

Annual Report
Glenmark Pharmaceuticals Nordic AB

559065-7085

Financial year
2020-04-01 - 2021-03-31



Certificate of confirmation

The undersigned Board member certifies that the income statement and balance sheet in the annual has been approved at the Annual General Meeting on ~~30 APRIL~~ 2021
The Annual General Meeting resolved to approve the Board's proposal for the appropriation of earnings

I also certify that the contents of the annual report and the auditor's report are consistent with the original

Malmö ~~7 MAY~~ 2021



Oliver Bourne

Glenmark Pharmaceuticals Nordic AB
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Board of Directors report

The board of directors of Glenmark Pharmaceuticals Nordic AB, 559065-7085, with its registered office in Malmö, may hereby submit the Annual Report for the financial year 2020-04-01 - 2021-03-31

The annual report is prepared in SEK.

Business Concept and overview

The company is conducting distribution, marketing, export and import of drugs and products in the pharmaceutical industry and related business.

The company has its residence in Malmö

Ownership:

Owned by
Glenmark Holding SA
Chemin de al Combeta 5
CH-2300 La Chaux-de-Fonds
Switzerland
Orgnr: CHE-112.940.235

Significant events during the financial year

The company is still in a development phase where new products have been launched during the financial year. Sales has increased during the financial year.

Significant events in the coming fiscal year

The company will continue to develop and launch new products next financial year and sales are expected to increase.

Development of the Company's business, profit and position (SEK)	2021-03-31	2020-03-31	2019-03-31	2018-03-31
Net sales	93 433 117	79 221 450	77 744 594	13 832 890
Operating margin (%)	2,1	2,2	2,2	-71
Balance sheet total	72 204 304	74 888 145	66 508 675	29 448 582
Solidity, %	15,4	12,2	11,9	22,0
Profit/loss after financial items	1 977 879	1 259 183	1 426 764	-11 138 443

*For definitions, see note

Change in equity

	Restricted equity	Non-restricted equity		Total
	Share capital	Balanced result	Profit/loss brought forward	
Opening balance 2019-04-01	50 000	7 860 120	1 259 183	9 169 303

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Result outline		1 259 183	-1 259 183	
Net profit/loss for the year			1 977 879	1 977 879
Outgoing balance 2020-03-31	50 000	9 119 303	1 977 879	11 147 182

Conditional shareholder contribution on closing day is 22 100 000 SEK, (22 100 000 SEK)

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Proposed allocation of the Company's profit

The Board of Directors propose that the non-restricted equity, SEK 9 119 303, is allocated as shown below:

Balanced profit is at the disposal of the Annual General Meeting	9 119 303
Profit for the year	<u>1 977 879</u>
Total	11 097 182
Profit or loss brought forward	11 097 182

For further information regarding the company's profit and financial position information can be found in the following income statement, balance sheet, cash flow statement and pertaining notes

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Income statement

Amounts in SEK	Note	2020-04-01- 2021-03-31	2019-04-01- 2020-03-31
Net sales		93 433 117	79 221 450
Other operating income		1 711 569	0
		95 144 686	79 221 450
Operating expenses			
Trade goods		-67 788 085	-57 667 773
Other external costs		-11 130 970	-6 753 274
Employee benefit expenses	2	-9 787 254	-9 215 202
Depreciation, amortisation and impairment of equipment and intangible assets		0	
		-69 697	-68 844
Other operating expenses		-4 373 063	-3 739 027
Operating profit/loss		1 995 618	1 777 330
Profit/loss from financial items			
Interest income and similar profit/loss items		0	940 012
Interest expense and similar profit/loss items		-17 739	-1 458 159
Profit/loss after financial items		1 977 879	1 259 183
Profit/loss before tax		1 977 879	1 259 183
Tax on profit for the year		-	-
Net profit/loss for the year		1 977 879	1 259 183

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Balance sheet

Amounts in SEK	Note	2021-03-31	2020-03-31
ASSETS			
Non-current assets			
Property, plant and equipment			
Equipment, tools, fixtures and fittings	5	29 469	99 165
		<u>29 469</u>	<u>99 165</u>
Total non-current assets		<u>29 469</u>	<u>99 165</u>
Current assets			
Inventories etc.			
Trade goods		27 167 055	27 624 834
		<u>27 167 055</u>	<u>27 624 834</u>
Current receivables			
Accounts receivable - trade		29 419 937	27 384 955
Current tax assets		746 377	438 455
Prepaid expenses and accrued income		193 409	3 860 259
		<u>30 359 722</u>	<u>31 683 669</u>
Cash and bank balances		<u>14 648 058</u>	<u>15 480 478</u>
Total current assets		<u>72 174 836</u>	<u>74 788 980</u>
TOTAL ASSETS		<u>72 204 304</u>	<u>74 888 145</u>

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Balance sheet

Amounts in SEK

Note

2021-03-31

2020-03-31

EQUITY AND LIABILITIES

Equity

Restricted equity

Share capital

50 000

50 000

50 000

50 000

Non-restricted equity

Profit or loss brought forward

9 119 303

7 860 120

Net profit/loss for the year

1 977 879

1 259 183

11 097 181

9 119 303

Total equity

11 147 181

9 169 303

Long-term debt

Liabilities to parent company

50 193 416

55 697 060

50 193 416

55 697 060

Current liabilities

Accounts payable - trade

2 884 919

2 279 454

Other current liabilities

7 090 504

7 070 497

Accrued expenses and deferred income

888 284

671 831

Total current liabilities

10 863 707

10 021 782

TOTAL EQUITY AND LIABILITIES

72 204 304

74 888 145

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Notes

Note 1 Accounting principles

Amounts in SEK unless otherwise stated

General accounting principles

The Annual Report has been prepared in accordance with the Annual Accounts Act and the Swedish Accounting Standards Board's generally accepted accounting principles BFNAR 2012:1 Annual Report and consolidated accounts (K3).

Valuation principles etc

The policies are unchanged compared with the previous year.

Receivables

Receivables are recorded in the amounts at which they are expected to be received.

Other assets, provisions and liabilities

Other assets, provisions and liabilities are recorded at cost of acquisition unless otherwise stated.

Revenue recognition

Revenue is recorded at fair value of what has been received or will be received. Consequently the company records revenue at nominal value (invoice amount) if the payment is received in cash or cash equivalents directly on delivery. Deduction is made for discounts given.

Tangible assets

Tangible fixed assets are reported to the cost of acquisition less accumulated depreciation and impairment. The assets are depreciated on a straight-line-basis over the estimated useful life. The useful life is reviewed as at every balance sheet date.

Inventories

Inventories are reported at the lower of cost and net realisable value. The acquisition value is calculated according to the first-in first-out principle and net realisable value. Net realisable value has been calculated as the sales value after deduction for estimated selling expenses, taking into account obsolescence.

Tax

Current tax is income tax for the current financial year that refers to the years taxable earnings and the as yet unreported part of previous financial years income tax.

Current tax is stated at the probable amount according to the tax rates and tax rules applicable on the balance sheet date.

Not 2 Employees and personnel costs

	2020-04-01- 2021-03-31	whereof men	2019-04-01- 2020-03-31	whereof men
Average number of employees				
Sweden	7	2	7	2
Totalt	7	2	7	2

Note 3 Interest income and similar profit/loss items

	2020-04-01- 2021-03-31	2019-04-01- 2020-03-31
Interest income, group companies	-	0
Exchange gains	0	940 012
Total	0	0

Note 4 Interest expense and similar profit/loss items

	2020-04-01- 2021-03-31	2019-04-01- 2020-03-31
Interest income, group companies		-
Interest expense, other	17 739	13 116
Exchange loss	0	1 445 043
Total	17 739	1 458 159

Note 5 Equipment, tools, fixtures and fittings

	2021-03-31	2020-03-31
<i>Accumulated acquisition costs</i>		
At the beginning of the year	290 888	290 888
	290 888	290 888
<i>Accumulated depreciation</i>		
At the beginning of the year	-191 723	-122 879
Depreciation during the year	-69 697	-68 844
	-261 420	-191 723
Carrying amount at the end of the year	29 469	99 165

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Note 6 Key ratio definitions

Operating margin:
Operating profit/loss / Net sales

Balance sheet total
Total assets

Solidity:
(Total equity + 78% of untaxed reserves) / Total assets

Profit/loss after financial items
Net profit/loss for the year

Signatures

Malmö ~~2020~~ 7 MAY 2021


Oliver Bourne

Our audit report has been submitted the ~~10 May 2021~~ 10 May 2021

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Rebecka Iderup
Authorized public accountant



AUDITOR'S REPORT

To the general meeting of the shareholders of Glenmark Pharmaceuticals Nordic AB
Corporate identity number 559065-7085

Report on the annual accounts

Opinions

We have audited the annual accounts of Glenmark Pharmaceuticals Nordic AB for the financial year 2020-04-01 – 2021-03-31.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of Glenmark Pharmaceuticals Nordic AB as of 31 Mars 2021 and its financial performance for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the "Auditor's Responsibilities" section. We are independent of Glenmark Pharmaceuticals Nordic AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors

The Board of Directors is responsible for the preparation of the annual accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The board of Directors is also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Board of Directors is responsible for the assessment of the company's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden 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 these annual accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, 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 opinions. 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 the company's internal control relevant to our 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting in preparing the annual accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any 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 annual accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts. 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 a company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts, we have also audited the administration of the Board of Directors of Glenmark Pharmaceuticals Nordic AB for the financial year 2020-04-01 – 2021-03-31 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the member of the Board of Directors be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the "Auditor's Responsibilities" section. We are independent of Glenmark Pharmaceuticals Nordic AB in accordance with professional ethics for accountants in



Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's type of operations, size and risks place on the size of the company's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

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Rebecka Iderup
Authorized Public Accountant