Synarc A/S

Ballerup Byvej 222, 2750 Ballerup

CVR no. 21 14 27 43

Annual report 2016

Approved at the annual general meeting of shareholders on 7 July 2017

Chairman:

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Søren Hyllekvist

Contents

Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Synarc A/S for the financial year 1 January - 31 December 2016.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Ballerup, 7 July 2017
Executive Board:

....
David Eugene Peters

Board of Directors:

....	....	....
Søren Hyllekvist Chairman	David Eugene Peters	Hans Christian Hoeck

Independent auditor's report

To the shareholders of Synarc A/S

Opinion

We have audited the financial statements of Synarc A/S for the financial year 1 January - 31 December 2016, which comprise an income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent auditor's report

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion is based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

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

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on our procedures, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 7 July 2017
Ernst & Young
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Birgit Morville Schrøder
State Authorised Public Accountant

Management's review

Company details

Name	Synarc A/S
Address, Postal code, City	Ballerup Byvej 222, 2750 Ballerup
CVR no.	21 14 27 43
Established	1 September 1998
Registered office	Ballerup
Financial year	1 January - 31 December
Board of Directors	Søren Hyllekvist, Chairman David Eugene Peters Hans Christian Hoeck
Executive Board	David Eugene Peters
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvald Helmuths Vej 4, P.O. Box 250, 2000 Frederiksberg, Denmark

Management's review

Management commentary

Business review

Synarc A/S is part of a global organisation offering a range of specialised services within clinical drug development. As a service provider, Synarc works with pharmaceutical and biotechnology companies on expediting drug development by applying sophisticated imaging and biomarker technologies.

Financial review

In 2016, the Company's revenue amounted to DKK 7,832 thousand against DKK 6,240 thousand last year. The income statement for 2016 shows a loss of DKK 3,586 thousand against DKK -5,261 thousand last year, and the balance sheet at 31 December 2016 shows equity of DKK 117,765 thousand.

Management considers the Company's financial performance being the pre-tax result for the year to be satisfactory. The net result for the year has been impacted by a write down of the deferred tax asset, reference is made to note 9.

Knowledge resources

The Company's primary activities are as mentioned under the section "The Company's business review" to establish and run research to perform clinical studies mainly in the fields of osteoporosis, obesity, cardiovascular diseases and other related diseases.

The results of these clinical studies are marketed to other research centers, universities, hospitals and pharmaceutical companies. To market the results of such clinical studies, it is a pivotal factor that the Company applies the latest professional knowledge in these areas. The staff members upgrade their skills regularly so that they are able to do research on a high scientific level. Moreover, the Company uses guest scientists, if necessary.

Special risks

Business risk

The Company's service offerings include image and molecular marker analysis in the life science research field, which is charactarised by rapid technology advances and changes in customer requirements. The success of the Company depends on Management's ability to anticipate or to quickly and adequately respond to technological developments in its industry and changes in customer requirements or industry standards. Any significant delays in the development or introduction of services could have a material adverse effect on the Company's business and operating results.

Currency exposure

The company is exposed to fluctuations in the USD exchange rate due to intercompany balances nominated in USD.

Financial risk

The Company's short-term liabilities totalled DKK 249.3 million, compared to current assets of DKK 11.4 million, at 31 December 2016. The Company's aggregate short-term liabilities primarily consist of payables to group entities, DKK 248.4 million. The Company is to a wide extent financed by way of short-term loans made available by Synarc Inc., USA.

The parent company has confirmed that they will continue to provide the necessary financial support in order for the Company to pay their obligations as they fall due.

Impact on the external environment

The Company is a service provider and does not impact the environment significantly. The Company is not involved in any legal matters due to environmental circumstances.

Research and development activities

The Company has not had significant research and development costs in 2016.

Management's review

Management commentary

Foreign branches

The Company has a branch in Germany.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Outlook

Management expects the Company to be profitable in the coming financial year.

Financial statements for the period 1 January - 31 December

Income statement

Note	DKK'000	2016	2015
	Revenue	7,832	6,240
	Cost of sales	-1,001	-3,202
	Other external expenses	-1,728	-1,710
	Gross margin	5,103	1,328
2	Staff costs	-4,595	-2,641
3	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-30	-13
	Profit/loss before net financials	478	-1,326
	Income from investments in group entities	14,503	15,966
4	Financial income	33	0
5	Financial expenses	-12,787	-25,250
	Profit/loss before tax	2,227	-10,610
6	Tax for the year	-5,813	5,349
	Profit/loss for the year	-3,586	-5,261

	Recommended appropriation of profit/loss		
	Retained earnings/accumulated loss	-3,586	-5,261
		-3,586	-5,261

Financial statements for the period 1 January - 31 December

Balance sheet

Note	DKK'000	2016	2015
	ASSETS		
	Fixed assets		
	Property, plant and equipment		
	Other fixtures and fittings, tools and equipment	126	94
		126	94
7	**Investments**		
	Investments in group entities	355,469	341,545
	Other receivables	42	42
		355,511	341,587
	Total fixed assets	355,637	341,681
	Non-fixed assets		
	Receivables		
	Trade receivables	3,166	4,050
9	Deferred tax assets	0	6,054
	Income taxes receivable	4,120	8,589
	Other receivables	279	41
		7,565	18,734
	Cash	3,824	2,360
	Total non-fixed assets	11,389	21,094
	TOTAL ASSETS	367,026	362,775

Financial statements for the period 1 January - 31 December

Balance sheet

Note	DKK'000	2016	2015
	EQUITY AND LIABILITIES		
	Equity		
8	Share capital	10,000	10,000
	Retained earnings	107,765	111,929
	Total equity	117,765	121,929
	Liabilities		
	Current liabilities		
	Prepayments received from customers	0	198
	Trade payables	240	278
	Payables to group entities	248,446	239,682
	Income taxes payable	280	280
	Other payables	295	408
		249,261	240,846
	Total liabilities other than provisions	249,261	240,846
	TOTAL EQUITY AND LIABILITIES	367,026	362,775

1 Accounting policies
10 Contractual obligations and contingencies, etc.
11 Related parties

Financial statements for the period 1 January - 31 December

Statement of changes in equity

DKK'000	Share capital	Retained earnings	Total
Equity at 1 January 2016	10,000	111,929	121,929
Transfer through appropriation of loss	0	-3,586	-3,586
Exchange adjustment	0	-578	-578
Equity at 31 December 2016	10,000	107,765	117,765

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Synarc A/S for 2016 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

In accordance with section 112(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements. The financial statements of Synarc A/S and subsidiaries are included in the consolidated financial statements of BioClinica Holding I LP and Subsidiaries.

Changes to presentation and disclosures only

Effective 1 January 2016, the Company has implemented act no. 738 of 1 June 2015 with amendments to the Danish Financial Statements Act. As the implementation of the amendment act has no impact in terms of value on the income statement or the balance sheet in the financial year, nor on the comparative figures, the financial statements have been prepared based on the same accounting policies as last year.

The amendment act has solely implied new or changed presentation and disclosure requirements, which have been incorporated in the financial statements.

Change in presentation of intercompany accounts

Intercompany balances have been presented net of intercompany receivables and payables when there is a legal right or obligation with the intercompany counterparty to off-set the balances. The presentation method has also been applied to the interests in the income statment. The presentation method has been applied retrospectively for the 2015 comparison figures. The total reclassification effect (reduction) at 31 December 2015 amounts to DKK 240.1 million as a reduction of total assets. The total reclassification effect (reduction) of interest income for the financial year 2015 amounts to DKK 961 thousand.

Basis of recognition and measurement

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

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

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

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

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

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Foreign subsidiaries and associates are considered separate entities. The income statements are translated at the average exchange rates for the month, and the balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising on translation of the opening equity of foreign subsidiaries at the exchange rates at the balance sheet date and on translation of the income statements from average exchange rates to the exchange rates at the balance sheet date are recognised directly in equity.

Leases

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Income statement

Revenue

Revenue from contracts concluded concerning performance of clinical studies as well as sale of other services is recognised in the income statement provided that delivery and transfer of risk have been made to the purchaser by year-end.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Cost of sales

Cost of sales comprises cost of sales for the financial year measured at cost.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Amortisation

Amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Other fixtures and fittings, tools and equipment	3-5 years

The residual value is determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised. In case of changes in the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Income from investments in subsidiaries

The item includes the Company's proportionate share of the profit/loss for the year in subsidiaries after elimination of intra-group income or losses and net of amortisation and impairment of goodwill and other excess values at the time of acquisition.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities and associates, declared dividends from other securities and investments, financial expenses relating to finance leases, realised and unrealised capital gains and losses relating to other securities and investments, exchange gains and losses and amortisation of financial assets and liabilities.

Tax

The parent company is covered by the Danish rules on mandatory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The parent company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

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

Tax for the year comprises current corporation tax, joint taxation contributions for the year and changes in deferred tax for the year - including changes resulting from changes in the tax rate. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Investments in subsidiaries

On initial recognition, investments in subsidiaries are measured at cost and subsequently at the proportionate share of the entities' net asset values calculated in accordance with the parent company's accounting policies minus or plus any residual value of positive or negative goodwill calculated in accordance with the purchase method of accounting. Subsidiaries with a negative net asset value are measured at DKK 0 (nil), and any amounts owed by such entities are written down by the parent company's share of the net asset value if the amount owed is deemed irrecoverable. If the negative net asset value exceeds the amounts owed, the remaining amount is recognised under provisions if the parent company has a legal or a constructive obligation to cover the entity's deficit. Net revaluations of investments in subsidiaries are transferred to the net revaluation reserve according to the equity method where the carrying amount exceeds the acquisition cost.

Newly acquired or formed entities are recognised in the financial statements from the date of acquisition or formation. Entities sold or otherwise disposed of are recognised up to the date of disposal.

Corporate acquisitions are accounted for using the purchase method according to which the acquired entity's identifiable assets and liabilities are measured at fair value at the date of acquisition. In connection with the acquisition, a provision is made for expenses related to adopted plans to restructure the acquired entity. The tax effect of revaluations made is taken into account.

Goodwill is calculated as the difference between cost of the investments and fair value of the assets and liabilities acquired. Goodwill is amortised over its estimated useful life of 16 years. The useful life is re-assessed on a yearly basis. The useful life of goodwill has been determined considering that strategically acquired enterprises with a strong market position and a long-term earnings profile holds a longer amortisation period which provides a better reflection of the benefit from the relevant resources.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash at hand and in bank comprise cash and bank deposits.

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

As management company for all the entities in the joint taxation arrangement, the parent company is liable for payment of the subsidiaries' income taxes vis à vis the tax authorities as the subsidiaries pay their joint taxation contributions. Joint taxation contributions payable or receivable are recognised in the balance sheet as income tax receivables or payables.

Liabilities

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

Other liabilities are measured at net realisable value.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

	DKK'000	2016	2015
2	**Staff costs**		
	Wages/salaries	3,796	2,633
	Pensions	42	0
	Other social security costs	757	0
	Other staff costs	0	8
		4,595	2,641
	Average number of full-time employees	7	6
3	**Amortisation of intangible assets**		
	Amortisation of intangible assets	30	13
		30	13
4	**Financial income**		
	Interest allowance, tax paid in advance	33	0
		33	0
5	**Financial expenses**		
	Interest expenses, group entities	4,916	3,608
	Exchange adjustments	7,871	21,615
	Other financial expenses	0	27
		12,787	25,250
6	**Tax for the year**		
	Estimated tax charge for the year	0	280
	Deferred tax adjustments in the year	6,054	-5,629
	Tax adjustments, prior years	-241	0
		5,813	-5,349

Financial statements for the period 1 January - 31 December

Notes to the financial statements

7 Investments

DKK'000	Investments in group entities	Other receivables	Total
Cost at 1 January 2016	430,292	42	430,334
Cost at 31 December 2016	430,292	42	430,334
Value adjustments at 1 January 2016	-88,747	0	-88,747
Exchange rate adjustment	-578	0	-578
Share of the profit after tax	27,079	0	27,079
Amortisation of goodwill	-12,577	0	-12,577
Value adjustments at 31 December 2016	-74,823	0	-74,823
Carrying amount at 31 December 2016	355,469	42	355,511

Name	Domicile	Interest	Equity DKK'000	Profit/loss DKK'000
Subsidiaries				
Center for Clinical and Basic Research A/S	Ballerup, Denmark	100.00 %	300,592	27,079

DKK'000	2016	2015
8 Share capital		
Analysis of the share capital:		
10,000 shares of DKK 1,000.00 nominal value each	10,000	10,000
	10,000	10,000

The Company's share capital has remained DKK 10,000 thousand over the past 5 years.

Financing

The Company's short-term liabilities totalled DKK 249.3 million, compared to current assets of DKK 11.4 million, at 31 December 2016. The Company's aggregate short-term liabilities primarily consist of payables to group entities, DKK 248.4 million. The Company is to a wide extent financed by way of short-term loans made available by Synarc Inc., USA.

The parent company has confirmed that they will continue to provide the necessary financial support in order for the Company to pay their obligations as they fall due.

9 Deferred tax

Deferred tax relates to:

	2016	2015
Tax loss	0	-6,054
	0	-6,054

At 31 December 2016, the Company has a deferred tax asset which amounts to DKK 8.8m. As it is uncertain if these tax losses can be utilised within a foreseeable future, the carrying amount of the deferred tax asset has not been recognised in the financial statements.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

10 Contractual obligations and contingencies, etc.

Contingent liabilities

The Company's shares are pledged as security for bank loans in other group companies.

Other contingent liabilities

DKK'000	2016	2015
Lease contract commitments (German branch office)	529	705
	529	705

Contractual commitments relates to the German branch office premises where the rental agreement expires 30 November 2018.

Joint taxation obligations
The Company serves as an administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2013 for income taxes etc. for the jointly taxed companies and from 1 July 2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for theses companies.

11 Related parties

Synarc A/S' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
Synarc Inc.	7707 Gateway Boulevard, 3rd floor, Newark CA 94560, USA	Shareholder
BioClinica Holding I LP and Subsidiaries	2005 S. Easton Road, Ste. 304, Doylestown PA 18901, USA	Ultimate parent company

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
BioClinica Holding I LP and Subsidiaries	2005 S. Easton Road, Ste. 304, Doylestown PA 18901, USA	www.bioclinica.com

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the votes or minimum 5% of the share capital:

Name	Domicile
Synarc Inc., USA	7707 Gateway Boulevard, 3rd floor, Newark CA 94560, USA