

# **Injecto A/S**

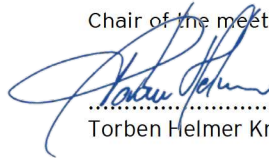
Strandvejen 60, 5., 2900 Hellerup

CVR no. 38 72 98 88

## Annual report 2020/21

Approved at the Company's annual general meeting on 20 January 2022

Chair of the meeting:



.....  
Torben Helmer Knudsen

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## 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 Injecto A/S for the financial year 1 September 2020 - 31 August 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 August 2021 and of the results of the Company's operations for the financial year 1 September 2020 - 31 August 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.

Hellerup, 5 January 2022  
Executive Board:



.....  
Torben Helmer Knudsen

Board of Directors:



.....  
Mikael Hans Andranik  
Hetting  
Chair



.....  
Torben Helmer Knudsen



.....  
John Holger Adamsen

## Independent auditor's report

To the shareholder of Injecto A/S

### Opinion

We have audited the financial statements of Injecto A/S for the financial year 1 September 2020 - 31 August 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 August 2021 and of the results of the Company's operations for the financial year 1 September 2020 - 31 August 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' 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.

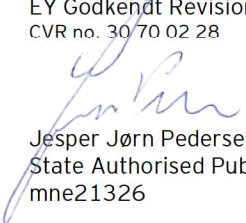
Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

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, 5 January 2022  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28



Jesper Jørn Pedersen  
State Authorised Public Accountant  
mne21326



## Management's review

### Company details

Name	Injecto A/S
Address, Postal code, City	Strandvejen 60, 5., 2900 Hellerup
CVR no.	38 72 98 88
Established	19 June 2017
Registered office	Gentofte
Financial year	1 September 2020 - 31 August 2021
Board of Directors	Mikael Hans Andranik Hetting, Chair Torben Helmer Knudsen John Holger Adamsen
Executive Board	Torben Helmer Knudsen
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

## Management's review

### Business review

Injecto A/S develops, manufactures and sells components for pharmaceutical packaging with main focus on plunger solutions for pre-fillable injection devices. The company's current business activities are based on a license on IP Rights from its parent company with its established first production line at Injecto's OEM manufacturer of lubrigone plungers in ISO measurements for 1.0 ml (long) Pre-fillable Syringe Systems ("PFS"), which ensure a silicone-oil free injection solution. In addition to lubrigone plungers for the most commonly used 1.0 ml (long) PFS Injecto has almost completed the implementation of a second production line for lubrigone plungers for 0.5 ml PFS, which production line is expected to be fully operational within 6 months. The completion of the second production line has been slightly postponed due to Injecto's decision of upgrading to a medical grade material for the lubrigone plungers.

Injecto A/S intends to establish a third production line for production of lubrigone plungers in 1-3 ml (2.25 ml) within the coming 9-12 months, which production line will ensure that the company can offer its pharma customers lubrigone plungers in ISO measurements for all three basic volumes of respectively 0.5 ml, 1.0 ml (long) and 1-3 ml (2.25 ml) PFS. In this respect should be noted that Injecto A/S has received several approaches from the pharma industry on lubrigone plungers for 1-3 ml PFS, where the company has and will continue to supply its pharma customers with lubrigone plungers from design moulds for the pharma companies' initial testing until the industrial production line has been established and is fully operational.

During the year Injecto A/S has also attracted interest from pharma companies and a diagnostic company, who are interested in the company's lubrigone plunger concept for solutions outside ISO measurements and hence in individual measurements with special wishes for a feasible function for the companies' PFS solutions. Due to Injecto A/S' strong competitive edge related to the flexibility and efficient production based on the lubrigone concept Injecto A/S can offer the pharma companies and diagnostic companies a strong value proposition with respect to the development of the best individual solution and with a much shorter timeline related to a production in industrial scale. Injecto A/S is currently involved in development projects where the company is aiming at entering into commercial supply contracts.

### Financial review

The income statement for 2020/21 shows a loss of DKK 2,545 thousand against a loss of DKK 2,509 thousand last year, and the balance sheet at 31 August 2021 shows a negative equity of DKK 2,905 thousand. The company's financial result with a total loss of DKK 4,905 thousand reflects that the company is in the initialization of its commercial activities.

Injecto A/S projects that the company will be in profitable operation within 6-12 months and provide an increasing EBITDA over the years based on its already established contact and co-operation with some of the leading pharma companies, who are testing Injecto A/S' plunger solutions and primarily the lubrigone plungers within volumes 0.5 - 1-3 ml. Despite Injecto A/S is still financially supported by its parent company, which is confirmed by a Letter of Comfort, the company expects that the developments in its commercial activities will make the company independent of financial support in the future and has planned to reestablish the company's equity by successful business activities in the current financial year. In this respect full use of Injecto A/S' established production capacity on the first product line represents a substantial EBITDA.

### Events after the balance sheet date

No material events have occurred after 31 August 2021 until today that require adjustment of the information in the financial statements and COVID-19 is not expected to have a material negative effect on the company.

## Financial statements 1 September 2020 - 31 August 2021

### Income statement

Note	DKK	<u>2020/21</u>	<u>2019/20</u>
	<b>Gross loss</b>	-1,984,229	-2,457,897
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-388,392	0
	<b>Profit/loss before net financials</b>	-2,372,621	-2,457,897
	Financial expenses	-172,161	-50,770
	<b>Profit/loss before tax</b>	-2,544,782	-2,508,667
	Tax for the year	0	0
	<b>Profit/loss for the year</b>	<u>-2,544,782</u>	<u>-2,508,667</u>
	 <b>Recommended appropriation of profit/loss</b>		
	Retained earnings/accumulated loss	<u>-2,544,782</u>	<u>-2,508,667</u>



## Financial statements 1 September 2020 - 31 August 2021

### Balance sheet

Note	DKK	2020/21	2019/20
	<b>ASSETS</b>		
	<b>Fixed assets</b>		
3	<b>Property, plant and equipment</b>		
	Fixtures and fittings, other plant and equipment	842,778	0
	Property, plant and equipment under construction	1,175,925	1,194,540
		2,018,703	1,194,540
	<b>Total fixed assets</b>	2,018,703	1,194,540
	<b>Non-fixed assets</b>		
	<b>Receivables</b>		
	Other receivables	110,115	31,174
	Contributed capital in arrears and premium	0	1,500,000
		110,115	1,531,174
	<b>Cash</b>	95,084	60,667
	<b>Total non-fixed assets</b>	205,199	1,591,841
	<b>TOTAL ASSETS</b>	2,223,902	2,786,381

## Financial statements 1 September 2020 - 31 August 2021

### Balance sheet

Note	DKK	2020/21	2019/20
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
	Share capital	2,000,000	2,000,000
	Unpaid contributed capital	0	1,500,000
	Retained earnings	-4,905,231	-3,860,449
	<b>Total equity</b>	<b>-2,905,231</b>	<b>-360,449</b>
	<b>Liabilities other than provisions</b>		
	<b>Current liabilities other than provisions</b>		
	Trade payables	117,125	94,525
	Payables to group enterprises	5,012,008	3,052,305
		5,129,133	3,146,830
		5,129,133	3,146,830
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,223,902</b>	<b>2,786,381</b>

- 1 Accounting policies
- 2 Staff costs
- 4 Contractual obligations and contingencies, etc.
- 5 Collateral
- 6 Related parties

## Financial statements 1 September 2020 - 31 August 2021

### Statement of changes in equity

DKK	Share capital	Unpaid contributed capital	Retained earnings	Total
Equity at 1 September 2019	2,000,000	1,500,000	-1,351,782	2,148,218
Transfer through appropriation of loss	0	0	-2,508,667	-2,508,667
<b>Equity at 1 September 2020</b>	<b>2,000,000</b>	<b>1,500,000</b>	<b>-3,860,449</b>	<b>-360,449</b>
Transfer through appropriation of loss	0	0	-2,544,782	-2,544,782
Payment of share capital receivable	0	-1,500,000	1,500,000	0
<b>Equity at 31 August 2021</b>	<b>2,000,000</b>	<b>0</b>	<b>-4,905,231</b>	<b>-2,905,231</b>

The parent Company Injecto Group A/S has provided letter of comfort to Injecto A/S. Injecto Group A/S will unconditionally cover Injecto A/S liquidity needs by capital injection(s) or by subordinated loan(s) for its operation of its business activities until the Company is in profitable operation or has obtained alternative funding for its operation.

The letter of comfort can be terminated with 12 months prior written note to Injecto A/S.

## Financial statements 1 September 2020 - 31 August 2021

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Injecto A/S for 2020/21 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.

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).

#### 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 loss

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

##### Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to administration etc.

##### 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 years
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Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

##### Financial expenses

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

## Financial statements 1 September 2020 - 31 August 2021

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### 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 entity is jointly taxed with other group entities. 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.

##### Impairment of fixed assets

The carrying amount of property, plant and equipment 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.



## Financial statements 1 September 2020 - 31 August 2021

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### 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.

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.

##### 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 non-paid-in share capital*

Non-paid-in share capital is presented according to the gross method whereby the non-paid-in share capital is recognised in equity and as a receivable under "Receivables from owners and Management". An amount corresponding to the non paid in share capital is re classified from "Retained earnings" to "Reserve for non paid in capital".

##### Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

## Financial statements 1 September 2020 - 31 August 2021

### Notes to the financial statements

#### 2 Staff costs

The Company has no employees.

#### 3 Property, plant and equipment

DKK	Fixtures and fittings, other plant and equipment	Property, plant and equipment under construction	Total
Cost at 1 September 2020	0	1,194,540	1,194,540
Additions	36,630	1,175,925	1,212,555
Transferred	1,194,540	-1,194,540	0
Cost at 31 August 2021	<u>1,231,170</u>	<u>1,175,925</u>	<u>2,407,095</u>
Impairment losses and depreciation at 1 September 2020	0	0	0
Depreciation	388,392	0	388,392
Impairment losses and depreciation at 31 August 2021	<u>388,392</u>	<u>0</u>	<u>388,392</u>
<b>Carrying amount at 31 August 2021</b>	<u><b>842,778</b></u>	<u><b>1,175,925</b></u>	<u><b>2,018,703</b></u>

#### 4 Contractual obligations and contingencies, etc.

##### Other contingent liabilities

The Company is jointly taxed with its parent, Injecto Group A/S, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes for the income year 2018 onwards as well as withholding taxes on interest, royalties and dividends falling due for payment on or after 19 June 2017.

##### Other financial obligations

Other rent liabilities:

Rent liabilities	<u>372,600</u>	<u>372,600</u>
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#### 5 Collateral

The Company has not provided any security or other collateral in assets at 31 August 2021.

#### 6 Related parties

##### Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Injecto Group A/S	Strandvejen 60 DK-2900 Hellerup	Injecto Group A/S Strandvejen 60 DK-2900 Hellerup