

Aristo Pharma Nordic ApS

Tonsbakken 16, 2., 2740 Skovlunde

CVR no. 32 32 87 68

**Annual report for the period
1 January to 31 December 2021**

Adopted at the annual general meeting on 1 July
2022

John Kriwet
chairman



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Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of Aristo Pharma Nordic ApS 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 company's financial position at 31 December 2021 and of the results of the company's operations for the financial year 1 January - 31 December 2021.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Ballerup, 1 July 2022

Executive board

Kenneth Pedersen

Supervisory board

John Hudson Kriwet
chairman

Kenenth Pedersen

Sascha Rauschke

Independent auditor's report

To the shareholder of Aristo Pharma Nordic ApS

Auditors' Report on the Financial Statements

Opinion

We have audited the financial statements of Aristo Pharma Nordic ApS for the financial year 1 January - 31 December 2021, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position 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 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 and IESBA Code. 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 the 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 report

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 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.
- 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 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.

Independent auditor's report

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 Statements Act. We did not identify any material misstatement of management's review.

Report on other legal and regulatory requirements

Violation of the provisions of Danish legislation on loans to members of Management

Contrary to section 210 of the Danish Companies Act, the Company has granted a loan to one of members of Management of the Company, and Management may be held liable in this respect. The loan is repaid in 2021.

Copenhagen, 1 July 2022

Baker Tilly Denmark
Godkendt Revisionspartnerselskab
CVR no. 35 25 76 91

Ramazan Turan
statsautoriseret revisor
MNE no. mne32779

Company details

The company	Aristo Pharma Nordic ApS Tonsbakken 16, 2. 2740 Skovlunde CVR no.: 32 32 87 68 Reporting period: 1 January - 31 December 2021 Incorporated: 8 February 2011 Domicile: Ballerup
Supervisory board	John Hudson Kriwet, chairman Kenenth Pedersen Sascha Rauschke
Executive board	Kenneth Pedersen
Auditors	Baker Tilly Denmark Godkendt Revisionspartnerselskab Poul Bundgaards Vej 1, 1. 2500 Valby

Management's review

Business review

The company's purpose is to sell quality medicine to pharmacies in the Nordic countries and other related business herewith.

Financial review

The company's income statement for the year ended 31 December 2021 shows a profit of EUR 45.333, and the balance sheet at 31 December 2021 shows equity of EUR 60.722.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement 1 January - 31 December

	Note	2021 EUR	2020 EUR
Gross profit		789.373	805.029
Staff costs	1	-720.960	-691.504
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-2.668	-6.022
Profit/loss before net financials		65.745	107.503
Financial income		810	4.341
Financial costs	2	-21.222	-49.717
Profit/loss before tax		45.333	62.127
Tax on profit/loss for the year		0	0
Profit/loss for the year		45.333	62.127
Recommended appropriation of profit/loss			
Retained earnings		45.333	62.127
		45.333	62.127

Balance sheet 31 December

	Note	2021	2020
		EUR	EUR
Assets			
Other fixtures and fittings, tools and equipment		2.808	3.786
Tangible assets	3	2.808	3.786
Other fixed asset investments		0	6.721
Fixed asset investments		0	6.721
Total non-current assets		2.808	10.507
Trade receivables		1.115	33.798
Receivables from subsidiaries		418.705	190.077
Other receivables		10.244	15.583
Receivable from shareholders and management	4	0	64.353
Prepayments		6.710	8.265
Receivables		436.774	312.076
Cash at bank and in hand		55.854	9.462
Total current assets		492.628	321.538
Total assets		495.436	332.045

Balance sheet 31 December

	Note	2021	2020
		EUR	EUR
Equity and liabilities			
Share capital		14.434	11.434
Retained earnings		46.288	-1.285.210
Equity		60.722	-1.273.776
Other provisions		0	102.000
Total provisions		0	102.000
Payables to subsidiaries		397.418	1.207.375
Other payables		0	68.196
Total non-current liabilities		397.418	1.275.571
Banks		37	0
Trade payables		11.450	60.070
Payables to subsidiaries		0	47.728
Other payables		8.165	120.452
Deferred income		17.644	0
Total current liabilities		37.296	228.250
Total liabilities		434.714	1.503.821
Total equity and liabilities		495.436	332.045

Statement of changes in equity

	Share capital	Retained earnings	Total
	EUR	EUR	EUR
Equity at 1 January	14.434	-1.288.210	-1.273.776
Increase of capital by conversion of debt	0	1.219.165	1.219.165
Net profit/loss for the year	0	45.333	45.333
Contribution from group	0	70.000	70.000
Equity at 31 December	14.434	46.288	60.722

Notes

	2021 EUR	2020 EUR
1 Staff costs		
Wages and salaries	634.936	601.498
Other social security costs	86.024	72.874
Other staff costs	0	17.132
	720.960	691.504
Average number of employees	7	7
2 Financial costs		
Financial expenses, group entities	16.505	47.944
Other financial costs	4.717	1.773
	21.222	49.717
3 Tangible assets		Other fixtures and fittings, tools and equipment EUR
Cost at 1 January		159.732
Cost at 31 December		159.732
Impairment losses and depreciation at 1 January		152.946
Depreciation for the year		3.978
Impairment losses and depreciation at 31 December		156.924
Carrying amount at 31 December		2.808

Notes

	2021 EUR	2020 EUR
4 Receivable from shareholders and management		
Receivable from shareholders and management	0	64.353
Receivables from members of the Management		
Executive Board		
Outstanding debt	0	64.353
Loans repaid during the year	64.353	0
Impairment	0	4.341
Interest rate (%)	10,05%	10,05%

5 Contingent liabilities

The company has entered into rent agreement, hvor selskabet først kan opsige lejemålet den 1/4 2023. Forpligtelsen udgør EUR 22k.

Accounting policies

The annual report of Aristo Pharma Nordic ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

The accounting policies applied are consistent with those of last year.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Revenue

Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Income from services, comprising service contracts and extended warranties relating to products and contracts sold is recognised on a straight-line basis as the services are provided.

Accounting policies

Raw materials and consumables

Costs of raw materials and consumables include the raw materials and consumables used in generating the year's revenue.

Other external expenses

Other external expenses include expenses related 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 pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Depreciation

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Accounting policies

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life
Andre anlæg, driftsmateriel og inventar	3-5 years

Receivables

Receivables are measured at amortised cost.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.