

EBERHARDT • LACKNER
STEUERBERATER

FINANCIAL STATEMENTS

at 31. March 2023

PANACEA Biotec Germany GmbH

Landwehrstr. 61

80336 München

Commercial Register Information

Legal Seat: Munich

Local Court: Munich

Register ID: HRB 187529

Attestation

In accordance with the terms of our engagement, we have prepared the following annual financial statements - comprising the balance sheet and income statement - of PANACEA Biotec Germany GmbH for the period from 01. April 2022 to 31. March 2023 in accordance with the provisions of German commercial law. The basis for the preparation of these documents were the accounting records maintained by us and the other vouchers and inventory records presented to us, which we have not audited in accordance with the terms of our engagement, and the information provided to us. The bookkeeping system and the preparation of the inventory records and the annual financial statements in accordance with the provisions of German commercial law are the responsibility of the management of the company.

We performed our engagement in accordance with the *Verlautbarung der Bundessteuerberaterkammer zu den Grundsätzen für die Erstellung von Jahresabschlüssen (Pronouncement by the German Federal Chamber of Tax Advisers on the Principles for the Preparation of Annual Financial Statements)*. This engagement comprises the preparation of the balance sheet and income statement on the basis of the bookkeeping system and the inventory records, as well as of the accounting policies required to be applied.

Munich, 03. May 2023



A handwritten signature in blue ink, appearing to read "Eberhardt Lackner".

Eberhardt Lackner GbR
Steuerberater
(Tax Advisors)

Balance sheet as at 31/03/2023

PANACEA Biotec Germany GmbH

München

ASSETS

TOTAL EQUITY AND LIABILITIES

	EUR	Financial Year EUR	Prior Year EUR		EUR	Financial Year EUR	Prior Year EUR
A. Noncurrent assets				A. Equity			
I. Intangible fixed assets				I. Subscribed capital		25,000.00	25,000.00
1. Purchased licences, trademarks and similar rights and values as well as licenses to such rights and values		64,629.00	72,015.00	II. Capital reserves		221,000.00	221,000.00
II. Tangible fixed assets				III. Net accumulated losses		1,472,945.03	1,552,788.40
1. Other equipment, operating and office equipment		4,634.00	5,862.00	- of which accumulated losses brought forward EUR -1,552,788.40 (EUR -2,601,236.92)			
Total noncurrent asset		69,263.00	77,877.00	Deficit not covered		1,226,945.03	1,306,788.40
B. Current assets				Total equity		0.00	0.00
I. Inventories				B. Provisions			
1. Finished goods and merchandise	1,024,563.70		770,198.41	1. Provisions for taxes	8,992.12		8,992.12
2. Advance payments made	30,000.00		30,000.00	2. Other provisions	187,945.74		2,209,336.88
		1,054,563.70	800,198.41			196,937.86	2,218,329.00
II. Receivables and other assets				C. Liabilities			
1. Trade receivables	189,352.02		267,654.68	1. Trade payables	477,144.14		229,818.43
2. Receivables from affiliated companies	235,770.01		235,770.01	- of which remaining term up to 1 year EUR 477,144.14 (EUR 229,818.43)			
3. Other assets	248,969.80		266,530.18	2. Liabilities to affiliated companies	5,740,545.53		5,252,388.45
		674,091.83	769,954.87	- of which remaining term greater than 1 year EUR 5,740,545.53 (EUR 5,252,388.45)			
III. Cash on hand, central bank balances, bank balances, and checks		3,399,739.22	4,733,600.13	3. Other liabilities	12,132.73		9,987.47
				- of which taxes EUR 8,535.39 (EUR 8,190.31)			
Total current assets		5,128,394.75	6,303,753.41	- of which social security EUR 957.61 (EUR 928.81)			
				- of which remaining term up to 1 year EUR 12,132.73 (EUR 9,987.47)			
C. Prepaid expenses		13,324.48	35,271.54			6,229,822.40	5,492,194.35
D. Deficit not covered by equity		1,226,945.03	1,306,788.40	D. Prepaid expenses		11,167.00	13,167.00
		6,437,927.26	7,723,690.35			6,437,927.26	7,723,690.35

Income statement from 01/04/2022 to 31/03/2023

PANACEA Biotec Germany GmbH**München**

	EUR	Financial Year EUR	Prior Year EUR
1. Sales		1,952,653.51	4,239,043.59
2. Gross revenue		1,952,653.51	4,239,043.59
3. Other operating income			
a) Miscellaneous other operating income		13,641.05	17,886.05
4. Cost of materials			
a) Cost of raw materials, consumables and supplies, and of purchased merchandise		536,459.79	1,817,105.15
5. Personnel expenses			
a) Wages and salaries	436,016.90		525,556.32
b) Social security costs and expenses related to pension plans and for support	<u>54,755.01</u>		<u>54,407.01</u>
		490,771.91	579,963.33
6. Depreciation and amortization			
a) Of noncurrent intangible assets and property, plant and equipment		9,898.86	10,539.04
7. Other operating expenses			
a) Occupancy costs	10,148.25		11,550.87
b) Insurance premiums, fees and contributions	31,500.69		50,758.26
c) Cost of third-party repairs and maintenance	168.07		69.80
d) Vehicle costs	35,214.68		22,623.73
e) Advertising and travel expenses	28,150.48		51,108.86
f) Selling and distribution expenses	121,503.02		175,091.09
g) Miscellaneous operating costs	134,008.36		211,732.16
h) Miscellaneous other operating expenses	<u>520.00</u>		<u>0.00</u>
		361,213.55	522,934.77
8. other interest and similar income		50.00	0.00
- of which interest income from discounting of provisions EUR 50.00 (EUR 0.00)			
9. Interest and similar expenses		488,157.08	268,878.71
- of which from affiliated companies EUR 488,157.08 (EUR 268,738.71)			
10. Taxes on income		0.00	8,992.12
11. Net income/net loss after tax		79,843.37	1,048,516.52
12. Other taxes		0.00	68.00
13. Net income for the financial year		79,843.37	1,048,448.52
Carried forward		79,843.37	1,048,448.52

Income statement from 01/04/2022 to 31/03/2023

PANACEA Biotec Germany GmbH

München

	EUR	Financial Year EUR	Prior Year EUR
Brought forward		79,843.37	1,048,448.52
14. Accumulated losses brought forward from the prior year		1,552,788.40	2,601,236.92
15. Net accumulated losses		<u>1,472,945.03</u>	<u>1,552,788.40</u>

Accounts as at 31/03/2023

PANACEA Biotec Germany GmbH**München****ASSETS**

Account	Description	EUR	Financial Year EUR	Prior Year EUR
	Purchased licences, trademarks and similar rights and values as well as licenses to such rights and values			
25 00	Other rights and assets		64,629.00	72,015.00
	Other equipment, operating and office equipment			
400 00	Operating equipment		4,634.00	5,862.00
	Finished goods and merchandise			
3980 00	Merchandise (inventories)		1,024,563.70	770,198.41
	Advance payments made			
1518 00	Prepayments, 19% input tax		30,000.00	30,000.00
	Trade receivables			
1400 00	Trade receivables		189,352.02	267,654.68
	Receivables from affiliated companies			
1595 00	Rcvbls affiliated comp rem. term 1 yr.		235,770.01	235,770.01
	Other assets			
1501 01		70,169.78		20,555.96
1525 00	Security deposits	2,085.00		2,085.00
1526 00	Security deposits rem. term 1 yr.	10,823.24		10,823.24
1548 00	Input tax ded. following period/year	169.01		0.00
1600 00	Trade payables	45,055.08		0.00
1791 00	VAT, earlier years	4,960.77		4,960.77
		133,262.88		38,424.97
1568 00	Deductible input tax, 5%	5.07		5.07
1571 00	Deductible input tax, 7%	608.91		306.31
1574 00	Deductbl input tax on intra-EU acqstn 19%	516,941.85		365,636.25
1575 00	Deductible input tax, 16%	231.43		140.80
1576 00	Deductible input tax, 19%	137,400.21		80,416.55
1577 00	Deductbl inpt tax sec 13b UStG 19%	5,015.69		4,363.52
1588 00	Acquisition tax liability	17.49		0.00
1774 00	VAT on intra-EU acquisitions, 19%	516,941.85-		365,636.25-
1775 00	VAT, 16%	284,333.56		284,333.56
1776 00	VAT, 19%	891,928.40-		843,857.45-
1780 00	VAT prepayments	517,555.92		495,086.05
1781 00	VAT prepayments 1/11	222,568.00		222,568.00
1787 00	VAT under section 13b UStG, 19%	5,015.69-		4,363.52-
1790 00	VAT, previous year	155,085.27-		10,893.68-
		115,706.92		228,105.21
			248,969.80	266,530.18
Carried forward			1,797,918.53	1,648,030.28

Commercial law

Accounts as at 31/03/2023

PANACEA Biotec Germany GmbH**München****ASSETS**

Account Description	EUR	Financial Year EUR	Prior Year EUR
Brought forward		1,797,918.53	1,648,030.28
Cash on hand, central bank balances, bank balances, and checks			
1210 00 Bank 1	381,486.46		568,319.59
1220 00 Bank 2	<u>3,018,252.76</u>		<u>4,165,280.54</u>
		3,399,739.22	4,733,600.13
Prepaid expenses			
980 00 Prepaid expenses		13,324.48	35,271.54
Deficit not covered by equity			
Deficit not covered by equity		1,226,945.03	1,306,788.40
		<u>6,437,927.26</u>	<u>7,723,690.35</u>

Accounts as at 31/03/2023

PANACEA Biotec Germany GmbH**München****TOTAL EQUITY AND LIABILITIES**

Account	Description	EUR	Financial Year EUR	Prior Year EUR
	Subscribed capital			
800 00	Subscribed capital		25,000.00	25,000.00
	Capital reserves			
844 00	Other additional capital contributions		221,000.00	221,000.00
	Net accumulated losses			
	Net accumulated losses		1,472,945.03	1,552,788.40
	of which accumulated losses brought forward EUR -1,552,788.40 (EUR -2,601,236.92)			
2868 00	Accumulated losses brought forward			
	Deficit not covered			
	Deficit not covered		1,226,945.03	1,306,788.40
	Provisions for taxes			
956 00	Provision for trade tax, EStG s. 4(5b)	5,316.50		5,316.50
963 00	Provisions for corporate income tax	<u>3,675.62</u>		<u>3,675.62</u>
			8,992.12	8,992.12
	Other provisions			
965 00	Provisions for personnel expenses	30,000.00		85,000.00
966 00	Provsns for record retntn obligations	5,500.00		5,550.00
970 00	Other provisions	131,000.00		2,091,246.37
970 02	Provision Health and Safety Insurance	995.74		990.51
970 03	Provision Accounting Costs	450.00		450.00
970 10		0.00		6,100.00
977 00	Provsns period-end closing/ audit costs	<u>20,000.00</u>		<u>20,000.00</u>
			187,945.74	2,209,336.88
	Trade payables			
1600 00	Trade payables		477,144.14	229,818.43
	of which remaining term up to 1 year EUR 477,144.14 (EUR 229,818.43)			
1600 00	Trade payables			
	Liabilities to affiliated companies			
705 01	Loan Panacea Biotec Limited		5,740,545.53	5,252,388.45
	of which remaining term greater than 1 year EUR 5,740,545.53 (EUR 5,252,388.45)			
705 01	Loan Panacea Biotec Limited			
	Other liabilities			
1400 00	Trade receivables	1,423.89		868.35
Carried forward		<u>1,423.89</u>	<u>6,414,627.53</u>	<u>868.35</u> <u>7,700,535.88</u>

Commercial law

Accounts as at 31/03/2023

PANACEA Biotec Germany GmbH**München****TOTAL EQUITY AND LIABILITIES**

Account Description	EUR	Financial Year EUR	Prior Year EUR
Brought forward	1,423.89	6,414,627.53	7,700,535.88 868.35
Other liabilities			
1590 00 Items in transit	1,215.84		0.00
1736 00 Liabilities from taxes and levies	793.50		0.00
1741 00 Wage and church tax payables	7,741.89		8,190.31
1759 00 Expctd contrib. owed social secur. funds	<u>957.61</u>		<u>928.81</u>
		12,132.73	<u>9,987.47</u>
of which taxes EUR 8,535.39 (EUR 8,190.31)			
1736 00 Liabilities from taxes and levies			
1741 00 Wage and church tax payables			
of which social security EUR 957.61 (EUR 928.81)			
1759 00 Expctd contrib. owed social secur. funds			
of which remaining term up to 1 year EUR 12,132.73 (EUR 9,987.47)			
1400 00 Trade receivables			
1590 00 Items in transit			
1736 00 Liabilities from taxes and levies			
1741 00 Wage and church tax payables			
1759 00 Expctd contrib. owed social secur. funds			
Prepaid expenses			
990 00 Deferred income		11,167.00	13,167.00
		<u>6,437,927.26</u>	<u>7,723,690.35</u>

Income statement accounts from 01/04/2022 to 31/03/2023

PANACEA Biotec Germany GmbH**München**

Account	Description	EUR	Financial Year EUR	Prior Year EUR
Sales				
8338 00	Tax-exempt sales 3rd country	2,000.00		2,000.00
8400 00	Revenue, 19% VAT	3,004,410.22		10,574,087.42
8736 00	Cash discounts granted, 19% VAT	59,953.83-		217,061.64-
8770 10	Rebates estimated - charges outstanding	28,313.51		138,626.42-
8770 20	Rebates estimated - charges outstanding	1,802,194.25		1,287,515.42
8790 00	Rebates granted, 19% VAT	16,017.86-		18,045.66-
8790 01		3,488.21-		0.00
8791 00	Rebates granted, 19% VAT	<u>2,804,804.57-</u>		<u>7,250,825.53-</u>
			1,952,653.51	4,239,043.59
Miscellaneous other operating income				
2700 00	Other income	23.05		8.05
2709 00	Other infrequent income	99.00		0.00
2749 00	Refunds AAG	2,685.44		7,824.28
8611 00	Allctd.oth.n-c bnfts provsn car, 19% VAT	<u>10,833.56</u>		<u>10,053.72</u>
			13,641.05	17,886.05
Cost of raw materials, consumables and supplies, and of purchased merchandise				
3736 00	Cash discounts received, 19% input tax	0.00		6.84-
3800 00	Delivery costs	12.50		0.00
3960 00	Chngs invntries r/c/s, purch. merch.	<u>536,447.29</u>		<u>1,817,111.99</u>
			536,459.79	1,817,105.15
Wages and salaries				
4100 00	Wages and salaries	382,108.90		421,707.32
4129 00	Management bonuses paid to employees	30,000.00		85,000.00
4152 00	Non-cash bnft/ serv employees	12,892.00		11,964.00
4190 00	Casual labour wages	10,800.00		6,750.00
4194 00	Flat-rate taxes marg part-time workers	<u>216.00</u>		<u>135.00</u>
			436,016.90	525,556.32
Social security costs and expenses related to pension plans and for support				
4130 00	Statutory social security expenses	53,828.28		52,308.73
4138 00	Contrib. to occup. health/safety agency	798.73		1,552.92
4140 00	Vol. social benfts not subj to wage tx	<u>128.00</u>		<u>545.36</u>
			54,755.01	54,407.01
Depreciation and amortization				
Of noncurrent intangible assets and property, plant and equipment				
4822 00	Amortisation of intngbl fixed assets	7,386.00		7,386.00
4830 00	Depreciation of tangible fixed assets	2,512.86		2,402.20
4855 00	Immediate write-off of low-value assets	<u>0.00</u>		<u>750.84</u>
			9,898.86	10,539.04
Carried forward			<u>929,164.00</u>	<u>1,849,322.12</u>

Commercial law

Income statement accounts from 01/04/2022 to 31/03/2023

PANACEA Biotec Germany GmbH**München**

Account	Description	EUR	Financial Year EUR	Prior Year EUR
Brought forward			929,164.00	1,849,322.12
	Occupancy costs			
4210 00	Rent (immovable property)		10,148.25	11,550.87
	Insurance premiums, fees and contributions			
4360 00	Insurance premiums	22,842.33		34,778.26
4380 00	Contributions	150.00		175.00
4390 00	Other levies	8,508.36		15,680.00
4397 00	N-tx deductbl l.filg. penlts/admin. fines	0.00		125.00
			31,500.69	50,758.26
	Cost of third-party repairs and maintenance			
4805 00	Repairs/maintenance operat/office equipm	168.07		0.00
4806 00	Hardware / software maintenance expenses	0.00		69.80
			168.07	69.80
	Vehicle costs			
4520 00	Motor vehicle insurance	0.00		661.49
4530 00	Current motor vehicle operat. costs	5,693.36		4,848.58
4540 00	Motor vehicle repairs	2,538.12		33.61
4550 00	Garage rent	1,726.22		1,512.00
4570 00	Operating leases (motor vehicles)	24,492.23		15,298.05
4595 00	Third-party vehicle expenses	764.75		270.00
			35,214.68	22,623.73
	Advertising and travel expenses			
4600 00	Advertising expenses	17,095.50		41,749.75
4605 00	Giveaways	10.00		30.00
4650 00	Entertainment expenses	836.09		886.58
4653 00	Small gifts	852.87		346.32
4654 00	Non-deductible entertainm. expenses	358.32		375.68
4663 00	Employee travel expnses, cost of travel	3,967.08		3,848.29
4664 00	Employee trav. expn, addnl substnc costs	904.00		710.00
4666 00	Employee trav. expn, accommodation costs	3,850.62		3,162.24
4668 00	Employee mileage reimbursement	276.00		0.00
			28,150.48	51,108.86
	Selling and distribution expenses			
4700 00	Selling and distribution expenses	121,417.23		175,078.46
4710 00	Packaging materials	14.08		12.63
4730 00	Outgoing freight	71.71		0.00
			121,503.02	175,091.09
	Miscellaneous operating costs			
4900 00	Other operating expenses	4,712.30		6,791.24
Carried forward		4,712.30-	702,478.81	1,538,119.51

Commercial law

Income statement accounts from 01/04/2022 to 31/03/2023

PANACEA Biotec Germany GmbH**München**

Account	Description	EUR	Financial Year EUR	Prior Year EUR
Brought forward		4,712.30-	702,478.81	1,538,119.51 6,791.24-
	Miscellaneous operating costs			
4908 00	General administrative espenses	1,149.52		2,489.47
4909 00	Purchased services/ third-party services	81,270.72		135,289.56
4910 00	Postage	455.45		318.87
4920 00	Telephone	3,898.92		3,944.41
4930 00	Office supplies	1,192.40		852.47
4945 00	Training costs	100.84		0.00
4950 00	Legal and consulting expenses	1,895.00		7,017.96
4955 00	Bookkeeping expenses	6,008.00		7,671.07
4957 00	Period-end closing and audit costs	14,805.05		12,000.00
4964 00	Expensions for licences, concessions	366.99		507.00
4969 00	Environmtl remed./ waste disposal expns	10,063.71		7,838.21
4970 00	Incidental monetary transaction costs	8,068.96		26,412.01
4980 00	Operating supplies	20.50		599.89
			134,008.36	211,732.16
	Miscellaneous other operating expenses			
2020 00	Prior-period expenses		520.00	0.00
	other interest and similar income			
2684 00	Interest income discount. provisions		50.00	0.00
	of which interest income from discounting of provisions EUR 50.00 (EUR 0.00)			
2684 00	Interest income discount. provisions			
	Interest and similar expenses			
2104 00	N-deductbl oth incid.charges reltd. taxes	0.00		140.00
2109 01	Interest due to Loan Panacea Biotec Ltd	488,157.08		268,738.71
			488,157.08	268,878.71
	of which from affiliated companies EUR 488,157.08 (EUR 268,738.71)			
2109 01	Interest due to Loan Panacea Biotec Ltd			
	Taxes on income			
2200 00	Corporate income tax	0.00		3,484.00
2208 00	Solidarity surcharge	0.00		191.62
4320 00	Trade tax	0.00		5,316.50
			0.00	8,992.12
	Other taxes			
4510 00	Motor vehicle tax		0.00	68.00
	Net income for the financial year		79,843.37	1,048,448.52
Carried forward			79,843.37	1,048,448.52

Income statement accounts from 01/04/2022 to 31/03/2023

PANACEA Biotec Germany GmbH**München**

Account Description	EUR	Financial Year EUR	Prior Year EUR
Brought forward		79,843.37	1,048,448.52
Accumulated losses brought forward from the prior year			
2868 00 Accumulated losses brought forward		1,552,788.40	2,601,236.92
Net accumulated losses		1,472,945.03	1,552,788.40

Statement of movements on non-current assets as at 31/03/2023

PANACEA Biotec Germany GmbH

München

	acquisition-, production- cost 01/04/2022 EUR	additions EUR	disposals EUR	transfers EUR	acquisition-, production- cost 31/03/2023 EUR	accumulated depreciations 01/04/2022 EUR	depreciations financial year EUR	depreciation EUR	transfers EUR	accumulated depreciations 31/03/2023 EUR	write-ups financial year EUR	book value 31/03/2023 EUR
A. Noncurrent assets												
I. Intangible fixed assets												
1. Purchased licences, trademarks and similar rights and values as well as licenses to such rights and values	152,466.58				152,466.58	80,451.58	7,386.00			87,837.58		64,629.00
Total intangible fixed assets	152,466.58				152,466.58	80,451.58	7,386.00			87,837.58		64,629.00
II. Tangible fixed assets												
1. Other equipment, operating and office equipment	21,825.15	1,284.86			23,110.01	15,963.15	2,512.86			18,476.01		4,634.00
Total tangible fixed assets	21,825.15	1,284.86			23,110.01	15,963.15	2,512.86			18,476.01		4,634.00
Total noncurrent asset	174,291.73	1,284.86			175,576.59	96,414.73	9,898.86			106,313.59		69,263.00

EBERHARDT • **L**ACKNER

S T E U E R B E R A T E R

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