
Loan receivables	33.3	-	-	-	-	33.3
<b>Financial liabilities measured at fair value</b>						
Financial liabilities at fair value	-	-	-	70.0	-	70.0
<b>Financial liabilities measured through Equity</b>						
Put options to non-controlling interests (NCI)	-	-	-	77.4	-	77.4
<b>Financial liabilities not measured at fair value</b>						
Secured bank loans	900.1	-	-	-	-	900.1
Unsecured bank loans	70.8	-	-	-	-	70.8
Other loans	17.1	-	-	-	-	17.1
Trade and other payables *	216.4	-	-	-	-	216.4
Lease liabilities	297.0	-	-	-	-	297.0
<b>Total</b>	<b>1'722.7</b>			<b>147.4</b>		<b>1'870.0</b>

\* other payables that are not financial liabilities are not included.

There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the year.



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Notes to the Consolidated Financial Statements

23 Financial risk management

B. Measurement of fair values

i. Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 3 fair values for financial instruments in the statement of financial position, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
<b>Financial liabilities at fair value:</b> The valuation model considers the individually contractually agreed calculation mechanism (which in most cases is a multiple calculation based on a targeted earning - in most cases is either profit before interest, tax, depreciation and amortisation or net revenue)	- Expected targeted earnings of the underlying companies - individually contractually agreed multiple	The estimated fair value would increase (decrease) if: - the expected targeted earnings were higher (lower)
<b>Put options to non-controlling interests (NCI):</b> The valuation model considers the individually contractually agreed calculation mechanism (which in most cases is a multiple calculation based on a targeted earning - in most cases is either profit before interest, tax, depreciation and amortisation or net revenue)	- Expected targeted earnings of the underlying companies - individually contractually agreed multiple	The estimated fair value would increase (decrease) if: - the expected targeted earnings were higher (lower)

ii. Level 3 recurring fair values

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values.

EUR million	Put options to non-controlling interests (NCI)	Financial liabilities at fair value:
Balance at 1 January 2021	45.4	62.7
Additions	36.1	43.5
Repayments	-	-35.0
Net change in fair value included in OCI	-4.9	
Net change in fair value included in Income Statement	-	-1.9
FX difference	0.8	0.7
<b>Balance as of 31 December 2021</b>	<b>77.4</b>	<b>70.0</b>
Balance at 1 January 2022	77.4	70.0
Additions	31.6	33.2
Repayments	-	-23.2
Net change in fair value included in OCI	2.1	
Net change in fair value included in Income Statement	-	-12.4
FX difference	0.7	-1.0
<b>Balance as of 31 December 2022</b>	<b>111.7</b>	<b>66.6</b>



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## Notes to the Consolidated Financial Statements

### 23 Financial instruments – Fair values and risk management

#### C. Financial risk management

Our activities expose us to a variety of financial risks. The board of directors observe the principles of risk management and monitor to ensure compliance with those principles. Our risk management focuses on the identification, description, management, monitoring and control of default, interest rate, foreign exchange and liquidity risks.

Identified risks	Risk	Risk management
Foreign exchange risk	Fluctuations in exchange rates lead to: <ul style="list-style-type: none"><li>› Transaction and valuation risks, mainly related to Group loans granted in non-Euro currencies.</li><li>› Translation risks of companies with non-EUR currencies as their functional currency.</li></ul>	<ul style="list-style-type: none"><li>› Denomination of revenue in the same currency in which the costs are incurred and denomination of financing in the currency of the asset ('natural hedging').</li></ul>
Liquidity risk	<ul style="list-style-type: none"><li>› Insufficient cash and cash equivalents to service and repay liabilities.</li><li>› Lines of credit insufficient for financing further growth.</li></ul>	<ul style="list-style-type: none"><li>› Short- and medium-term rolling planning of cash and cash equivalents at Group level.</li><li>› Availability of sufficient liquid funds.</li><li>› Ongoing monitoring of amortisation, reporting and repayment obligations at Group level.</li><li>› Securing lines of credit at Group level.</li></ul>
Credit risk	<ul style="list-style-type: none"><li>› Default risk on trade receivables, financial receivables and cash and cash equivalents.</li></ul>	<ul style="list-style-type: none"><li>› Timely management of outstanding amounts.</li><li>› Bank balances invested with good to top-rated counterparties.</li><li>› Financial receivables: Continuous monitoring of recoverability. Impairments and provisions are made in line with the expected losses.</li></ul>
Interest rate risk	<ul style="list-style-type: none"><li>› Rising interest rates make financing for investment more expensive.</li></ul>	<ul style="list-style-type: none"><li>› The Group treasury department manages and oversees the financing lines of the Group, and the related interest rate risks and, to the extent possible, provides the necessary liquidity in the required functional currency for the companies of the Group. Consequently, the Group's debt obligations are adjusted with the real currency mix of the Group's liabilities in order to reflect the correct exposure to interest rates.</li></ul>



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## Notes to the Consolidated Financial Statements

### 23 Financial risk management

#### D. Foreign exchange risks

EUR million	31.12.2022	31.12.2021
<b>Financial assets:</b>		
with EUR/CHF risk	51.4	40.1
with EUR/DKK risk	5.5	6.8
with EUR/NOK risk	33.3	11.2
with EUR/SEK risk	8.9	8.2
with EUR/GBP risk	6.3	12.1
with EUR/USD risk		19.7
<b>Financial liabilities:</b>		
with EUR/CHF risk	305.0	160.9
with EUR/DKK risk	20.2	26.8
with EUR/NOK risk	114.5	97.9
with EUR/SEK risk	52.0	51.8
with EUR/GBP risk	79.7	81.0
<b>Net risk exposure</b>	<b>-466.0</b>	<b>-339.8</b>

Impact of a 5% strengthening of the EUR (positive) / 5% weakening of the EUR (negative):

EUR million	31.12.2022		31.12.2021	
	EUR (positive)	EUR (negative)	EUR (positive)	EUR (negative)
Consolidated income statement (gain)/loss	-23.3	23.3	-17.0	17.0
Consolidated statement of OCI (gain)/loss	-	-	-	-
<b>Effect on total equity</b>	<b>-23.3</b>	<b>23.3</b>	<b>-17.0</b>	<b>17.0</b>

#### E. Interest rate risk

EUR million	31.12.2022	31.12.2021
Fixed-rate liabilities	-	-
Variable-rate liabilities	1'206.5	988.0
<b>Financial liabilities</b>	<b>1'206.5</b>	<b>988.0</b>

#### Interest rate sensitivities

The Group does not recognise any fixed-rate financial liabilities at fair value, so a change in the interest rate environment does not affect the consolidated income statement.

All calculations are based on the carrying amounts of the financial instruments on the balance sheet date.

The following table shows the impact of a parallel shift of interest rates by 100 basis points (bps) up and 10 bps down on the Group's equity and Consolidated Income Statement, net of tax. The calculation is performed on the portion of the outstanding debt. This sensitivity analysis only indicates the potential impact for the respective fiscal year at the prevailing conditions in the financial markets. Consequently, it does not represent actual or future gains or losses, which are strictly managed and controlled, by the Group treasury department.

EUR million	2022		2021	
	Income Statement		Income Statement	
	100 bps increase	10 bps decrease	100 bps increase	10 bps decrease
<b>Interest rate sensitivity</b>	<b>12.0</b>	<b>-1.2</b>	<b>9.9</b>	<b>-1.0</b>



Colosseum HoldCo II AG - Consolidated Financial Statements 2022

## Notes to the Consolidated Financial Statements

### 23 Financial instruments – Fair values and risk management

#### F. Liquidity risk

##### Contractual maturities

The tables below provides an overview of contractual maturities for financial liabilities.

EUR million	Contractual cash flow			Carrying amount
	In the first year	Between two and five years	After five years	
As at 31 December 2022				
Trade and other payables *	176.7	24.7	-	201.4
Financial liabilities at fair value	21.9	44.7	-	66.6
Lease liabilities	45.9	151.8	136.2	320.6
Borrowings	199.3	1'134.8	-	1'206.4
Put options to non-controlling interests (NCI)	-	99.1	12.6	111.7
<b>Total financial liabilities</b>	<b>443.8</b>	<b>1'455.1</b>	<b>148.9</b>	<b>1'906.7</b>

EUR million	Contractual cash flow			Carrying amount
	In the first year	Between two and five years	After five years	
As at 31 December 2021				
Trade and other payables *	194.3	22.1	-	216.4
Financial liabilities at fair value	22.2	47.7	-	70.0
Lease liabilities	49.3	164.5	154.8	297.0
Borrowings	73.6	1'027.1	-	988.2
Put options to non-controlling interests (NCI)	-	66.4	11.0	77.4
<b>Total financial liabilities</b>	<b>339.5</b>	<b>1'327.9</b>	<b>165.8</b>	<b>1'649.0</b>

\* other payables that are not financial liabilities are not included.

#### G. Credit risk

The principle credit risk is the risk of financial loss to the Group if a customer/borrower fails to meet its contractual obligations. The carrying amounts of trade receivables, net and loan receivables represents the maximum credit exposure. See Note 28 for further disclosures on major loan receivables.

There were no impairment losses on other financial assets recognised in profit or loss in 2021 (2020: none).

##### Trade receivables

The group applies the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

The following table shows the due date of trade receivables as at the year end date on a gross basis along with the bad debt allowance:

EUR million	31.12.2022	31.12.2021
Not due	22.2	26.5
Past due since 1 - 30 days	16.4	13.7
Past due since 31 - 60 days	7.3	7.7
Past due since 61 - 90 days	7.6	7.1
Past due since 91 - 180 days	3.5	1.8
Past due since more than 180 days	7.9	5.1
<b>Total trade receivables, gross</b>	<b>64.9</b>	<b>61.9</b>
Bad debt allowance	-7.5	-5.8
<b>Total trade receivables, net</b>	<b>57.4</b>	<b>56.1</b>

The bad debt allowance for trade receivables as at 31 December reconciles to the opening loss allowances as follows:

EUR million	2022	2021
Opening loss allowance at 1 January	-5.8	-3.6
Increase in scope of consolidation	-0.1	-1.7
Recognition of additional allowance	-3.6	-2.2
Derecognition of losses	0.8	1.1
Derecognition of allowance no longer required	1.3	0.6
FX difference	0.0	-0.1
<b>Closing loss allowance at 31 December</b>	<b>-7.5</b>	<b>-5.8</b>



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## Notes to the Consolidated Financial Statements

### 24 List of subsidiaries

Set out below is a list of material subsidiaries of the Group. The ultimate parent of the Group is Jacobs Holding AG.

Country	Subsidiary	Ownership interest in %	
		31.12.2022	31.12.2021
Switzerland	Colosseum AG	100	100
Norway	Colosseum Dental Group Holding AS	100	100
Norway	Colosseum Dental Group AS	100	100
Switzerland	Colosseum Dental Schweiz AG	99	99
Switzerland	Subsidiaries	51 - 100	51 - 100
Germany	Colosseum Dental Deutschland GmbH	99	99
Germany	Subsidiaries	50 - 100	50 - 100
Denmark	Colosseum Klinikken Danmark APS	100	100
Denmark	Subsidiaries	49 - 100	49
Finland	Colosseum Dental Finland Oy	100	100
Finland	Subsidiaries	100	100
France	Colosseum Dental France SAS	100	100
France	Subsidiaries	50 - 100	51 - 100
Italy	Colosseum Dental Italy Srl	100	100
Italy	Subsidiaries	51 - 100	51 - 100
Norway	Dental NorCo I AS	100	100
Norway	Subsidiaries	100	100
Sweden	Colosseum Smile AB	100	100
Sweden	Subsidiaries	49 - 100	75 - 100
UK	Triventura Midco I Limited	100	100
UK	Subsidiaries	100	100
BENELUX	Colosseum Dental Finance B.V.	100	100
	Subsidiaries	70 - 100	50 - 100

Colosseum HoldCo II AG is the parent of the Group and immediate parent company of Colosseum AG. Colosseum AG, in turn, is the immediate parent company of Colosseum Dental Group Holding AS, which in turn, is the immediate parent company of Colosseum Dental Group AS. Colosseum Dental Group AS is the immediate parent company of all country holding companies except for Colosseum Smile AB (Sweden), Colosseum Dental Finland Oy (Finland) and Colosseum Klinikken Danmark ApS (Denmark), respectively. The immediate parent company of these companies is Dental NorCo I AS (Norway).

As of 31 December 2022, the non-controlling interest associated with any one individual company or country in total is immaterial to the Group as a whole. For details regarding material transactions with non-controlling interests in 2022 see Note 26.



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## Notes to the Consolidated Financial Statements

### 25 Business combinations

See accounting policy in Note 30.

The Group continuously acquires majority stakes in dental businesses across Europe. The acquisitions support the strategic goal of the Group as a leading dental care provider in Europe. None of the businesses acquired in 2022 were individually material to the Group and thus the information disclosed below is in aggregate.

The following table summarises acquisitions closed in the year.

Country	2022	
	Number of businesses	Number of clinics
Germany	13	16
Sweden	9	9
Denmark	1	1
United Kingdom	2	3
Switzerland	4	5
Norway	24	25
Finland	2	2
Netherlands	1	1
<b>Total number of acquirees</b>	<b>56</b>	<b>62</b>

As at 31 December 2022, the Group had 8 contractual agreements signed in principle but not yet finalised in several countries. These contractual agreements represented 8 dental clinics in total. These business combinations were finalised in the first quarter 2023. None of these business combinations were individually material to the Group.

For the year ending 31 December 2022, the acquired dental clinics contributed revenues of EUR 65.9 M and net profit of EUR 7.3 M. If the acquisitions had occurred on 1 January 2021, management estimates that consolidated revenue would have been EUR 90.4M and consolidated net profit for the year would have been EUR 21.8M. This estimate assumes a normal trading year. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2021. Details of the purchase consideration, the net assets acquired and goodwill are as follows.

#### A. Purchase consideration transferred

The following table summarises the acquisition date fair value of each major class of consideration transferred for business combinations in 2022.

EUR million	Total
Cash	98.5
Contingent consideration	33.2
<b>Total purchase consideration transferred</b>	<b>131.7</b>

#### Contingent consideration

Depending on the business combination, the Group has agreed to pay the selling shareholders additional consideration of EUR 33.2M (2021: EUR 43.5M). In the majority of cases, the contingent consideration is payable between the next three to five years if the acquiree's cumulative EBITDA over the defined period exceeds the agreed threshold. Pay out of earn-outs from previous acquisitions amounts to EUR 23.2M (2021: 35.0M).

#### B. Acquisition related costs

In 2022, the Group incurred acquisition-related costs that were not directly attributable to the issue of shares of EUR 6.1M (2021: EUR 9.6M). These costs have been included in 'other operating expenses'.



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## Notes to the Consolidated Financial Statements

### 25 Business combinations

#### C. Net assets acquired

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

EUR million			Total
Cash and cash equivalents			1.6
Trade receivables and other assets			7.4
Income tax receivables			0.1
Inventories			1.7
Property, plant and equipment			7.2
Intangible assets			9.1
Other assets			0.0
Deferred tax assets			0.1
<b>Total identifiable assets acquired</b>			<b>27.1</b>
Trade payables and other liabilities			5.0
Lease liabilities			0.1
Borrowings			3.3
Income tax payables			1.7
Deferred tax liabilities			2.4
<b>Total identifiable liabilities acquired</b>			<b>12.5</b>
EUR million			
Total identifiable net assets acquired			-14.6
Non-controlling interests			0.8
Goodwill			117.9

If new information obtained within one year of the date of acquisition about facts and circumstances that existed at the date of acquisition identifies adjustments to the above amounts, or any additional provisions that existed at the date of acquisition, then the accounting for the acquisition will be revised.

In accordance with the Group's accounting policies, non-controlling interests are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

The goodwill is attributable mainly to the skills and technical talent of the acquired work force and the synergies expected to be achieved from integrating the company into the Group's existing dental group. None of the goodwill recognised is expected to be deductible for tax purposes.



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## Notes to the Consolidated Financial Statements

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### **26 Transactions with non-controlling interests**

See accounting policy in Note 30.

In 2022, the Group acquired minority shareholdings of several entities for a total amount of EUR 13M. The difference between carrying amount and amount paid is not material.

In 2021, the Group acquired minority shareholdings of several entities with a book value of EUR -3.2M for a total amount of EUR 18.2M - whereof EUR 13M were paid in cash and EUR 5.2M are deferred payments presented in the position "Financial liabilities at fair value" in the consolidated Balance Sheet.



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## Notes to the Consolidated Financial Statements

### 27 Leases

See accounting policy in Note 30.

#### A. Right-of-use assets

See in Note 16.

#### B. Amounts recognised in Income Statement

EUR million	2022	2021
Interest on lease liabilities	-12.3	-9.2
Expenses relating to short-term leases and leases of low-value assets	-11.9	-5.8
<b>Total amounts recognised in Income Statement</b>	<b>-24.3</b>	<b>-15.0</b>

#### C. Amounts recognised in Statement of Cash Flow

EUR million	2022	2021
<b>Payment of lease liabilities</b>	<b>-37.2</b>	<b>-29.6</b>

#### D. Extension options

Some property leases contain extension options exercisable by the Group. The Group assesses at the lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

#### E. Leasing liabilities

See in Note 23.

### 28 Related parties

#### A. Parent and ultimate controlling party

The Group has granted loans to parent and sister entities outside the consolidation scope of Colosseum HoldCo II AG:

EUR million	31.12.2022	31.12.2021
Colosseum HoldCo I AG, granted 2021, maturity 2024, average interest rate: 10.3%	5.5	9.2
Zahn Parent LLC, granted 2021, maturity 2022, average interest rate: 0.3%		17.7

The group received loans from sister entities outside the consolidation scope of Colosseum HoldCo II AG:

EUR million	31.12.2022	31.12.2021
Dental SubHoldCo I AG, granted 2022, maturity 2025, average interest rate: 5.7 %	0.1	
Dental SubHoldCo II AG, granted 2022, maturity 2025, average interest rate: 5.7 %	0.1	
Dental MidCo I AG, granted 2022, maturity 2025, average interest rate: 5.7 %	0.1	
Dental MidCo II AG, granted 2022, maturity 2025, average interest rate: 5.7 %	0.1	

In December 2021, Colosseum Dental Group AS, an indirect subsidiary of Colosseum HoldCo I AG, agreed to provide indirectly, via its wholly-owned subsidiary Maxilla B.V., a Dutch private limited liability company, a financing of USD 20M to ZAHN Parent, LLC in the form of a promissory note with the promise by Colosseum HoldCo I AG to assume any risk in case of any loss related to such financing. On 14 March 2022, the USD 20M promissory note was converted into an equity stake of 25,000,000 capital units in ZAHN Blocker LLC. On 19 May 2023, Colosseum HoldCo I AG acquired 100% of the shares in Maxilla B.V. from Colosseum Dental Group AS for a total purchase price of EUR 1.00

In 2021, connection with the acquisition of Curaeos a shareholder loan was granted to the Group in the amount of EUR 176.7M which was converted into equity and contributed to the group by way of contribution in kind.

#### B. Transactions with key management personnel

Compensation of the Group's key management personnel includes salaries, non-cash benefits and contributions to a post-employment defined benefit plan (see Note 12).

Group's key management personnel also participates in the management incentive plan in form of share based payments (see Note 11).



EUR million	2022	2021
Short-term employee benefits	1.2	1.6
Post-employment benefits	0.2	0.1
Other long-term benefits	2.2	4.3
Share-based payments	0.7	0.7
	4.3	6.7

## 29 Subsequent Events

In December 2021, Colosseum Dental Group AS, a indirect subsidiary of Colosseum HoldCo I AG, agreed to provide indirectly, via its wholly-owned subsidiary Maxilla B.V., a Dutch private limited liability company, a financing of USD 20M to ZAHN Parent, LLC in the form of a promissory note with the promise by Colosseum HoldCo I AG to assume any risk in case of any loss related to such financing. On 14 March 2022, the USD 20M promissory note was converted into an equity stake of 25,000,000 capital units in ZAHN Blocker LLC. On 19 May 2023, Colosseum HoldCo I AG acquired 100% of the shares in Maxilla B.V. from Colosseum Dental Group AS for a total purchase price of EUR 1.00



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## Notes to the Consolidated Financial Statements

### 30 Significant accounting policies

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements.

#### A. Basis of consolidation

##### *I. Business combinations*

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred. Any contingent consideration (e.g. earn-out) is measured at fair value at the date of acquisition. The contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

##### *II. Subsidiaries*

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

##### *III. Non-controlling interests*

NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

##### *IV. Loss of control*

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

##### *V. Interests in equity-accounted investees*

The Group's interests in equity-accounted investees comprise interests in associates and a joint venture. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. Interests in associates and the joint venture are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence or joint control ceases.

##### *VI. Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated.

#### B. Foreign currencies

##### *I. Foreign currency transactions*

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Presentation currency of the Group is euro. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss and presented within finance costs.

##### *II. Foreign operations*

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into euro at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into euro at the exchange rates at the dates of the transactions. For practical reasons, an average rate for the period is used to translate income and expense items. Foreign currency differences are recognised in OCI and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI. When a foreign operation is disposed of in its entirety or partially such that control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI.



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## Notes to the Consolidated Financial Statements

### C. Discontinued operation

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographic area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale. When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI is re-presented as if the operation had been discontinued from the start of the comparative year.

### D. Revenue from contracts with customers

#### I. Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer. The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Type of product/ service	Revenue recognition under IFRS
Dentist revenues (simple treatments)/ Sale of consumables	Revenues related to dentist services are generally recognised at the point in time once the treatment is completed and the Company has no further obligations to the patient. The related costs are recognised in profit or loss when they are incurred. Payments received before the treatment are deferred and recorded in "deferred revenue" until the services are rendered. "Deferred revenue" are presented in "accounts payable and other current liabilities". Rendered services not billed are accrued and recorded in "accrued income". Rendered services billed are recorded in "accounts receivable trade". Both are presented in "accounts receivable and other current assets".
Dentist revenues (complex treatments)	Revenues related to more complex treatments are generally recognised over time as the services are performed. The related costs are recognised in profit or loss when they are incurred. Payments received before the treatment are deferred and recorded in "deferred revenue" until the services are rendered. "Deferred revenue" are presented in "accounts payable and other current liabilities". Rendered services not billed are accrued and recorded in "accrued income". Rendered services billed are recorded in "accounts receivable trade". Both are presented in "accounts receivable and other current assets".

### E. Employee benefits

#### I. Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### II. Share-based payment arrangements

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes. The fair value of the amount payable to employees in respect of share appreciation rights (SARs), which are settled in cash, is recognised as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the SARs. Any changes in the liability are recognised in profit or loss.

#### III. Defined contribution plan

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.



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## Notes to the Consolidated Financial Statements

### IV. Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) are recognised immediately in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

### V. Other long-term employee benefits (e.g. seniority allowance)

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

### VI. Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

### F. Government grants

Grants that compensate the Group for expenses incurred are recognised in profit or loss on a systematic basis in the periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

### G. Finance income and finance costs

The Group's finance income and finance costs include:

- interest income;
  - interest expense;
  - dividend income;
  - the net gain or loss on financial assets at FVTPL;
  - the foreign currency gain or loss on financial assets and financial liabilities;
  - the fair value loss on contingent consideration classified as a financial liability;
- Interest income or expense is recognised using the effective interest method. Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:
- the gross carrying amount of the financial asset; or
  - the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

### H. Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

### i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if certain criteria are met.

### ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any. Deferred tax assets and liabilities are offset only if certain criteria are met.



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## Notes to the Consolidated Financial Statements

### I. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in, first-out principle.

### J. Property, plant and equipment

#### I. Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and any accumulated impairment losses. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

#### II. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

#### III. Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Land is not depreciated. The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

Asset group	Useful life
Property and buildings	20-35 years
Installations and fittings	5-15 years
Cars	3-5 years
Furniture and other equipment	3-10 years
IT equipment	3-5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

### K. Intangible assets and goodwill

#### I. Recognition and measurement

**Goodwill** Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

**Research and development** Expenditure on research activities is recognised in profit or loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.

**Other intangible assets** Other intangible assets, including customer relationships (patient books), patents and trademarks, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

#### II. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

#### III. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Goodwill is not amortised. The estimated useful lives for current and comparative periods are as follows:

Asset group	Useful life
Customer relationships (patient books)	10 years
Brands	10 years
Software	3-5 years
Development costs	3-5 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.



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## Notes to the Consolidated Financial Statements

### L. Financial instruments

The following table sets out the measurement categories under IFRS for each item of the group's financial assets and financial liabilities:

Financial assets measured at fair value	Classification
-	Mandatorily at FVTPL

  

Financial assets not measured at fair value	Classification
Cash and cash equivalents	Amortised cost
Trade receivables and other current assets	Amortised cost

  

Financial liabilities measured at fair value	Classification
Contingent consideration (earn-out)	Mandatorily at FVTPL

  

Financial liabilities not measured at fair value	Classification
Bank overdraft	Amortised cost
Trade payables and other current liabilities	Amortised cost
Borrowings (e.g. bank loans)	Amortised cost
Lease liabilities	Amortised cost

#### I. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

#### II. Classification and subsequent measurement

##### Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL.

##### Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

##### Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

#### III. Derecognition

##### Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.



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## Notes to the Consolidated Financial Statements

### Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

### M. Put option or forward granted to non-controlling interests

Put option or forward granted to the non-controlling shareholders provides for settlement in cash or in another financial asset a liability is recognised for the present value of the exercise price of the option or of the forward price. Changes in the carrying amount of the put liability (including accretion of interest) is recognised in equity. On derecognition of a put option or forward granted to NCI, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in equity.

### N. Share capital

#### I. Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with IAS 12.

#### II. Preference shares

The Group's non-redeemable preference shares are classified as equity, because they bear discretionary dividends, do not contain any obligations to deliver cash or other financial assets and do not require settlement in a variable number of the Group's equity instruments. Discretionary dividends thereon are recognised as equity distributions on approval by the Company's shareholders.

### O. Impairment

#### I. Non-derivative financial assets

At each reporting date, the Group recognizes an impairment allowance for financial assets measured at amortized cost. The impairment allowance represents the Group's estimates of lifetime expected credit losses, which are the present value of the cash shortfalls over the expected life of the financial assets. ECLs are a probability-weighted estimate of credit losses. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

#### II. Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination. The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis. An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### P. Provisions

Provisions are determined by discounting (if material) the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Legal cases	A provision for legal cases is recognised when it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate thereof can be made.
Restructuring	A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating losses are not provided for.
Onerous contracts	A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.



Colexium HoldCo II AG - Consolidated Financial Statements 2022

## Notes to the Consolidated Financial Statements

### Q. Leases

#### 1. As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group presents right-of-use assets in "property, plant and equipment" and lease liabilities in "Lease liabilities" (current and non-current) in the statement of financial position.

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

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

### R. Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk. A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.



Skatteetaten

COLOSSEUM DENTAL GROUP HOLDING AS  
Kongensgate 11A  
0153 Oslo

Vår dato  
21.01.2019

Din/Deres dato  
25.11.2018

Saksbehandler  
Henning Stokke

800 80 000  
Skatteetaten.no

Din/Deres referanse  
Pål Mørkved

Telefon  
90478867

Org.nr  
974761076

Vår referanse  
2019/5189889

Postadresse  
Postboks 9200 Grønland  
0134 OSLO

## Tillatelse til å utarbeide årsberetning og årsregnskap på engelsk språk

Vi viser til deres brev av 25. november 2018 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper:

- Colosseum Dental Group Holding AS (org nr 919 401 044)
- Colosseum Dental Group AS (org nr 919 402 369)
- Dental NorCo I AS (org nr 918 035 443)
- Dental NorCo II AS (org nr 918 035 540)
- Colosseum Dental Scandinavia AS (org nr 995 542 331)
- Colosseumklinikken AS (org nr 977 102 278)

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering selskapene nevnt ovenfor dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

### Bakgrunn

Fra søknaden gjengis:

*Colosseum Dental Group Holding AS er 100% eier av Colosseum Dental Group AS, som eier 100% av Dental NorCo I AS, som eier ca 100% av Dental NorCo II AS, som er 100% eier av Colosseum Dental Scandinavia AS, som eier 100% av Colosseumklinikken AS. Colosseum Dental Group Holding AS er 100% eid av Colosseum AG, et sveitsisk selskap. Colosseum AG er eid 100% av Colosseum HoldCo II AG.*

*Virksomheten i Colosseum Dental Group Holding AS, Colosseum Dental Group AS, Dental NorCo I AS og Dental NorCo II AS er hovedsakelig å drive virksomhet innenfor utvikling og investering i andre selskaper. Virksomheten i Colosseum Dental Scandinavia AS og Colosseumklinikken AS er hovedsakelig å drive tannhelsetjenester.*

*Dette er et internasjonalt konsern hvor internrapportering er på engelsk, og konsernets ledelse og eierne ønsker at selskapenes regnskap også utarbeides på engelsk. Videre henvender selskapene seg til et profesjonelt marked som selskapene forventer at behersker engelsk.*

En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.



### Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

*"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."*

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til "informative regnskaper for ulike grupper av regnskapsbrukere". Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapenes eierkrets er begrenset, og at Colosseum Dental Group Holding AS er heleid av et utenlandsk selskap. Selskapene er del av et internasjonalt konsern. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere innenfor markedet selskapene operer behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Inger Helene Iversen  
seniorrådgiver  
Juridisk avdeling, næring  
Skattedirektoratet

Henning Stokke

*Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.*



Skatteetaten

Vår dato  
21.03.2019

Din/Deres dato  
15.03.2019

Saksbehandler  
Henning Stokke

800 80 000  
Skatteetaten.no

Din/Deres referanse  
Pål Mørkved

Telefon  
800 80 000

Org.nr  
974761076

Vår referanse  
2019/5189889

Postadresse  
Postboks 9200 Grønland  
0134 OSLO

COLOSSEUM DENTAL GROUP HOLDING AS  
Kongens gate 11  
0153 OSLO

## Fritak for utarbeidelse av konsernregnskap for Colosseum Dental Group Holding AS, org.nr. 919 401 044

Vi viser til deres brev av 15. mars 2019 hvor dere søker om fritak fra plikten til å utarbeide konsernregnskap for Colosseum Dental Group Holding AS.

Overordnet morselskap i Sveits, Colosseum HoldCo II AG, utarbeider konsernregnskap som omfatter underkonsernet Colosseum Dental Group Holding AS etter sveitsisk GAAP.

Skattedirektoratet finner med hjemmel i regnskapsloven av 17. juni 1998 nr. 56 § 3-7 fjerde ledd å kunne gi tillatelse til at det gjøres unntak for konsernregnskapsplikten for Colosseum Dental Group Holding AS. Det forutsettes at Colosseum HoldCo II AG utarbeider konsernregnskap som omfatter den regnskapspliktige og dennes datterselskaper. Det legges til grunn at dette konsernregnskapet er utarbeidet i samsvar med sveitsisk GAAP og at kravene i regnskapsloven § 3-7 med forskrifter for øvrig følges. Bestemmelsene i regnskapsloven kapittel 8 gjelder tilsvarende for dette konsernregnskapet.

Når det gjelder hvilket språk morselskapet skal utarbeide konsernregnskapet på, vises det til forskrift av 7. september 2006 nr. 1062 til utfylling og gjennomføring mv. av regnskapsloven. Det følger av § 3-7-1 at konsernregnskapet foruten på norsk, kan være på svensk, dansk eller engelsk.

Kopi av dette brev må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet mv. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Torstein Kinden Helleland  
seniorrådgiver  
Juridisk avdeling  
Skattedirektoratet

Henning Stokke

*Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.*



COLOSSEUM DENTAL GROUP HOLDING AS

THE BOARD OF DIRECTORS  
REPORT

2022



## DIRECTORS REPORT 2022

### COLOSSEUM DENTAL GROUP HOLDING AS, OWNER STRUCTURE, SUBSIDIARIES AND BUSINESS OPERATIONS

Colosseum Dental Group Holding AS ("Company") is the parent company for dental clinics in Norway, Sweden, Denmark, Finland, Switzerland, Germany, UK and Italy. Colosseum is one of Europe's leading groups of dental clinics, with approximately 600 clinics. Main operation is general dentistry with the addition of a range of specialist offers. The company is registered with head office in Oslo municipality and the business address is Sørkedalsveien 10D, 0369 Oslo.

Apart from holding shares in Colosseum Dental Group AS, there is little or no activity in the company. The group headquarter is located in Switzerland, which is operating through Colosseum AG – mother of Colosseum Dental Group Holding.

### GOING CONCERN

The assumption of continued operation is used when preparing the accounts and the Board confirms that the basis for the assumption is present.

### COMMENTS RELATED TO THE FINANCIAL STATEMENTS

*(All amounts in brackets = corresponding period or balance sheet date 2021, unless otherwise stated)*

EBITDA (Operating profit before depreciation and amortization) for the company was negative NOK 0.3 million (negative NOK 0.5 million). Result after tax ended at NOK 16.9 million (negative NOK 1.7 million).

The cash flow from operating activities is NOK 0 million (negative NOK 0.01 million). The company had no cash flow from financing activities in 2022 and 2021. Cash flow mainly comes from proceeds from long term loans. There was no cash flow from investments in 2022 and 2021. In total, the cash flow amounted to NOK 0 million (negative NOK 0.01 million). Cash at the end of the year was NOK 0.02 million (NOK 0.02 million).

### BALANCE AND FINANCING

At year-end, bank deposits, cash and additional amounted to NOK 0.02 million (NOK 0.02 million). The company's equity amounted to NOK 5 939.1 million per 31.12.2022 (NOK 4 235.4 million), which gives an equity ratio of 85.8% (93.9%).



## DIRECTORS REPORT 2022

### FINANCIAL RISK

#### Credit risk

Majority of the receivables in the Company are related to receivables from group companies and are not considered to constitute any significant credit risk.

#### Liquidity risk

Liquidity is managed through the Groups treasury function in Switzerland that manage all financing facilities that's available for the countries – and to be used for both acquisitions and capital expenditure.

#### Market risk

Most of the debt is drawn in the respective countries currency and should therefore be in proportion to the individual country's underlying cash flow in order to minimize risk. The remaining risk is considered acceptable, and no hedging of the currency positions has been made.

### WORK ENVIRONMENT

There are no employees in the company.

### ENVIRONMENTAL

The company does not pollute the external environment.

### TRANSPARANCY ACT

The company is working with implementation of the requirements in the Transparency act, and according to the Act, a risk assessment is published on the company's website. In addition to this, Colosseum has published a magazine that's available digitally and physically on all clinics – showing what measures that's taken and what measures that's in plan for implementation. This was presented timely – before June 30<sup>th</sup> 2023.

Links are related to Norway – similar work is done also in other markets.

<https://colosseumtannlege.no/apenhetsloven/>

<https://colosseumtannlege.no/sammen-kan-vi-gjore-en-forskjell/>



## DIRECTORS REPORT 2022

### FUTURE PROSPECTS AND EVENTS AFTER THE BALANCE SHEET DATE

The Group has a solid financial position, and the company expects further organic growth and acquisitions. The Board is not aware of events after the balance sheet date that affect the Group's earnings or balance sheet as of the reporting date.

The Board emphasizes that uncertainty is normally associated with assessments of future conditions.

### ALLOCATIONS

Year-end result in Colosseum Dental Group Holding AS is proposed as follows:

<u>Transferred to retained earnings:</u>	<u>NOK 16.9 mill</u>
Total transferred:	NOK 16.9 mill



## DIRECTORS REPORT 2022

Board Colosseum Dental Group Holding AS

Oslo, July 7<sup>th</sup> 2023

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Pål Mørkved  
Chairman

---

Raoul Dias  
Board Member

---

Daniel Fehr  
Boad Member

---

Maria Grundström  
Boad Member



**Colosseum Dental Group Holding AS**

INCOME STATEMENT  
(Amounts in NOK 1000)

	Note	2022	2021
Other operating expenses	2	266	461
<b>Total operating expenses</b>		<b>266</b>	<b>461</b>
<b>Operating loss</b>		<b>-266</b>	<b>-461</b>
Interest income	3	32 397	18 193
Other financial income	3	38 483	24 655
Interest expense	3	23 522	9 011
Other financial expense	3	25 387	35 540
<b>Result finance</b>		<b>21 971</b>	<b>-1 702</b>
<b>(Loss) /profit before tax</b>		<b>21 705</b>	<b>-2 163</b>
Income tax expense	4	4 775	-476
<b>Net (loss) / profit for the period</b>		<b>16 929</b>	<b>-1 687</b>
<b>Appropriation of (loss) / profit</b>			
Transferred to retained earnings		16 929	-1 687
<b>Total transfered</b>		<b>16 929</b>	<b>-1 687</b>



## Colosseum Dental Group Holding AS

BALANCE SHEET AT 31.12.

(Amounts in NOK 1000)

<b>Assets</b>	<b>Note</b>	<b>2022</b>	<b>2021</b>
Deferred tax asset	6	0	0
<b>Total intangible assets</b>		<b>0</b>	<b>0</b>
Investments in subsidiaries	5	5 725 118	4 026 337
Loans to group companies	6	1 161 557	496 223
<b>Total financial fixed assets</b>		<b>6 886 673</b>	<b>4 522 559</b>
<b>TOTAL FIXED ASSETS</b>		<b>6 886 673</b>	<b>4 522 559</b>
Receivable to group companies	6	34 172	0
<b>Total receivables</b>		<b>34 172</b>	<b>0</b>
<b>Cash and bank deposits</b>		<b>19</b>	<b>16</b>
<b>TOTAL CURRENT ASSETS</b>		<b>34 191</b>	<b>16</b>
<b>TOTAL ASSETS</b>		<b>6 920 865</b>	<b>4 522 575</b>



**Colosseum Dental Group Holding AS**

BALANCE SHEET AT 31.12.

(Amounts in NOK 1000)

<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>2022</b>	<b>2021</b>
Share capital	7	247 567	227 311
Share premium	8	5 671 923	4 005 329
Retained earnings/loss	8	19 657	2 728
<b>TOTAL EQUITY</b>		<b>5 939 147</b>	<b>4 235 368</b>
Deferred tax	4	3 119	1 695
Other long-term group liabilities	6	921 239	267 906
<b>Total long term liabilities</b>		<b>924 358</b>	<b>269 601</b>
Trade creditors		7	0
Short term liabilities to group companies	6	32 839	17 295
Other short-term liabilities		24 514	311
<b>Total short term liabilities</b>		<b>57 361</b>	<b>17 606</b>
<b>TOTAL LIABILITIES</b>		<b>981 719</b>	<b>287 207</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6 920 865</b>	<b>4 522 575</b>

Oslo, July 7th 2023

Pål Mørkved

Chairman of the Board

Daniel Fehr

Member of the Board

Raoul Dias

Member of the Board

Maria Grundström

Member of the Board



**Colosseum Dental Group Holding AS**

CASH FLOW STATEMENT  
(Amounts in NOK 1000)

	Note	2022	2021
<b>Cash flow from operating activities</b>			
(Loss) /profit before tax		21 705	-2 163
Change in trade creditors		7	20
Change in other short-term liabilities		262	430
Effect of exchange fluctuations		-13 096	10 884
Net interest without cash effect		-8 874	-9 182
<b>Cash flow from operating activities</b>		<b>3</b>	<b>-11</b>
<b>Net change in cash and cash equivalents</b>		<b>3</b>	<b>-11</b>
Cash and cash equivalents at the beginning of the period		16	27
<b>Cash and cash equivalents at the end of the period</b>		<b>19</b>	<b>16</b>



## **Note 1 Accounting principles**

The annual accounts have been prepared in compliance with the Accounting Act and accounting principles generally accepted in Norway.

### *Use of estimates*

The preparation of financial statements in compliance with the Accounting Act requires the use of estimates. The application of the company's accounting principles also require management to apply assessments. Areas which to a great extent contain such assessments, a high degree of complexity, or areas in which assumptions and estimates are significant for the financial statements, are described in the notes.

### **Classification of balance sheet items**

Assets intended for long term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. First year's instalment on long term liabilities and long term receivables are, however, not classified as short term liabilities and current assets.

### **Purchase costs**

The purchase cost of assets includes the cost price for the asset, adjusted for bonuses, discounts and other rebates received, and purchase costs (freight, customs fees, public fees which are non-refundable and any other direct purchase costs). Purchases in foreign currencies are reflected in the balance sheet at the exchange rate at the transaction date.

For fixed assets and intangible assets purchase cost also includes direct expenses to prepare the asset for use, such as expenses for testing of the asset.

### **Investments in subsidiaries**

The cost method is applied to investments in subsidiaries. The cost price is increased when funds are added through capital increases or when group contributions are made to subsidiaries. Dividends received are initially taken to income. Dividends exceeding the portion of retained equity after the purchase are reflected as a reduction in purchase cost. Dividend/group contribution from subsidiaries are reflected in the same year as the subsidiary makes a provision for the amount. Dividend from other companies are reflected as financial income when it has been approved.



## **Asset impairments**

Impairment tests are carried out if there is indication that the carrying amount of an asset exceeds the estimated recoverable amount. The test is performed on the lowest level of fixed assets at which independent cashflows can be identified. If the carrying amount is higher than both the fair value less cost to sell and recoverable amount (net present value of future use/ownership), the asset is written down to the highest of fair value less cost to sell and the recoverable amount.

Previous impairment charges, are reversed in later periods if the conditions causing the write-down are no longer present.

## **Debtors**

Trade debtors are recognised in the balance sheet after provision for bad debts. The bad debts provision is made on basis of an individual assessment of each debtor and an additional provision is made for other debtors to cover expected losses. Significant financial problems at the customers, the likelihood that the customer will become bankrupt or experience financial restructuring and postponements and insufficient payments, are considered indicators that the debtors should be written down.

Other debtors, both current and long term, are recognised at the lower of nominal and net realisable value. Net realisable value is the present value of estimated future payments. When the effect of a writedown is insignificant for accounting purposes this is, however, not carried out. Provisions for bad debts are valued the same way as for trade debtors.

## **Foreign currencies**

Assets and liabilities in foreign currencies are valued at the exchange rate on the balance sheet date.

Exchange gains and losses relating to interest expense/interest income in foreign currencies are recognised as other financial income/expense.

## **Liabilities**

Liabilities, with the exception of certain liability provisions, are recognised in the balance sheet at nominal amount.

## **Taxes**

The tax charge in the income statement includes both payable taxes for the period and changes in deferred tax. Deferred tax is calculated at relevant tax rates on the basis of the temporary differences which exist between accounting and tax values, and any carryforward losses for tax purposes at the year-end. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been eliminated. The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and carryforward losses, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the balance sheet are presented net.

Deferred tax is reflected at nominal value.

## **Cash flow statement**

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits, and other short term investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.



## Note 2 Other operating expenses

(Amount in TNOK)

### Remuneration to auditors

	2022	2021
Statutory audit	112	167
Other assurance services incl. technical assistance with financial statements	40	69
Tax advisory (incl. technical assistance with tax return)	30	46
<b>Total audit fees (excluding VAT)</b>	<b>182</b>	<b>282</b>

## Note 3 Specification of financial income and expense

(Amount in TNOK)

Interest income	2022	2021
Interest income from group companies	32 397	18 193
<b>Total interest income</b>	<b>32 397</b>	<b>18 193</b>

Interest expense	2022	2021
Interest expense from group companies	23 522	9 011
<b>Total Interest expense</b>	<b>23 522</b>	<b>9 011</b>

Other financial income	2022	2021
Realized/unrealized currency gain	38 483	24 655
<b>Total other financial income</b>	<b>38 483</b>	<b>24 655</b>

Other financial expense	2022	2021
Realized/unrealized currency loss	25 387	35 540
<b>Total Other financial expense</b>	<b>25 387</b>	<b>35 540</b>



## Note 4 Taxes

(Amount in TNOK)

### Calculation of deferred tax/deferred tax benefit

	2022	2021
<b>Temporary differences</b>		
Receivables/loans in foreign currency	14 177	7 704
Net temporary differences	14 177	7 704
Tax losses carried forward	0	0
<b>Basis for deferred tax</b>	<b>14 177</b>	<b>7 704</b>
Deferred tax	3 119	1 695
<b>Deferred tax in the balance sheet</b>	<b>3 119</b>	<b>1 695</b>

### Basis for income tax expense, changes in deferred tax and tax payable

Result before taxes	21 705	-2 163
Permanent differences	0	0
<b>Basis for the tax expense for the year</b>	<b>21 705</b>	<b>-2 163</b>
Change in temporary differences	-6 472	10 884
<b>Basis for payable taxes in the income statement</b>	<b>15 233</b>	<b>8 721</b>
+/- Group contributions received/given	-15 233	-8 721
Transferred to/from tax loss carried forward	0	0
<b>Taxable income (basis for payable taxes in the balance sheet)</b>	<b>0</b>	<b>0</b>

### Components of the income tax expense

Payable tax on this year's result	3 351	0
Adjustment in respect of priors	0	0
<b>Total payable tax</b>	<b>3 351</b>	<b>0</b>
Change in deferred tax based on original tax rate	1 424	-2 395
Change in deferred tax due to change in tax rate		0
Tax effect of group contribution		1 919
<b>Tax expense</b>	<b>4 775</b>	<b>-476</b>

### Reconciliation of the tax expense

Result before taxes	21 705	-2 163
Calculated tax (22%)	4 775	-476
Tax expense	-4 775	-476
Difference	-	0

The difference consist of:

Tax of permanent differences	0	0
Change in deferred tax	0	0
Tax effect of group contribution	0	0
Sum explained differences	0	0

### Payable taxes in the balance sheet

Payable tax in the tax charge	3 351	1 919
Tax effect of group contribution	-3 351	-1 919
<b>Payable tax in the balance sheet</b>	<b>-</b>	<b>0</b>

## Note 5 Subsidiaries

(Amount in TNOK)

Investments in subsidiaries are booked according to the cost method.

Subsidiaries	Location	Ownership/ voting right	Equity 31.12 (100%)	Result 2022 (100%)	Balance sheet value
Colosseum Dental Group AS	Oslo	100 %	5 151 964	-522 349	5 725 118
<b>Balance sheet value 31.12.</b>					<b>5 725 118</b>



## Note 6 Balances with group companies

(Amount in TNOK)

Loans to group companies	2022	2021
Colosseum Dental Group AS	1 161 557	496 223
<b>Total</b>	<b>1 161 557</b>	<b>496 223</b>

Receivable to group companies	2022	2021
Colosseum Dental Group AS	34 172	0
<b>Total</b>	<b>34 172</b>	<b>0</b>

Other long-term group liabilities	2022	2021
Colosseum AG	921 239	267 906
<b>Total</b>	<b>921 239</b>	<b>267 906</b>

Short term liabilities to group companies	2022	2021
Colosseum Dental Group AS	32 839	17 295
<b>Total</b>	<b>32 839</b>	<b>17 295</b>

## Note 7 Share capital and shareholder information

The company is exempted from preparing consolidated accounts in Norway. The company is part of a sub-group of Colosseum HoldCo II AG. Consolidated financial statements is prepared on Colosseum HoldCo II AG level. Colosseum HoldCo II AG has their registered office in Talstrasse 40, CH-8001 Zürich, Switzerland where the consolidated accounts which include the company can be obtained.

The share capital of NOK 247 567 100 consists of 225 061 shares with nominal value of NOK 1100 each.

List of major shareholders at 31.12.	Number of shares	Ownership
Colosseum AG	225 061	100 %
Total number of shares	225 061	100 %

## Note 8 Shareholders' equity

(Amount in TNOK)

The auditor fee of 50k NOK related to the capital increase has been booked directly towards equity

Equity changes in the year	Share capital	Share premium	Retained earnings	Total
Equity 01.01.2022	227 311	4 005 329	2 728	4 235 368
Loss of the year			16 929	16 929
Capital increase	20 256	1 666 593		1 686 849
<b>Equity 31.12.2022</b>	<b>247 567</b>	<b>5 671 923</b>	<b>19 657</b>	<b>5 939 147</b>

## Note 9 Payroll expenses, number of employees, remunerations, loans to employees, etc.

The number of employees in the accounting year has been 0.

Neither the chairman of the Board, nor the general manager, has any bonus agreement or any severance pay agreement.

The company is not obliged to have an occupational pension scheme in accordance with the Act on compulsory occupational pensions.

The company's pension schemes satisfy the requirements of this Act.



To the General Meeting of Colosseum Dental Group Holding AS

## Independent Auditor's Report

### Opinion

We have audited the financial statements of Colosseum Dental Group Holding AS (the Company), which comprise the balance sheet as at 31 December 2022, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards 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 as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), 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.

### Other Matters

The Company's financial statements have been submitted after the expiry of the statutory time limit for preparation of financial statements.

### Other Information

The Board of Directors (management) is responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

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T: 02316, org. no.: 987 009 713 MVA, [www.pwc.no](http://www.pwc.no)  
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

#### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

#### **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 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: <https://revisorforeningen.no/revisjonsberetninger>

OSLO, 7 July 2023

**PricewaterhouseCoopers AS**

Bjørn Lund  
State Authorised Public Accountant  
(This document is signed electronically)



 Securely signed with Brevio

Revisjonsberetning

**Signers:**

<b>Name</b>	<b>Method</b>	<b>Date</b>
Lund, Bjørn	BANKID_MOBILE	2023-07-07 12:26

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