

**EBERHARDT • LACKNER**  
**STEUERBERATER**

**FINANCIAL STATEMENTS**

at 31. March 2020

**PANACEA Biotec Germany GmbH**

Landshuter Allee 8 - 10

80637 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 2019 to 31. March 2020 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, 15. May 2020



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

Eberhardt Lackner GbR  
Steuerberater  
(Tax Advisors)



## INCOME STATEMENT from 01.04.2019 to 31.03.2020

PANACEA Biotec Germany GmbH  
München

	EUR	Financial year EUR	Previous year EUR
1. Sales		<u>2.897.123,00</u>	<u>1.689.693,51</u>
<b>2. Gross revenue for the period</b>		2.897.123,00	1.689.693,51
3. Other operating income			
a) Miscellaneous other operating income		21.564,22	12.632,47
4. Cost of materials			
a) Cost of raw materials, consumables and supplies and of purchased merchandise		1.428.023,84	817.473,81
5. Personnel expenses			
a) Wages and salaries	462.025,39		455.148,38
b) Social security, post-employment and other employee benefit costs	<u>57.833,76</u>	519.859,15	49.155,17
- of which in respect of old age pensions			
EUR 6.464,00 (EUR 4.712,00)			
6. Depreciation, amortisation and write-downs			
a) Amortisation and write-downs of intangible fixed assets and depreciation and write downs of tangible fixed assets		10.141,57	8.106,69
7. Other operating expenses			
a) Occupancy costs	26.049,40		24.733,00
b) Insurance premiums, fees and contributions	23.715,29		21.288,70
c) Cost of third-party repairs and maintenance	193,95		152,99
d) Vehicle fleet expenses	32.494,14		24.899,21
e) Advertising and travel expenses	27.632,37		34.495,80
f) Selling and distribution expenses	116.020,99		110.239,78
g) Miscellaneous operating costs	<u>114.075,98</u>	340.182,12	100.722,20
8. Other interest and similar income		0,00	97,83
Carry forward		<u>620.480,54</u>	<u>56.008,08</u>

## INCOME STATEMENT from 01.04.2019 to 31.03.2020

**PANACEA Biotec Germany GmbH  
München**

	EUR	Financial year EUR	Previous year EUR
Carry forward		620.480,54	56.008,08
- of which interest income from discounting of provisions EUR 0,00 (EUR 97,83)			
<b>9. Interest and similar expenses</b>		<u>325.902,37</u>	<u>313.492,16</u>
- of which from affiliated companies EUR 325.715,75 (EUR 313.463,00)			
- of which interest expenses from the discounting of provisions EUR 186,62 (EUR 0,00)			
<b>10. Net income/net loss after tax</b>		294.578,17	257.484,08-
11. Other taxes		270,00	302,54
<b>12. Net income for the financial year</b>		294.308,17	257.786,62-
13. Accumulated losses brought forward		3.789.581,25	3.531.794,63
<b>14. Net accumulated losses</b>		<u><u>3.495.273,08</u></u>	<u><u>3.789.581,25</u></u>

## BALANCE SHEET ACCOUNTS as at 31.03.2020

PANACEA Biotec Germany GmbH  
München

## ASSETS

Account	Description	EUR	Financial year EUR	Previous year EUR
	<b>Purchased concessions, industrial and similar rights and assets and licences in such rights and assets</b>			
25 00	Other rights and assets		86.787,00	94.174,00
	<b>Other equipment, operating and office equipment</b>			
400 00	Operating equipment		1.458,00	496,00
	<b>Finished goods and merchandise</b>			
3980 00	Merchandise (inventories)		173.794,07	883.520,60
	<b>Prepayments (inventories)</b>			
1518 00	Prepayments, 19% input tax		30.000,00	30.000,00
	<b>Trade receivables</b>			
1400 00	Trade receivables		530.710,76	355.712,50
	<b>Receivables from affiliated companies</b>			
1595 00	Rcvbls affiliated comp due w/in 1 y		235.770,01	235.770,01
	<b>Other assets</b>			
1501 01		83.114,91		0,00
1526 00	Security deposits due w/in 1 year	16.813,70		16.813,70
1548 00	Input tax ded. following period/year	91,55		32,42
1600 00	Trade payables	<u>0,00</u>	100.020,16	35,00
	<b>Cash-in-hand, central bank balances, bank balances and cheques</b>			
1210 00	Bank 1	410.929,29		98.006,75
1220 00	Bank 2	<u>2.120.489,28</u>	2.531.418,57	830.534,48
	<b>Prepaid expenses</b>			
980 00	Prepaid expenses		18.635,64	16.363,73
	<b>Deficit not covered by equity</b>			
	Equity deficit		3.249.273,08	3.543.581,25
	Total assets		<u>6.957.867,29</u>	<u>6.105.040,44</u>

## BALANCE SHEET ACCOUNTS as at 31.03.2020

PANACEA Biotec Germany GmbH  
München

## EQUITY AND LIABILITIES

Account	Description	EUR	Financial year EUR	Previous year EUR
	<b>Subscribed capital</b>			
800 00	Subscribed capital		25.000,00	25.000,00
	<b>Capital reserves</b>			
844 00	Other additional capital contributions		221.000,00	221.000,00
	<b>Net accumulated losses</b>			
	Net accumulated losses		3.495.273,08-	3.789.581,25-
	<b>of which accumulated losses brought forward</b>			
	<b>EUR 3.789.581,25-</b>			
	<b>(EUR 3.531.794,63-)</b>			
2868 00	Accumulated losses brought forward			
	<b>Deficit not covered</b>			
	Equity deficit		3.249.273,08	3.543.581,25
	<b>Other provisions</b>			
965 00	Provisions for personnel expenses	70.000,00		41.500,00
966 00	Provsns for record retntn obligations	5.600,00		5.400,00
970 00	Other provisions	1.539.829,95		874.474,24
970 01	Provisions Lease Costs Arval	1.000,00		0,00
970 02	Provision Health and Safety Insurance	1.880,16		0,00
970 03	Provision Accounting Costs	866,00		0,00
970 04	Provision Expenses DADA	4.300,00		0,00
977 00	Provsns period-end closing/ audit costs	<u>8.000,00</u>	1.631.476,11	8.000,00
	<b>Trade payables</b>			
1600 00	Trade payables		547.917,06	717.189,92
	<b>of which due within one year EUR 547.917,06 (EUR 717.189,92)</b>			
1600 00	Trade payables			
	<b>Liabilities to affiliated companies</b>			
705 01	Loan Panacea Biotec Limited		4.722.248,75	4.396.533,00
	<b>of which due after more than one year EUR 4.722.248,75 (EUR 4.396.533,00)</b>			
705 01	Loan Panacea Biotec Limited			
	<b>Other liabilities</b>			
1400 00	Trade receivables	9.437,54		3.019,43
1571 00	Deductible input tax, 7%	345,71-		22,49-
1574 00	Deductbl input tax on intra-EU acqstn 19%	133.182,51-		166.611,85-
1576 00	Deductible input tax, 19%	54.202,10-		59.218,03-
1577 00	Deductbl inpt tax sec 13b UStG 19%	4.802,67-		14.683,16-
1741 00	Wage and church tax payables	8.007,91		9.781,20
1759 00	Expctd contrb. owed social secur. funds	871,88		0,00
Carry forward		174.215,66-	6.901.641,92	5.815.362,26

**BALANCE SHEET ACCOUNTS** as at 31.03.2020**PANACEA Biotec Germany GmbH**  
**München**

## EQUITY AND LIABILITIES

Account Description	EUR	Financial year EUR	Previous year EUR
Carry forward	174.215,66-	6.901.641,92	5.815.362,26
<b>Other liabilities</b>			
1774 00 VAT on intra-EU acquisitions, 19%	133.182,51		166.611,85
1776 00 VAT, 19%	787.277,31		372.971,70
1780 00 VAT prepayments	647.984,12-		192.756,32-
1781 00 VAT prepayments 1/11	65.976,00-		59.117,00-
1787 00 VAT under section 13b UStG, 19%	4.802,67		14.683,16
1789 00 VAT, current year	0,00		38.523,24-
1790 00 VAT, previous year	1.971,66		6.627,91
1791 00 VAT, earlier years	<u>0,00</u>	39.058,37	13,12
<b>of which taxes EUR 28.748,95</b> <b>(EUR 39.756,85)</b>			
1571 00 Deductible input tax, 7%			
1574 00 Deductbl input tax on intra-EU acqstn 19%			
1576 00 Deductible input tax, 19%			
1577 00 Deductbl inpt tax sec 13b UStG 19%			
1741 00 Wage and church tax payables			
1774 00 VAT on intra-EU acquisitions, 19%			
1776 00 VAT, 19%			
1780 00 VAT prepayments			
1781 00 VAT prepayments 1/11			
1787 00 VAT under section 13b UStG, 19%			
1789 00 VAT, current year			
1790 00 VAT, previous year			
1791 00 VAT, earlier years			
<b>of which social security</b> <b>EUR 871,88 (EUR 0,00)</b>			
1759 00 Expctd contrb. owed social secur. funds			
<b>of which due within</b> <b>one year EUR 39.058,37</b> <b>(EUR 42.776,28)</b>			
1400 00 Trade receivables			
1571 00 Deductible input tax, 7%			
1574 00 Deductbl input tax on intra-EU acqstn 19%			
1576 00 Deductible input tax, 19%			
1577 00 Deductbl inpt tax sec 13b UStG 19%			
1741 00 Wage and church tax payables			
1759 00 Expctd contrb. owed social secur. funds			
1774 00 VAT on intra-EU acquisitions, 19%			
1776 00 VAT, 19%			
1780 00 VAT prepayments			
1781 00 VAT prepayments 1/11			
1787 00 VAT under section 13b UStG, 19%			
1789 00 VAT, current year			
1790 00 VAT, previous year			
1791 00 VAT, earlier years			
Carry forward		6.940.700,29	6.085.873,44

**BALANCE SHEET ACCOUNTS** as at 31.03.2020**PANACEA Biotec Germany GmbH**  
**München**

## EQUITY AND LIABILITIES

Account Description	EUR	Financial year EUR	Previous year EUR
Carry forward		6.940.700,29	6.085.873,44
<b>Deferred income</b>			
990 00 Deferred income		17.167,00	19.167,00
		<hr/>	<hr/>
Total equity and liabilities		6.957.867,29	6.105.040,44
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## Income statement ACCOUNTS from 01.04.2019 to 31.03.2020

PANACEA Biotec Germany GmbH  
München

Account	Description	EUR	Financial year EUR	Previous year EUR
<b>Sales</b>				
8338 00	Tax-exempt sales 3rd country	2.000,00		2.000,00
8400 00	Revenue, 19% VAT	8.149.055,63		4.982.631,73
8730 00	Cash discounts granted	0,00		0,01-
8736 00	Cash discounts granted, 19% VAT	168.797,03-		95.884,23-
8770 00	Rebates granted	5.297,53-		3.594,66-
8770 10	Rebates estimated - charges outstanding	26.585,11-		1.085,54-
8770 20	Rebates estimated - charges outstanding	1.389.264,68-		60.783,17-
8790 00	Rebates granted, 19% VAT	397.166,38-		258.011,31-
8791 00	Rebates granted, 19% VAT	3.266.821,90-		2.673.558,44-
8791 01		<u>0,00</u>	2.897.123,00	202.020,86-
<b>Miscellaneous other operating income</b>				
2742 00	Insurance recoveries/compensation paymts	9.379,82		0,00
2749 00	Refunds AAG	2.130,68		3.005,58
8611 00	Allctd.oth.n-c bnfts provsn car, 19% VAT	<u>10.053,72</u>	21.564,22	9.626,89
<b>Cost of raw materials, consumables and supplies and of purchased merchandise</b>				
3736 00	Cash discounts received, 19% input t.	19,72		0,00
3960 00	Chngs invntries r/c/s, purch. merch.	<u>1.428.043,56-</u>	1.428.023,84-	817.473,81-
<b>Wages and salaries</b>				
4100 00	Wages and salaries	386.976,39-		383.648,38-
4129 00	Management bonuses paid to employees	70.000,00-		71.500,00-
4194 00	Flat-rate taxes marg part-time workers	99,00-		0,00
4195 00	Wages for marginal part-time work	<u>4.950,00-</u>	462.025,39-	0,00
<b>Social security, post-employment and other employee benefit costs</b>				
4130 00	Statutory social security expenses	49.418,46-		43.801,56-
4138 00	Contrib. to occup. health/safety agency	1.696,85-		641,61-
4140 00	Vol. social bnfts not subj to wage tx	254,45-		0,00
4165 00	Cost of old age pensions	<u>6.464,00-</u>	57.833,76-	4.712,00-
<b>of which in respect of old age pensions EUR 6.464,00- (EUR 4.712,00-)</b>				
4165 00	Cost of old age pensions			
<b>Depreciation, amortisation and write-downs</b>				
<b>Amortisation and write-downs of intangible fixed assets and depreciation and write downs of tangible fixed assets</b>				
4822 00	Amortisation of intngbl fixed assets	7.387,00-		7.387,00-
4830 00	Depreciation of tangible fixed assets	957,47-		532,00-
4855 00	Immediate write-off of low-value assets	1.776,83-		187,69-
Carry forward		10.121,30-	970.804,23	372.441,93

## Income statement ACCOUNTS from 01.04.2019 to 31.03.2020

PANACEA Biotec Germany GmbH  
München

Account Description	EUR	Financial year EUR	Previous year EUR
Carry forward	10.121,30-	970.804,23	372.441,93
<b>Amortisation and write-downs of intangible fixed assets and depreciation and write downs of tangible fixed assets</b>			
4860 00 Depr./amort. capitalised low-value ass.	<u>20,27-</u>	10.141,57-	0,00
<b>Occupancy costs</b>			
4210 00 Rent (immovable property)		26.049,40-	24.733,00-
<b>Insurance premiums, fees and contributions</b>			
4360 00 Insurance premiums	23.540,29-		21.068,74-
4380 00 Contributions	<u>175,00-</u>	23.715,29-	219,96-
<b>Cost of third-party repairs and maintenance</b>			
4806 00 Hardware / software maintenance expenses		193,95-	152,99-
<b>Vehicle fleet expenses</b>			
4500 00 Vehicle expenses	0,00		149,47-
4520 00 Motor vehicle insurance	1.701,03-		428,37-
4530 00 Current motor vehicle operat. costs	3.493,45-		3.915,59-
4540 00 Motor vehicle repairs	9.512,65-		226,23-
4570 00 Operating leases (motor vehicles)	17.531,49-		20.179,55-
4595 00 Third-party vehicle expenses	<u>255,52-</u>	32.494,14-	0,00
<b>Advertising and travel expenses</b>			
4600 00 Advertising costs	14.566,05-		31.359,81-
4605 00 Giveaways	281,98-		0,00
4640 00 Corporate hospitality expenses	32,42-		0,00
4650 00 Entertainment expenses	1.181,61-		323,86-
4653 00 Small gifts	12,68-		0,00
4654 00 Non-deductible entertainm. expenses	292,12-		138,80-
4660 00 Employee travel expenses	172,84-		541,37-
4663 00 Employee travel expenses, cost of travel	5.907,33-		963,03-
4664 00 Employee trav. expn, addnl substnc costs	1.252,46-		169,80-
4666 00 Employee trav. expn, accommodation costs	3.932,88-		832,93-
4669 00	<u>0,00</u>	27.632,37-	166,20-
<b>Selling and distribution expenses</b>			
4700 00 Selling and distribution expenses		116.020,99-	110.239,78-
<b>Miscellaneous operating costs</b>			
4900 00 Other operating expenses	12.399,56-		14.164,33-
4908 00 General administrative expenses	2.358,36-		2.315,28-
4909 00 Purchased services/third-party services	59.645,74-		61.569,61-
4910 00 Postage	83,95-		12,29-
4920 00 Telephone	2.379,77-		1.851,86-
Carry forward	76.867,38-	734.556,52	76.719,08

## Income statement ACCOUNTS from 01.04.2019 to 31.03.2020

PANACEA Biotec Germany GmbH  
München

Account Description	EUR	Financial year EUR	Previous year EUR
Carry forward	76.867,38-	734.556,52	76.719,08
<b>Miscellaneous operating costs</b>			
4930 00 Office supplies	877,85-		277,24-
4940 00 Newspapers, books (specialist lit.)	65,41-		0,00
4945 00 Training costs	4.500,00-		0,00
4950 00 Legal and consulting costs	292,69-		11.024,70-
4955 00 Bookkeeping costs	6.556,70-		5.819,76-
4957 00 Period-end closing and audit costs	11.242,45-		0,00
4969 00 Environmtl remed./ waste disposal expns	6.716,21-		1.877,32-
4970 00 Incidental monetary transaction costs	6.634,86-		1.485,49-
4980 00 Operating supplies	<u>322,43-</u>	114.075,98-	324,32-
<b>Other interest and similar income</b>			
2684 00 Interest income discount. provisions		0,00	97,83
<b>of which interest income from discounting of provisions EUR 0,00 (EUR 97,83)</b>			
2684 00 Interest income discount. provisions			
<b>Interest and similar expenses</b>			
2109 01 Interest due to Loan Panacea Biotec Ltd	325.715,75-		313.463,00-
2140 00 Expenses similar to interest expenses	0,00		29,16-
2144 00 Interest expenses fr discount provisions	<u>186,62-</u>	325.902,37-	0,00
<b>of which from affiliated companies EUR 325.715,75- (EUR 313.463,00-)</b>			
2109 01 Interest due to Loan Panacea Biotec Ltd			
<b>of which interest expenses from the discounting of provisions EUR 186,62- (EUR 0,00)</b>			
2144 00 Interest expenses fr discount provisions			
<b>Other taxes</b>			
4510 00 Motor vehicle tax		270,00-	302,54-
<b>Net income for the financial year</b>			
Net income for the financial year		294.308,17	257.786,62-
<b>Accumulated losses brought forward</b>			
2868 00 Accumulated losses brought forward		3.789.581,25-	3.531.794,63-
<b>Net accumulated losses</b>			
Net accumulated losses		<u>3.495.273,08-</u>	<u>3.789.581,25-</u>

statement of movements on non-current assets (gross) at 31.03.2020 - Commercial law

	acquisition- production- cost 01.04.2019 EUR	additions EUR	disposals EUR	transfers EUR	acquisition- production- cost 31.03.2020 EUR	accumulated depreciations 01.04.2019 EUR	depreciations financial year EUR	disposals EUR	transfers EUR	accumulated depreciations 31.03.2020 EUR	write-ups financial year EUR	book-value 31.03.2020 EUR
<b>I. Intangible fixed assets</b>												
1. Purchased concessions, industrial and similar rights and assets and licences in such rights and assets	152.466,58				152.466,58	58.292,58	7.387,00			65.679,58		86.787,00
<b>total Intangible fixed assets</b>	<b>152.466,58</b>				<b>152.466,58</b>	<b>58.292,58</b>	<b>7.387,00</b>			<b>65.679,58</b>		<b>86.787,00</b>
<b>II. Tangible fixed assets</b>												
1. Other equipment, operating and office equipment	9.024,76	3.716,57			12.741,33	8.528,76	2.754,57			11.283,33		1.458,00
<b>total Tangible fixed assets</b>	<b>9.024,76</b>	<b>3.716,57</b>			<b>12.741,33</b>	<b>8.528,76</b>	<b>2.754,57</b>			<b>11.283,33</b>		<b>1.458,00</b>
	<b>161.491,34</b>	<b>3.716,57</b>			<b>165.207,91</b>	<b>66.821,34</b>	<b>10.141,57</b>			<b>76.962,91</b>		<b>88.245,00</b>

**E**BERHARDT • **L**ACKNER  

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

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