Azanta A/S

Kirsten Walthers Vej 8A, 2., 2500 Valby

CVR no. 28 10 89 15

Annual report 2021

Approved at the Company's annual general meeting on 15 July 2022

Chair of the meeting:

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Erik Niklas Eriksson

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 Azanta A/S for the financial year 1 January - 31 December 2021.

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 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021.

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.

Copenhagen, 15 July 2022
Executive Board:

Erik Niklas Eriksson

Board of Directors:

Michael Lange Chair	Erik Niklas Eriksson	Jeremy John Cuffe
Marie Sophie Romann		

Independent auditor's report

To the shareholders of Azanta A/S

Opinion

We have audited the financial statements of Azanta A/S for the financial year 1 January - 31 December 2021, which comprise 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 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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 as to 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 scepticism throughout the audit. We also:

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

Independent auditor's report

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the 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 the 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 the work we have performed, 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, 15 July 2022
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Henrik Pedersen
State Authorised Public Accountant
mne35456

Management's review

Company details

Name	Azanta A/S
Address, Postal code, City	Kirsten Walthers Vej 8A, 2., 2500 Valby
CVR no.	28 10 89 15
Established	6 January 2004
Registered office	Copenhagen
Financial year	1 January - 31 December
Board of Directors	Michael Lange, Chair Erik Niklas Eriksson Jeremy John Cuffe Marie Sophie Romann
Executive Board	Erik Niklas Eriksson
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

Management's review

Business review

Azanta A/S ("Azanta") is a specialised pharmaceutical company primarily operating within obstetrics, women's healthcare, addiction medicine and oncology.

Financial review

The income statement for 2021 shows a profit of DKK 19,880 thousand against a profit of DKK 166,216 thousand last year, and the balance sheet at 31 December 2021 shows equity of DKK 209,988 thousand.

Events after the balance sheet date

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

Financial statements 1 January - 31 December

Income statement

Note	DKK'000	2021	2020
	Gross profit	4,703	9,368
2	Staff costs	-3,024	-5,765
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-145	-145
	Profit before net financials	1,534	3,458
	Income from investments in group enterprises	21,083	165,820
3	Financial income	2	46
4	Financial expenses	-2,739	-3,061
	Profit before tax	19,880	166,263
5	Tax for the year	0	-47
	Profit for the year	19,880	166,216

	Recommended appropriation of profit		
	Net revaluation reserve according to the equity method	21,005	155,273
	Retained earnings/accumulated loss	-1,125	10,943
		19,880	166,216

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2021	2020
	ASSETS		
	Fixed assets		
6	Property, plant and equipment		
	Fixtures and fittings, other plant and equipment	641	786
		641	786
7	Investments		
	Investments in group enterprises	252,760	231,755
	Deposits, investments	220	263
		252,980	232,018
	Total fixed assets	253,621	232,804
	Non-fixed assets		
	Inventories		
	Prepayments for goods	3	3,218
		3	3,218
	Receivables		
	Receivables from group enterprises	2,185	14,831
	Joint taxation contribution receivable	82	29,463
	Other receivables	134	579
	Prepayments	381	0
		2,782	44,873
	Securities and investments	31	31
	Cash	6,378	10,444
	Total non-fixed assets	9,194	58,566
	TOTAL ASSETS	262,815	291,370

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	2021	2020
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	7,093	7,093
	Net revaluation reserve according to the equity method	176,278	155,273
	Retained earnings	26,617	27,819
	Total equity	209,988	190,185
	Liabilities other than provisions		
	Non-current liabilities other than provisions		
	Payables to group entities	35,499	68,106
		35,499	68,106
	Current liabilities other than provisions		
	Trade payables	399	1,155
	Payables to group enterprises	16,707	685
	Corporation tax payable	0	29,509
	Other payables	222	1,730
		17,328	33,079
	Total liabilities other than provisions	52,827	101,185
	TOTAL EQUITY AND LIABILITIES	262,815	291,370

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

Financial statements 1 January - 31 December

Statement of changes in equity

DKK'000	Share capital	Net revaluation reserve according to the equity method	Retained earnings	Total
Equity at 1 January 2020	5,494	0	215	5,709
Capital increase	1,599	0	16,661	18,260
Transfer through appropriation of profit	0	155,273	10,943	166,216
Equity at 1 January 2021	7,093	155,273	27,819	190,185
Transfer through appropriation of profit	0	21,005	-1,125	19,880
Other value adjustments of equity	0	0	-77	-77
Equity at 31 December 2021	7,093	176,278	26,617	209,988

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Azanta A/S for 2021 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 accounting policies used in the preparation of the financial statements are consistent with those of last 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.

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.

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the rendering of services is recognised as revenue as the services are rendered. Accordingly, revenue corresponds to the market value of the services rendered during the year (percentage-of-completion method).

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.

Gross profit

The items revenue, cost of sales and other operating income have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities, including gains on the sale of fixed assets.

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

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.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

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.

Depreciation

The item comprises depreciation of 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:

Fixtures and fittings, other plant and equipment	3-5 years

Profit/loss from investments in subsidiaries

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries are presented as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

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.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Investments in subsidiaries

Equity investments in subsidiaries are measured according to the equity method.

On initial recognition, equity investments in subsidiaries are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in subsidiaries measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

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.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

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.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

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.

Prepayments

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

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Equity

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in subsidiaries and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

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.

Other payables

Other payables are measured at net realisable value.

Financial statements 1 January - 31 December

Notes to the financial statements

	DKK'000	2021	2020
2	Staff costs		
	Wages/salaries	2,742	5,086
	Pensions	133	620
	Other social security costs	10	15
	Other staff costs	139	44
		3,024	5,765
	Average number of full-time employees	2	3
3	Financial income		
	Interest receivable, group entities	0	46
	Other financial income	2	0
		2	46
4	Financial expenses		
	Interest expenses, group entities	2,615	2,480
	Other financial expenses	124	581
		2,739	3,061
5	Tax for the year		
	Estimated tax charge for the year	0	47
		0	47

6 Property, plant and equipment

DKK'000	Fixtures and fittings, other plant and equipment
Cost at 1 January 2021	1,451
Cost at 31 December 2021	1,451
Impairment losses and depreciation at 1 January 2021	665
Depreciation	145
Impairment losses and depreciation at 31 December 2021	810
Carrying amount at 31 December 2021	641

Financial statements 1 January - 31 December

Notes to the financial statements

7 Investments

DKK'000	Investments in group enterprises	Deposits, investments	Total
Cost at 1 January 2021	76,482	263	76,745
Disposals	0	-43	-43
Cost at 31 December 2021	76,482	220	76,702
Value adjustments at 1 January 2021	155,273	0	155,273
Foreign exchange adjustments	-77	0	-77
Profit/loss for the year	21,082	0	21,082
Value adjustments at 31 December 2021	176,278	0	176,278
Carrying amount at 31 December 2021	252,760	220	252,980

Name	Legal form	Domicile	Interest
Associates			
Azanta Danmark A/S	A/S	Valby, Denmark	100%
Norgine Sverige AB	AB	Stockholm, Sweden	100%
Azanta OY	OY	Espoo, Finland	100%

8 Deferred tax

The Company has tax loss carry-forwards from previous years. As it is uncertain if these tax losses can be utilised within a foreseeable future, no deferred tax assets in respect hereof have been recognised in the financial statements.

9 Contingent liabilities

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

Other financial obligations

Rent liabilities vis-à-vis the parent company and its other subsidiaries:

Rent liabilities	77	0

Other rent liabilities:

DKK'000	2021	2020
Rent liabilities	0	1,644

Financial statements 1 January - 31 December

Notes to the financial statements

10 Related parties

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Norgine B.V.	Antonio Vivaldistraat 150,1083 HP Amsterdam,Holland	Please contact the parent company