

Injecto A/S

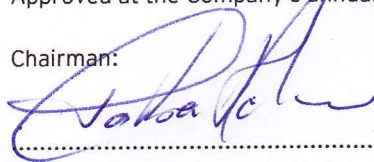
Strandvejen 60, 5., 2900 Hellerup

CVR no. 38 72 98 88

Annual report 2019/20

Approved at the Company's annual general meeting on 29 January 2021

Chairman:



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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 2019 - 31 August 2020.

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 2020 and of the results of the Company's operations for the financial year 1 September 2019 - 31 August 2020.

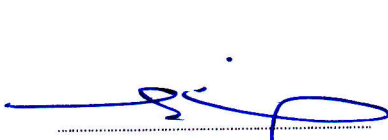
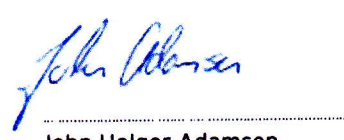
Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Hellerup, 14 January 2021
Executive Board:


Torben Helmer Knudsen

Board of Directors:


Mikael Hans Andrarik
Hetting
Chairman
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 2019 - 31 August 2020, 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 2020 and of the results of the Company's operations for the financial year 1 September 2019 - 31 August 2020 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 requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

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.

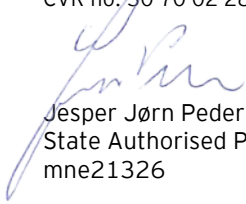
Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

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, 14 January 2021
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 2019 - 31 August 2020
Board of Directors	Mikael Hans Andranik Hetting, Chairman 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 is developing, manufacturing and selling components for pharmaceutical packaging with main focus on stopper 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 of lubrigone stoppers, which ensure a silicone-oil free injection solution, and a second production line under establishment, which has gained significant interest from the pharma- and pharmaceutical packing industry.

Financial review

The income statement for 2019/20 shows a loss of DKK 2,509 thousand against a loss of DKK 31 thousand last year, and the balance sheet at 31 August 2020 shows a negative equity of DKK 360 thousand.

Injecto projects that the company within 12-18 months will be in profitable operation and provide an increasing EBITDA figure over the years to come based on its already established contact and co-operation with some of the leading pharma companies, who are testing Injecto's stopper solutions and primarily the lubrigone stoppers. Despite Injecto 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 should be noted that Injecto's established production capacity on the first product line by full use represents a substantial EBITDA.

Events after the balance sheet date

No material events have occurred after 31 August 2020 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 2019 - 31 August 2020

Income statement

Note	DKK	2019/20	2018/19
	Gross loss	-2,457,897	-18,580
2	Staff costs	0	0
	Profit/loss before net financials	-2,457,897	-18,580
	Financial expenses	-50,770	-12,222
	Profit/loss before tax	-2,508,667	-30,802
	Tax for the year	0	0
	Profit/loss for the year	-2,508,667	-30,802
Recommended appropriation of profit/loss			
	Retained earnings/accumulated loss	-2,508,667	-30,802
		-2,508,667	-30,802

Financial statements 1 September 2019 - 31 August 2020

Balance sheet

Note	DKK	2019/20	2018/19
	ASSETS		
	Fixed assets		
3	Property, plant and equipment		
	Property, plant and equipment under construction	1,194,540	1,194,540
		1,194,540	1,194,540
	Total fixed assets	1,194,540	1,194,540
	Non-fixed assets		
	Receivables		
	Other receivables	31,174	52,583
	Contributed capital in arrears and premium	1,500,000	1,500,000
		1,531,174	1,552,583
	Cash	60,667	273,865
	Total non-fixed assets	1,591,841	1,826,448
	TOTAL ASSETS	2,786,381	3,020,988

Financial statements 1 September 2019 - 31 August 2020

Balance sheet

Note	DKK	2019/20	2018/19
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	2,000,000	2,000,000
	Unpaid contributed capital	1,500,000	1,500,000
	Retained earnings	-3,860,449	-1,351,782
	Total equity	-360,449	2,148,218
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Trade payables	94,525	210,500
	Payables to group enterprises	3,052,305	662,270
		3,146,830	872,770
	Total liabilities other than provisions	3,146,830	872,770
	TOTAL EQUITY AND LIABILITIES	2,786,381	3,020,988

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

Financial statements 1 September 2019 - 31 August 2020

Statement of changes in equity

DKK	Share capital	Unpaid contributed capital	Retained earnings	Total
Equity at 1 September 2018	2,000,000	1,500,000	-1,320,980	2,179,020
Transfer through appropriation of loss	0	0	-30,802	-30,802
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
Equity at 31 August 2020	2,000,000	1,500,000	-3,860,449	-360,449

The parent Company Injecto Group A/S provided letter of comfort to Injecto A/S. Injecto Group 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 2019 - 31 August 2020

Notes to the financial statements

1 Accounting policies

The annual report of Injecto A/S for 2019/20 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

Other external expenses

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

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.

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.

Financial statements 1 September 2019 - 31 August 2020

Notes to the financial statements

1 Accounting policies (continued)

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.

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".

Financial statements 1 September 2019 - 31 August 2020

Notes to the financial statements

1 Accounting policies (continued)

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 2019 - 31 August 2020

Notes to the financial statements

2 Staff costs

The Company has no employees.

3 Property, plant and equipment

DKK	<u>Property, plant and equipment under construction</u>
Cost at 1 September 2019	1,194,540
Cost at 31 August 2020	1,194,540
Impairment losses and depreciation at 1 September 2019	0
Impairment losses and depreciation at 31 August 2020	0
Carrying amount at 31 August 2020	<u>1,194,540</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	372,600	0
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5 Collateral

The Company has not provided any security or other collateral in assets at 31 August 2020.

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