
CAMBREX DK ApS

Skodsborgvej 125 B, DK-2840 Holte

Annual Report for 1 January 2018 - 31 December 2018

CVR No 30 20 08 61

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
31/5 2019

Bjarne Reinhold Sandberg
Chairman of the General
Meeting



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Management's Statement

The Executive Board has today considered and adopted the Annual Report of CAMBREX DK ApS for the financial year 1 January - 31 December 2018.

The Annual Report is prepared in accordance with the Danish Financial Statements Act. The Company complies with the exemption provisions governing the omission to have its Financial Statements audited.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2018 of the Company and of the results of the Company operations for 2018.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Holte, 31 May 2019

Executive Board

Anna Maria Wikström

Bjarne Reinhold Sandberg

Practitioner's Statement on Compilation of Financial Statements

To the Management of CAMBREX DK ApS

We have compiled the Financial Statements of CAMBREX DK ApS for the financial year 1 January - 31 December 2018 on the basis of the Enterprise's accounting records and other information you have provided.

The Financial Statements comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies.

We performed our work in accordance with ISRS 4410, Engagements to Compile Financial Information.

Based on our professional expertise, we have assisted you with the preparation and presentation of the Financial Statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Act on Approved Auditors and Audit Firms and IESBA's Code of Ethics, including the principles of integrity, objectivity, professional competence and due care.

The Financial Statements and the accuracy and completeness of the information forming the basis of the compilation of the Financial Statements are your responsibility.

As an engagement to compile financial information is not an assurance engagement, we are under no duty to verify the accuracy or completeness of the information you provided to us to compile the Financial Statements. Accordingly, we express no audit opinion or review opinion as to whether the Financial Statements have been prepared in accordance with the Danish Financial Statements Act.

Hellerup, 31 May 2019

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Bo Schou-Jacobsen

statsautoriseret revisor

mne28703

Company Information

The Company

CAMBREX DK ApS
Skodsborgvej 125 B
DK-2840 Holte

CVR No: 30 20 08 61

Financial period: 1 January - 31 December

Incorporated: 22 December 2006

Municipality of reg. office: Holte

Executive Board

Anna Maria Wikström
Bjarne Reinhold Sandberg

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Income Statement 1 January - 31 December

	<u>Note</u>	<u>2018</u> DKK	<u>2017</u> DKK
Gross profit/loss		1.925.458	1.940.165
Staff expenses	2	<u>-1.569.597</u>	<u>-1.685.842</u>
Profit/loss before financial income and expenses		355.861	254.323
Financial expenses		<u>0</u>	<u>-155</u>
Profit/loss before tax		355.861	254.168
Tax on profit/loss for the year	3	<u>-81.784</u>	<u>-46.160</u>
Net profit/loss for the year		<u>274.077</u>	<u>208.008</u>

Distribution of profit

Proposed distribution of profit

Extraordinary dividend paid	2.500.000	0
Retained earnings	<u>-2.225.923</u>	<u>208.008</u>
	<u>274.077</u>	<u>208.008</u>

Balance Sheet 31 December

Assets

	Note	2018 DKK	2017 DKK
Other fixtures and fittings, tools and equipment		0	0
Property, plant and equipment	4	0	0
Other receivables		52.059	31.514
Corporation tax		0	819
Prepayments		7.298	66.872
Receivables		59.357	99.205
Cash at bank and in hand		3.635.814	3.414.468
Currents assets		3.695.171	3.513.673
Assets		3.695.171	3.513.673

Balance Sheet 31 December

Liabilities and equity

	Note	2018 DKK	2017 DKK
Share capital		125.000	125.000
Retained earnings		315.048	2.540.970
Equity	5	440.048	2.665.970
Trade payables		132.457	49.351
Payables to group enterprises		2.523.000	25.000
Corporation tax		8.809	0
Other payables		590.857	773.352
Short-term debt		3.255.123	847.703
Debt		3.255.123	847.703
Liabilities and equity		3.695.171	3.513.673
Key activities	1		
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Statement of Changes in Equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 1 January	125.000	2.540.971	2.665.971
Extraordinary dividend paid	0	-2.500.000	-2.500.000
Net profit/loss for the year	0	274.077	274.077
Equity at 31 December	125.000	315.048	440.048

Notes to the Financial Statements

1 Key activities

The company's purpose is marketing and trade with pharmaceutical substances within Scandinavia and any other related business.

	<u>2018</u> DKK	<u>2017</u> DKK
2 Staff expenses		
Wages and salaries	1.440.495	1.544.543
Pensions	117.139	135.436
Other staff expenses	<u>11.963</u>	<u>5.863</u>
	<u>1.569.597</u>	<u>1.685.842</u>
 Average number of employees	 <u>1</u>	 <u>1</u>
 3 Tax on profit/loss for the year		
Current tax for the year	<u>81.784</u>	<u>46.160</u>
	<u>81.784</u>	<u>46.160</u>
 4 Property, plant and equipment		Other fixtures and fittings, tools and equipment <u>DKK</u>
Cost at 1 January		<u>34.890</u>
Cost at 31 December		<u>34.890</u>
Impairment losses and depreciation at 1 January		<u>34.890</u>
Impairment losses and depreciation at 31 December		<u>34.890</u>
 Carrying amount at 31 December		 <u>0</u>

Notes to the Financial Statements

5 Equity

The share capital consists of 125 shares of a nominal value of DKK 1,000. No shares carry any special rights.

	<u>2018</u> DKK	<u>2017</u> DKK
6 Contingent assets, liabilities and other financial obligations		
Rental and lease obligations		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	102.384	102.384
Between 1 and 5 years	<u>102.384</u>	<u>204.768</u>
	<u>204.768</u>	<u>307.152</u>

7 Related parties

Basis

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company

<u>Name</u>	<u>Place of registered office</u>
Cambrex Corporation	Meadowlands Plaza, 1, 1510 East Rutherford New Jersey 07073 USA

Notes to the Financial Statements

8 Accounting Policies

The Annual Report of CAMBREX DK ApS for 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2018 are presented in DKK.

Recognition and measurement

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

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Leases

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Company.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Notes to the Financial Statements

8 Accounting Policies (continued)

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

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

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

Income Statement

Revenue

Revenue comprise advisory services and is recognised in the income statement when delivery has been made before year end.

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

Other external expenses

Other external expenses comprise expenses for lease, sales and distribution as well as office expenses, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue and other external expenses.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of property, plant and equipment.

Notes to the Financial Statements

8 Accounting Policies (continued)

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Balance Sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment 3-10 years

Depreciation period and residual value are reassessed annually.

Assets costing less than DKK 13,500 are expensed in the year of acquisition.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Notes to the Financial Statements

8 Accounting Policies (continued)

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

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