

# Pharmamentum ApS

c/o Pharmanovia A/S, Jægersborg Allé 164  
2820 Gentofte

CVR no. 36 69 90 51

**Annual report for the period 1 January 2016 – 31 March 2017**

The annual report was presented and approved at the  
Company's annual general meeting on

16 August 2017

chairman

*A.E. Play*

*Pr. A. Portel*

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## Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Pharmamentum ApS for the financial period 1 January 2016 – 31 March 2017.

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, liabilities and financial position at 31 March 2017 and of the results of the Company's operations for the financial period 1 January 2016 – 31 March 2017.


Further, in our opinion, the Management's review includes a fair review of the development in the company's operations and financial conditions, the result for the year and the financial position.

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

Gentofte, 16 August 2017  
Executive Board:

  
Svend Aage Johansen

Board of Directors:

  
Amit Vijaykumar Patel  
Chairman  
Dipen Vijaykumar  
Patel  
Deputy Chairman  
Svend Aage Johansen  
Anthony Charles  
Playle



## **Independent auditor's report**

### **To the shareholders of Pharmamentum ApS**

#### **Opinion**

We have audited the financial statements of Pharmamentum ApS for the financial period 1 January 2016 – 31 March 2017 comprising income statement, balance sheet 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 Company's assets, liabilities and financial position at 31 March 2017 and of the results of the Company's operations for the financial period 1 January 2016 – 31 March 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 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 responsibility 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 that 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 report**

### **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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made 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 company 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 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, 16 August 2017

**KPMG**

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

A handwritten signature in blue ink, appearing to read 'Benny Lyng Sørensen', written over a horizontal line.

**Benny Lyng Sørensen**  
State Authorised  
Public Accountant

Pharmamentum ApS  
Annual report 2016/17  
CVR no. 36 69 90 51

## **Management's review**

### **Company details**

Pharmamentum ApS  
c/o Pharmanovia A/S, Jægersborg Allé 164  
2820 Gentofte

CVR no.: 36 69 90 51  
Established: 27 March 2015  
Registered office: Gentofte  
Financial period: 1 January 2016 – 31 March 2017

### **Board of Directors**

Anthony Charles Playle, Chairman  
Amit Vijaykumar Patel, Vice Chairman  
Svend Aage Johansen  
Dipen Vijaykumar Patel

### **Executive Board**

Svend Aage Johansen

### **Auditor**

KPMG  
Statsautoriseret Revisionspartnerselskab  
Dampfærgevej 28  
2100 København Ø

## **Management's review**

### **Operating review**

#### **Principal activities**

The Company's primary activities comprise sale of products in the pharmaceutical and meditechnical industries.

#### **Development in activities and financial position**

The Company's income statement for the year ended 31 March 2017 showed a profit of DKK 808.508, and the Company's balance sheet at 31 March 2017 showed equity of DKK 548.855.

#### **Outlook**

Profit and an increase in the sales activities are expected for the next financial year.

#### **Events after the balance sheet date**

No events materially affecting the assessment of the annual report have occurred after the balance sheet date.



## Financial statements 1 January – 31 March

### Income statement

DKK	Note	1 Jan 2016 – 31 Mar 2017	27 Mar - 31 Dec 2015
<b>Gross loss</b>		-476,666	-395,958
Staff costs	2	-100,000	0
Profit on sale of product rights		1,716,847	0
<b>Operating profit/loss</b>		1,140,181	-395,958
Financial expenses	3	-95,849	-8,818
<b>Profit/Loss before tax</b>		1,044,332	-404,776
Tax on profit/loss for the year		-235,824	95,122
<b>Profit for the year</b>		808,508	-309,654

### Proposed profit appropriation/distribution of loss

Retained earnings		808,508	-309,654
		808,508	-309,654

## Financial statements 1 January – 31 March

### Balance sheet

DKK	Note	31 Mar 2017	31 Dec 2015
<b>ASSETS</b>			
<b>Intangible assets</b>			
Product rights		0	672,273
Prepayment on intangible assets		1,396,739	0
		<u>1,396,739</u>	<u>672,273</u>
<b>Total non-current assets</b>		<u>1,396,739</u>	<u>672,273</u>
<b>Inventories</b>			
Raw materials and consumables		4,857,365	0
		<u>4,857,365</u>	<u>0</u>
<b>Receivables</b>			
Receivables from group entities		1,379,495	5,000
Other receivables		5,000	62,500
Deferred tax asset		0	95,122
Prepayments		439	0
		<u>1,384,934</u>	<u>162,622</u>
<b>Cash at bank and in hand</b>		<u>815,883</u>	<u>727</u>
<b>Total current assets</b>		<u>7,058,182</u>	<u>163,349</u>
<b>TOTAL ASSETS</b>		<u><u>8,454,921</u></u>	<u><u>835,622</u></u>

## Financial statements 1 January – 31 March

### Balance sheet

DKK	Note	31 Mar 2017	31 Dec 2015
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		50,000	50,000
Retained earnings		<u>498,855</u>	<u>-309,654</u>
<b>Total equity</b>		<u>548,855</u>	<u>-259,654</u>
<b>Liabilities other than provisions</b>			
<b>Current liabilities</b>			
Trade payables		101,143	829,885
Payables to group entities		7,410,292	1,537
Corporation tax		140,702	0
Payables to shareholders and management		0	20,500
Other payables		<u>253,929</u>	<u>243,354</u>
		<u>7,906,066</u>	<u>1,095,276</u>
<b>Total liabilities</b>		<u>7,906,066</u>	<u>1,095,276</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>8,454,921</u>	<u>835,622</u>
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## Financial statements 1 January – 31 March

### Notes

#### 1 Accounting policies

The annual report of Pharmamentum ApS for 2016/17 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act.

As from 1 January 2016, the Company has implemented Act no. 738 of 1 June 2015. This has entailed the following changes to recognition and measurement:

The Company has changed its financial year end from 31 December to 31 March which means that the annual report for 2016/17 covers a 15 month period.

— Going forward, the residual value of intangible assets and property, plant and equipment must be reassessed on an ongoing basis. Pursuant to the transition provisions of the Act, any adjustments to residual values must be made prospectively as an accounting estimate without restatement of comparative figures and without effect on equity.

The changes have no monetary effect on the income statement or the balance sheet for 2016/17 or for the comparative figures.

The depreciation period for intangible assets has been reduced from 10 years to 5 years, as management has reassessment useful life of the intangible assets.

The effect of the change of the accounting estimate in the financial year amounts to DKK 0.

Apart from the above, the accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates 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, payables and other monetary items denominated in foreign currencies are translated at the exchange rates 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 latest financial statements is recognised in the income statement as financial income or financial expenses.

## Financial statements 1 January – 31 March

### Notes

#### 1 Accounting policies (continued)

##### Income statement

###### Gross Profit

Pursuant to Section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

###### Revenue

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

To the extent that customers have the right to return goods received, revenue is recognised based on the Company's experience with returns. If the Company does not have experience with similar transactions, revenue is recognised upon expiry of the period for returning the goods.

###### Other external costs

Other external costs includes expenses related to sales, administration, etc.

###### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Financial items comprise interest income and expense, payables and transactions in foreign currencies, as well as surcharges and refunds under the on-account tax scheme, etc.

###### Tax on profit/loss for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. 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.

## Financial statements 1 January – 31 March

### Notes

#### 1 Accounting policies (continued)

##### Balance sheet

###### Intangible assets

Intangible assets are initially measured at cost.

Subsequently, product rights acquired are measured at cost less accumulated amortisation. Products rights are amortised on a straight-line basis over the estimated useful life.

Amortisation of rights commences when the product has been approved by the authorities and when the rights are available for use and expected to generate economic benefits.

The estimated useful life cannot exceed 5 years.

Gains and losses on the disposal of intangible assets are stated as the difference between the selling price less costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

###### Receivables

Receivables are measured at amortised cost, which corresponds to nominal value. The value is reduced by write-down for bad debts.

###### Equity

###### *Dividends*

Proposed dividends are recognised as a liability at the date when they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

###### Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability.

## Financial statements 1 January – 31 March

### Notes

#### 1 Accounting policies (continued)

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 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 tax is measured in accordance with 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. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

#### Liabilities other than provisions

Other liabilities are measured at net realisable value.

#### Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

#### 2 Staff costs

DKK	1 Jan 2016 – 31 Mar 2017	27 Mar - 31 Dec 2015
Wages and salaries	100,000	0
	100,000	0

Average number of full-time employees was in 2016/17 0 (2015: 0).

#### 3 Financial expenses

Interest expense to group entities	-93,057	0
Foreign exchange losses	-954	0
Other financial expenses	-1,838	-8,818
	-95,849	-8,818

## Financial statements 1 January – 31 March

### Notes

#### 4 Related party disclosures

Parmamentum ApS' related parties comprise the following:

##### Control

Pharmamentum ApS is part of the consolidated financial statements of Atnahs Pharma UK Limited, which is the smallest group in which the Company is included as a subsidiary.

The consolidated financial statements of Atnahs Pharma UK Limited can be obtained by contacting the Company.