

Panacea Biotech (International) SA, Zug

Report of the statutory auditors on the limited statutory examination to the general meeting for the year ended March 31, 2023

**Report of the statutory auditors
on the limited statutory examination**
to the general meeting of
Panacea Biotech (International) SA, Zug

As statutory auditors, we have examined the financial statements of Panacea Biotech (International) SA, which comprise the balance sheet, income statement and notes, for the year ended March 31, 2023.

These financial statements are the responsibility of the Board of Directors. Our responsibility is to perform a limited statutory examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

We conducted our examination in accordance with the Swiss Standard on Limited Statutory Examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of company personnel and analytical procedures as well as detailed tests of company documents as considered appropriate in the circumstances. However, the testing of the operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements do not comply with Swiss law and the company's articles of incorporation.

Zurich, August 23, 2023

RSM Audit Switzerland AG



Viktor Frank
Audit expert
Auditor in charge



Jennifer Bendik

Enclosures:

- Financial statements (balance sheet, income statement and notes)

Panacea Biotec (International) SA
Zug, Switzerland

Financial Statements as per March 31, 2023

CHF

Panacea Biotec (International) SA

Balance Sheet

31-03-23

31-03-22

			CHF	CHF
ASSETS				
Current Assets				
Credit Suisse CHF			6'170.01	188.07
Credit Suisse EUR	EUR	455.58	457.02	555.97
Credit Suisse AUD	AUD	1'844.50	1'198.00	8'221.74
Cash and cash equivalents			7'825.03	8'965.78
Trade receivables from third parties			100'461.42	104'487.82
less- allowance for doubtful accounts			(100'461.42)	(104'487.82)
Trade Receivables			-	-
Total Current Assets			7'825.03	8'965.78
Fixed assets				
Participation Panacea Biotec Germany GmbH	EUR	246'000.00	246'787.20	254'683.80
Participations			246'787.20	254'683.80
TOTAL ASSETS			254'612.23	263'649.58

Panacea Biotec (International) SA

Sascha Züger
Director

Beat Schmid
Accountant

Panacea Biotec (International) SA

Balance Sheet		31-03-23	31-03-22
		CHF	CHF
LIABILITIES AND EQUITY			
Current borrowed capital			
Trade payable to third parties		69'239.04	73'514.34
Trade creditors		69'239.04	73'514.34
Direct tax liabilities (cantonal, communal, federal)		420.00	424.00
Other current liabilities		420.00	424.00
Accrued expenses to third parties		1'250.00	1'250.00
Unrealized exchange gains		127'223.10	114'042.60
Accrued expenses		128'473.10	115'292.60
Total current borrowed capital		198'132.14	189'230.94
Long-term borrowed capital			
Loan Panacea Biotec Limited (subordinated)	USD	1'870'417.23	1'743'228.85
Long-term interest-bearing liabilities		1'743'228.85	1'611'940.55
Total Long-term borrowed capital		1'743'228.85	1'611'940.55
Shareholders' equity			
Share capital		600'000.00	600'000.00
Basic capital		600'000.00	600'000.00
Accumulated deficit		(2'137'521.91)	(2'037'249.78)
Profit/(Loss) for the year		(149'226.85)	(100'272.13)
Accumulated losses		(2'286'748.76)	(2'137'521.91)
Total Shareholders' equity		(1'686'748.76)	(1'537'521.91)
TOTAL LIABILITIES AND EQUITY		254'612.23	263'649.58

Panacea Biotec (International) SA

Sascha Züger
Director

Beat Schmid
Accountant

Panacea Biotec (International) SA

Profit and loss statement for the period 01.04. - 31.03.	2022 / 2023	2021 / 2022
	CHF	CHF
Rental fees	-	(1'250.00)
Accounting and admin. Fees	-	(14'122.30)
Director's fees	-	(1'750.00)
Auditor fees	-	9'500.00
Sundry expenses	-	(281.40)
Administrative costs	-	(7'903.70)
EBIT	-	(7'903.70)
Currency exchange gains	-	1'971.95
Financial income	-	1'971.95
Bank charges	(246.15)	(7'244.73)
Interest expenses on intercompany loan	(148'350.05)	(86'269.60)
Currency exchange losses	(175.55)	-
Financial costs	(148'771.75)	(93'514.33)
INCOME/(LOSS) BEFORE TAX	(148'771.75)	(99'446.08)
Taxes	(455.10)	(826.05)
Direct taxes	(455.10)	(826.05)
INCOME/(LOSS) FOR THE YEAR	(149'226.85)	(100'272.13)

Panacea Biotec (International) SASascha Züger
DirectorBeat Schmid
Accountant

Panacea Biotec (International) SA

Notes to the financial statements according to the Swiss Code of Obligations Art. 959c

Financial year
2022 / 2023

Financial year
2021 / 2022

	Financial year 2022 / 2023	Financial year 2021 / 2022
1		
1. details of the principles applied in the annual accounts where these are not specified by law; <i>The functional currency of the company is CHF</i>		
2. information, breakdowns and explanations relating to items on the balance sheet and in the profit and loss account;	n/a	n/a
3. the total amount of replacement reserves used and the additional hidden reserves, if this exceeds the total amount of new reserves of the same type and this results in a considerably better position;	n/a	n/a
4. other information required by law	n/a	n/a
2		
1. the business name or name of the Company as well as its legal form and registered office; <i>Panacea Biotec (International) SA UID: CHE-114.739.106</i> <i>Grafenaustrasse 5</i> <i>6302 Zug</i>		
2. a declaration as to whether the number of full-time positions on annual average is not more than 10, 50 or 250; <i>During the reporting period the company had zero employees in average</i>		
3. the business name, legal form and registered office of companies in which direct or substantial indirect shareholdings are held, stating the share of the capital and votes held;		
Panacea Biotec Germany GmbH voting shares 100% 100%		
Landwehrstrasse 61 participating shares 100% 100%		
80336 Munich nominal share capital EUR 25'000 EUR 25'000		
Germany		
Payment into free capital reserves (EUR 121'000) of Panacea Biotec Germany GmbH to avoid over indebtedness during the financial year 2012/2013		
Payment into free capital reserves (EUR 100'000) of Panacea Biotec Germany GmbH to avoid overindebtedness during the financial year 2013/2014		
In consideration of the profitability of the investee company, the impairment reserve of EUR 245'999 has been reversed in fiscal year 2020/21.		
4. the number of its own shares that the undertaking itself holds and that are held by undertakings in which it has shareholdings;	n/a	n/a
5. acquisitions and sales of its own shares and the terms on which they were acquired or sold;	n/a	n/a
6. the residual amount of the liabilities from sale-like leasing transactions and other leasing obligations, unless these expire or may be terminated within twelve months of the balance sheet date expiry;	CHF 0.00	CHF 0.00
7. liabilities vis-à-vis pension schemes;	CHF 0.00	CHF 0.00
8. the total amount of collateral for third party liabilities;	CHF 0.00	CHF 0.00
9. the total amount of assets used to secure own liabilities and assets under reservation of ownership;	CHF 0.00	CHF 0.00
10. legal or actual obligations for which a cash outflow either appears unlikely or is of an amount that cannot be reliably estimated (contingent liabilities);	n/a	n/a
11. the number and value of shares or options on shares held by management or administrative bodies and employees;	n/a	n/a
12. explanations of exceptional, non-recurring or prior-period items in the profit and loss account;	n/a	n/a
13. significant events occurring after the balance sheet date;	n/a	n/a
14. As at the closing date March 31, 2021, the company used the currency exchange rates provided by the Federal tax authority.		

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Panacea Biotec (International) SA

Appropriation of retained earnings (Proposal of the management)	2022 / 2023	2021 / 2022
Accumulated deficit brought forward	(2'137'521.91)	(2'037'249.78)
Loss for the year	(149'226.85)	(100'272.13)
At the disposal of the general meeting of shareholder	(2'286'748.76)	(2'137'521.91)
Allocation to general reserve	-	-
Allocation to voluntary reserve	-	-
Dividend	-	-
To be carried forward	(2'286'748.76)	(2'137'521.91)

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