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PAREXEL Denmark A/S

CVR-no. 31 58 86 26

Christianshusvej 189
2970 Hørsholm

Annual Report 2016/17 (Financial year 1 July 2016 - 30 June 2017)

The Annual Report is presented and
adopted at the Annual General Meeting of
shareholders on 30 November 2017



Josef H. von Rickenbach

Chairman of the meeting

Table of Contents

	<u>Page</u>
Statements and reports	
Management's Statement	1
Independent Auditor's Reports	2
Management's Review	
Corporate information	6
Management's Review	7
Financial Statements	
Income Statement	8
Balance Sheet	9
Notes	11
Accounting policies	14

Management's Statement

The Board of Directors and the Executive Board have today considered and approved the Annual Report of 1 July 2016 - 30 June 2017 for PAREXEL Denmark A/S.

The Annual Report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the Company's assets and liabilities, financial position and results of operations for the financial year ended 30 June 2017.

In our opinion the Management's Statement gives a true and fair statement regarding the content in the Management's Statement.

We recommend the Annual Report approved at the Annual General Meeting.


Hørsholm, 30 November 2017

Executive Board:

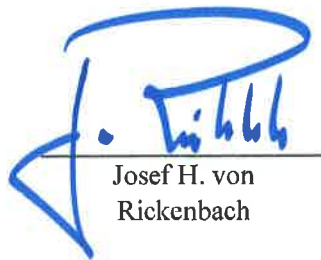


Heidi Malene Juncher-Benzon

Board of Directors:



Richard B. St. Francis,
Jr.



Josef H. von
Rickenbach



Michael F. Crowley, III

Independent Auditor's Reports

To the Shareholders of PAREXEL Denmark A/S

Opinion

We have audited the Financial Statements of PAREXEL Denmark A/S for the financial year 1 July 2016 - 30 June 2017, which comprise the income statement, balance sheet, notes and 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 30 June 2017 and of the results of the operations for the financial year 1 July 2016 - 30 June 2017, in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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.

Independent Auditor's Reports (-continued)

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment 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.
- 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.

Independent Auditor's Reports (-continued)

- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

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

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

Based on the work we have performed, we conclude that Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not identify any material misstatement of Management's Review.

Independent Auditor's Reports (-continued)

Birkerød, 30 November 2017

Piaster Revisorerne,
statsautoriseret revisionsaktieselskab
CVR. no.: 25 16 00 37



Stefan Sølvhøj Johansson
State Authorized Public Accountant

Company details

Company details	PAREXEL Denmark A/S Christianshusvej 189 2970 Hørsholm
	CVR no.: 31 58 86 26
	Founded: 1 July 2008
	Registered office: Hørsholm
	Financial year: 1 July - 30 June
Executive Board	Heidi Malene Juncher-Benzon
Board of Directors	Richard B. St. Francis, Jr. Josef H. von Rickenbach Michael F. Crowley, III
Auditor	Piaster Revisorerne, Statsautoriseret Revisionsaktieselskab Abildgårdsparken 8A 3460 Birkerød

Management's Review

Primary activities of the Company

As part of the PAREXEL International Group, a leading biopharmaceutical services company, PAREXEL Denmark A/S is providing a broad range of knowledge-based contract research, consulting and technology products and services to the worldwide pharmaceutical, biotechnology and medical device industries.

Development in activities and financial affairs

The company's financial performance is considered satisfying.

PAREXEL International Group was acquired by Pamplona Capital Management on the 29th September 2017.

Significant events occurred after the end of the financial year

No events materially affecting the financial position of the company have occurred after the end of the financial year.

Income Statement 1 July - 30 June

	Notes	2016/17	2015/16
Revenue		44.385.062	51.620.396
Cost of sales		-8.634.780	-9.643.403
Other external expenses		-5.733.678	-6.888.669
Gross profit		30.016.604	35.088.324
Staff costs	1	-28.380.479	-32.578.090
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss	2	-207.273	-342.344
Operating profit		1.428.852	2.167.890
Financial expenses		-71.134	-21.277
Profit before tax		1.357.718	2.146.613
Tax expense	3	-299.654	-472.392
Profit for the year		1.058.064	1.674.221
Proposed distribution of results			
Retained earnings		1.058.064	1.674.221
Proposed dividend recognised in equity		0	0
Total distribution		1.058.064	1.674.221

Balance Sheet at 30 June

Assets

	Notes	2017	2016
Fixtures, fittings, tools and equipment	4	472.894	656.167
Property, plant and equipment		472.894	656.167
Other receivables		581.933	244.750
Financial fixed assets		581.933	244.750
Fixed assets		1.054.827	900.917
Receivables from group enterprises		6.771.003	6.299.082
Other receivables		575.467	538.572
Deferred tax assets		1.000	0
Deferred income assets		341.814	0
Receivables		7.689.284	6.837.654
Cash and cash equivalents		7.498.953	5.715.897
Current assets		15.188.237	12.553.551
Assets		16.243.064	13.454.468

Balance Sheet at 30 June

Equity and liabilities

	Notes	2017	2016
Share capital		505.000	505.000
Retained earnings		6.661.321	5.603.257
Proposed dividend recognised in equity		0	0
Equity	5	7.166.321	6.108.257
Provisions for deferred tax		0	2.000
Provisions		0	2.000
Long-term tax payables		112.654	296.392
Long-term liabilities other than provisions		112.654	296.392
Trade payables		1.695.440	2.433.855
Payables to group enterprises		0	10.644
Tax payables		95.000	92.000
Other payables		7.173.649	4.511.320
Short-term liabilities other than provisions		8.964.089	7.047.819
Liabilities other than provisions		9.076.743	7.344.211
Equity and liabilities		16.243.064	13.454.468
Contingent liabilities	6		
Related parties	7		

Notes

	2016/17	2015/16
1 Staff costs		
Wages and salaries	25.820.428	29.691.729
Post-employment benefit expense	2.212.285	2.672.242
Social security contributions	236.605	106.067
Other staff costs	111.161	108.052
	28.380.479	32.578.090
Average number of full time employees	39	48
2 Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss		
Depreciation, goodwill	0	95.020
Depreciation, fixtures, fittings, tools and equipment	207.273	247.324
	207.273	342.344
3 Tax expense		
Tax expense on ordinary activities	302.654	480.392
Adjustment of deferred tax	-3.000	-8.000
	299.654	472.392
4 Fixtures, fittings, tools and equipment		
Cost at 1 July	3.191.731	3.125.730
Additions	24.000	66.001
Disposals	0	0
Cost at 30 June	3.215.731	3.191.731
Depreciation at 1 July	2.535.564	2.288.240
Depreciation for the year	207.273	247.324
Depreciation at 30 June	2.742.837	2.535.564
Carrying amount at 30 June	472.894	656.167

Notes

	<u>2017</u>	<u>2016</u>
5 Equity		
Share capital at 1 July	505.000	505.000
Share capital at 30 June	505.000	505.000
Retained earnings at 1 July	5.603.257	3.929.036
Proposed distribution of results this year	1.058.064	1.674.221
Retained earnings at 30 June	6.661.321	5.603.257
Proposed dividend recognised in equity at 1 July	0	0
Dividend paid	0	0
Proposed distribution of results	0	0
Proposed dividend recognised in equity at 30 June	0	0
Equity 30 June	<u>7.166.321</u>	<u>6.108.257</u>

The share capital of DKK 505 thousand have been issued in shares of DKK 1 thousand or multiples thereof. The share capital has not been changed during the past 5 years. No shares carry special rights.

Share capital

Share capital is divided as follows:

A-shares, 101 shares of DKK 5,000	505.000	505.000
	<u>505.000</u>	<u>505.000</u>

6 Contingent liabilities

The company has operational leases with a total obligation of TDKK 1.522.

The company has a rent contract with a total obligation of TDKK 1.349.

Notes

7 Related parties

Information about consolidated financial statements

Parent:	Domicile:
PAREXEL International Corporation	USA, Massachusetts

Owners

The following shareholders are listed in the company's shareholder register as owning the entire sharecapital:

PAREXEL International Holding B.V.
Herman Heijermansweg 20
1077 WL Amsterdam
Holland

Accounting policies

The Annual Report has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with election from reporting class C.

Changes in accounting policies

The accounting policies have been changed as follows:

- Profits and losses on disposal of property, plant and equipment are presented as other operating income and other operating expenses in the income statement, respectively. Previously, gains and losses on the disposal of property, plant and equipment were recognized under depreciation in the income statement.

The change in accounting policies does not lead to any change on net income, total assets or equity for current year and the comparative figures. The change in accounting policies only has effect the presentation of the Financial Statements.

Besides this the accounting policies are consistent with those of last year.

General

Reporting currency

The Annual Report is presented in Danish kroner (DKK).

In general regarding accounting and measuring

Income is recognized in the income statement when they are earned. Furthermore are all costs, depreciations and write downs recognized in the income statement when incurred.

Assets are recognized in the balance sheet when it is probable that future economical benefits will accrue to the company and the assets value can be measured reliably.

Liabilities are recognized in the balance sheet when it is probable that future economical benefits will be deducted from the company and the value can be measured reliably.

On initial recognition assets and liabilities are measured to cost price. Thereafter assets and liabilities are measured as described for each entry.

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.

Currency retranslation

Transactions denominated in foreign currency are translated into the functional currency at the

Accounting policies

exchange rates ruling at the date of the transaction. Exchange differences arising between the transaction date and the exchange rate at the date of actual payment are recognized in the income statement under financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated into the functional currency at the exchange rates ruling at the balance sheet date. The difference between the exchange rates ruling at the balance sheet date and at the date when the receivable or payable arose is recognized in the income statement under financial income or financial expenses.

Non-current assets acquired in foreign currency are measured to the exchange rate ruling at the date of the transaction.

Income statement

Revenue

Fixed price contract revenue is recognized as services are performed and the revenue are based on the following: hours used multiplied with the hourly rate according to agreement. Revenue related to contract modifications is recognized when realization is assured and the amounts are reasonably determinable. Adjustments to contract cost estimates are made in the periods in which the facts that require the revisions become known. When the revised estimate indicates a loss, such loss is provided in the current period in its entirety.

As is customary in the industry, the Company routinely subcontracts with independent physician investigators on behalf of customers in connection with clinical trials and other third party service providers for laboratory analysis and other specialized services.

Reimbursable out-of-pocket expenses are reflected in our Profit and loss account under "Revenue" and "Other external expenses".

Cost of sales

Cost of sales comprise expenses to rechargeable travel costs etc. The costs are recognised in the same period as revenue.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, housing facilities, administration, bad debt, premises, operating lease agreements etc.

Staff costs

Staff costs comprise costs such as wages and salaries, pension costs and other social security benefits etc. to the company's employees.

Accounting policies

Financial items

Financial income and expenses are recognized in the income statement with the amounts related to the year. Financial income and expenses comprise interest receivable and payable, realised and unrealised capital gains on securities and currency translation adjustments.

Tax expense

Tax on income for the year, consisting of the year's current tax and deferred tax, is recognized in the income statement to the extent that it relates to the income or loss for the year and on equity to the extent that it relates there to.

Balance sheet

Property, plant and equipment

Property, plant, fixtures, fittings, tools and equipment are measured at historic cost less accumulated depreciation and impairment losses.

Historic cost comprise the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Assets are depreciated on a straight-line basis over the expected useful economic lives of the assets:

	<u>Useful life</u>	<u>Expected scrap value</u>
Fixtures, fittings, tools and equipment	3-5 years	0-20%

Asset acquisitions below the taxable limit is fully written off in the year of acquisition.

Gains and losses on disposals are determined as the difference between selling price less sales cost and carrying amount at time of disposal and are recognized in the income statement. Gain or loss is recognized under other operating income or expenses.

Accounting policies

Impairment of property, plant and equipment

The carrying amount of property, plant and equipment is every year reviewed in order to determine if there are indications of impairment exceeding the amount expressed by depreciations and amortisations. If this is the case an impairment test is carried out in order to determine if the recoverable amount is lower than the carrying amount. The assets are written down to this lower value.

Recoverable amount for the asset is determined as the highest value of net sales price and the capital value. If it is not possible to determine the recoverable amount for the individual asset, assets are assessed together with the smallest group of assets where it is possible to determine a reliable evaluation of the recoverable amount.

Assets where it is not possible to determine an individual capital value because the asset does not generate future cash flows is assessed together with the group of assets which they can be attributed to.

Receivables

Receivables are measured at amortized cost which corresponds in all material respects to nominal value. The value is reduced with provisions for expected bad debts.

Cash and bank balances

Cash comprises cash balances and bank balances.

Deferred income

Deferred income, recognized under assets, comprise prepaid expenses concerning subsequent financial years.

Dividends

Dividends expected to be paid in respect of the year are stated as a separate line item under equity.

Current tax and current deferred tax

Current tax liabilities and current tax assets are recognized in the balance sheet as estimated tax on the taxable income for the year, adjusted for change in tax on prior years' taxable income and for tax paid under the on-account tax scheme.

Deferred tax is measured according to the balance sheet liability method on all timing differences between the tax and accounting value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax

Accounting policies

on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred income tax is measured using tax rules and tax rates that apply by the balance sheet date when the deferred tax asset is realised or the deferred income tax liability is settled. The change in deferred tax as a result of changes in tax rates is recognized in the income statement.

Liabilities

Other liabilities are measured at amortized cost, corresponding to the nominal value.