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# ***Eurofins Pharma Holding Denmark A/S***

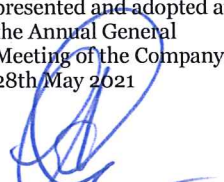
Smedeskovvej 38, DK-8464 Galten

## **Annual Report for 1 January - 31 December 2020**

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CVR No 37 06 44 08

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
28th May 2021



Svend Aage Linde  
Chairman

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## Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Eurofins Pharma Holding Denmark A/S for the financial year 1 January - 31 December 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 at 31 December 2020 of the Company and of the results of the Company operations for 2020.

We recommend that the Annual Report be adopted at the Annual General Meeting.

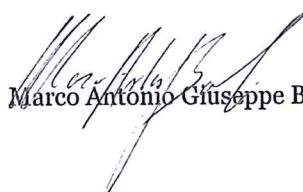
Galten, 28<sup>th</sup> May 2021

### Executive Board

  
Stefania Pcolova

### Board of Directors

  
Svend Aage Linde  
Chairman

  
Marco Antonio Giuseppe Baeli

  
Jan Rando

# Independent Auditor's Report

## To the Shareholder of Eurofins Pharma Holding Denmark A/S

### Opinion

We have audited the financial statements of Eurofins Pharma Holding Denmark A/S for the financial year 01.01.2020 - 31.12.2020 which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant 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 Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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 requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 about 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 these 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

## Independent Auditor's Report

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 Entity's internal control.
- 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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 commentary**

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

## Independent Auditor's Report

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Aarhus, 28th May 2021

### **Deloitte**

Statsautoriseret Revisionspartnerselskaber  
CVR-nr.: 33963556



Henrik Vedel  
State Authorised Public Accountant  
Identification number (MNE) mne10052

## Company Information

### **The Company**

Eurofins Pharma Holding Denmark A/S  
Smedeskovvej 38  
DK-8464 Galten

CVR No: 37 06 44 08

Financial period: 1 January - 31 December

Municipality of reg. office: Skanderborg

### **Board of Directors**

Svend Aage Linde, Chairman  
Marco Antonio Giuseppe Baeli  
Jan Rando

### **Executive Board**

Stefania Pcolova

### **Auditors**

Deloitte  
Statsautoriseret Revisionspartnerselskab  
Værkmestergade 2, 18  
DK-8000 Aarhus C

### **Bankers**

Danske Bank  
Åboulevarden 69  
DK-8000 Aarhus C

# **Management Commentary**

## **Main activity**

The activities of the Company are to manage investments in subsidiaries.

## **Development in the year**

The income statement of the Company for 2020 shows a profit of DKK 5.272.479, which is considered satisfactory.

## **Subsequent events**

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

## Income Statement 1 January - 31 December

|                                     | <u>Note</u> | <u>2020</u><br>DKK      | <u>2019</u><br>DKK      |
|-------------------------------------|-------------|-------------------------|-------------------------|
| <b>Gross profit/loss</b>            |             | <b>-79.990</b>          | <b>-80.588</b>          |
| Dividend from subsidiary            |             | 7.000.000               | 5.000.000               |
| Financial income                    | 2           | 470                     | 3.385                   |
| Financial expenses                  | 3           | <u>-2.135.251</u>       | <u>-2.068.500</u>       |
| <b>Profit/loss before tax</b>       |             | <b>4.785.230</b>        | <b>2.854.297</b>        |
| Tax on profit/loss for the year     |             | <u>487.249</u>          | <u>472.055</u>          |
| <b>Net profit/loss for the year</b> |             | <b><u>5.272.479</u></b> | <b><u>3.326.352</u></b> |

## Distribution of profit

### Proposed distribution of profit

|                                |                         |                         |
|--------------------------------|-------------------------|-------------------------|
| Proposed dividend for the year | 5.000.000               | 3.000.000               |
| Retained earnings              | <u>272.479</u>          | <u>326.352</u>          |
|                                | <b><u>5.272.479</u></b> | <b><u>3.326.352</u></b> |

## Balance Sheet 31 December

### Assets

|                                             | <u>Note</u> | <u>2020</u><br>DKK       | <u>2019</u><br>DKK       |
|---------------------------------------------|-------------|--------------------------|--------------------------|
| Investments in subsidiaries                 |             | <u>58.000.000</u>        | <u>58.000.000</u>        |
| <b>Fixed asset investments</b>              |             | <b><u>58.000.000</u></b> | <b><u>58.000.000</u></b> |
| <b>Fixed assets</b>                         |             | <b><u>58.000.000</u></b> | <b><u>58.000.000</u></b> |
| Receivables from group enterprises          | 4           | 3.386.627                | 1.119.567                |
| Receivables from group enterprises from tax |             | <u>487.249</u>           | <u>472.055</u>           |
| <b>Receivables</b>                          |             | <b><u>3.873.876</u></b>  | <b><u>1.591.622</u></b>  |
| Cash at bank and in hand                    |             | <u>0</u>                 | <u>0</u>                 |
| <b>Current assets</b>                       |             | <b><u>3.873.876</u></b>  | <b><u>1.591.622</u></b>  |
| <b>Assets</b>                               |             | <b><u>61.873.876</u></b> | <b><u>59.591.622</u></b> |

## Balance Sheet 31 December

### Liabilities and equity

|                                                                | <u>Note</u> | <u>2020</u><br>DKK       | <u>2019</u><br>DKK       |
|----------------------------------------------------------------|-------------|--------------------------|--------------------------|
| Share capital                                                  |             | 500.000                  | 500.000                  |
| Retained earnings                                              |             | 10.397.581               | 10.125.103               |
| Proposed dividends                                             |             | <u>5.000.000</u>         | <u>3.000.000</u>         |
| <b>Equity</b>                                                  |             | <b><u>15.897.581</u></b> | <b><u>13.625.103</u></b> |
| Payables to group enterprises                                  |             | <u>45.431.346</u>        | <u>45.431.346</u>        |
| <b>Long-term debt</b>                                          | <b>5</b>    | <b><u>45.431.346</u></b> | <b><u>45.431.346</u></b> |
| Payables to group enterprises                                  | 5           | 531.749                  | 520.773                  |
| Other payables                                                 |             | <u>13 200</u>            | <u>14 400</u>            |
| <b>Short-term debt</b>                                         |             | <b><u>544.949</u></b>    | <b><u>535.173</u></b>    |
| <b>Debt</b>                                                    |             | <b><u>45.976.295</u></b> | <b><u>45.966.519</u></b> |
| <b>Liabilities and equity</b>                                  |             | <b><u>61.873.876</u></b> | <b><u>59.591.622</u></b> |
| Subsequent events                                              | 1           |                          |                          |
| Contingent assets, liabilities and other financial obligations | 6           |                          |                          |
| Consolidated Financial Statements                              | 7           |                          |                          |

## Equity Statement 31 December 2020

### Equity

|                                   | Share capital         | Retained earnings        | Proposed dividend for the year | Total                    |
|-----------------------------------|-----------------------|--------------------------|--------------------------------|--------------------------|
|                                   | DKK                   | DKK                      | DKK                            | DKK                      |
| Equity at 1 January 2020          | 500.000               | 10.125.103               | 3.000.000                      | 13.625.103               |
| Ordinary dividend paid            | 0                     | 0                        | -3.000.000                     | -3.000.000               |
| Net profit/loss for the year      | <u>0</u>              | <u>272.479</u>           | <u>5.000.000</u>               | <u>5.272.479</u>         |
| <b>Equity at 31 December 2020</b> | <b><u>500.000</u></b> | <b><u>10.397.581</u></b> | <b><u>5.000.000</u></b>        | <b><u>15.897.581</u></b> |

# Notes to the Financial Statements

## 1 Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

## 2 Financial income

|                | <u>2020</u><br>DKK | <u>2019</u><br>DKK |
|----------------|--------------------|--------------------|
| Exchange gains | 470                | 3.385              |
|                | <u>470</u>         | <u>3.385</u>       |

## 3 Financial expenses

|                                    |                  |                  |
|------------------------------------|------------------|------------------|
| Interest paid to group enterprises | 2.133.569        | 2.063.355        |
| Other financial expenses           | 1.681            | 5.145            |
|                                    | <u>2.135.251</u> | <u>2.068.500</u> |

## 4 Receivables from group enterprises

The company is part of cash pool with Eurofins NSC Denmark A/S. Receivable from this cash pool is included in receivables from group enterprises and amounts to 3,4 MDKK (2019: 1,1 MDKK).

## 5 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt. The debt falls due for payment as specified below:

|                                      | <u>2020</u><br>DKK | <u>2019</u><br>DKK |
|--------------------------------------|--------------------|--------------------|
| <b>Payables to group enterprises</b> |                    |                    |
| Between 1 and 5 years                | 45.431.346         | 45.431.346         |
| Long-term part                       | 45.431.346         | 45.431.346         |
| Within 1 year                        | 531.749            | 520.773            |
|                                      | <u>45.963.095</u>  | <u>45.952.119</u>  |

# Notes to the Financial Statements

## 6 Contingent assets, liabilities and other financial obligations

### Contingent liabilities

The Group's Danish enterprises are jointly and severally liable for the tax on the Group's jointly taxed income etc. Moreover, the Group's Danish enterprises are jointly and severally liable for Danish withholding tax such as tax on dividend, royalty and interest. Any subsequent adjustments to the corporation tax or withholding tax may result in an increase of the Company's liability.

## 7 Consolidated Financial Statements

With reference to section 112 (1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared for the Company and its subsidiaries.

The Company is included in the Group Annual Report of the Parent Company

| Name                     | Place of registered office         |
|--------------------------|------------------------------------|
| Eurofins Scientific S.E. | 23, Val Fleuri, L-1526, Luxembourg |

## **Accounting Policies**

### **Basis of Preparation**

The Annual Report of Eurofins Pharma Holding Denmark A/S for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

Financial Statements for 2020 are presented in DKK.

### **Recognition and measurement**

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### **Income Statement**

#### **Gross profit/loss**

With reference to section 32 of the Danish Financial Statements Act, revenue has not been disclosed in the Annual Report.

#### **Other external expenses**

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

#### **Income from investments in subsidiaries**

Dividends from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary. However, dividends relating to earnings in the subsidiary before it was acquired by the Parent Company are set off against the cost of the subsidiary.

#### **Financial income and expenses**

Financial income and expenses are recognised in the income statement at the amounts relating to the

## Accounting Policies

financial year.

### **Tax on profit/loss for the year**

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

## Balance Sheet

### **Investments in subsidiaries**

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

### **Receivables**

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

### **Deferred tax assets and liabilities**

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

### **Financial debts**

Debts are measured at amortised cost, substantially corresponding to nominal value.