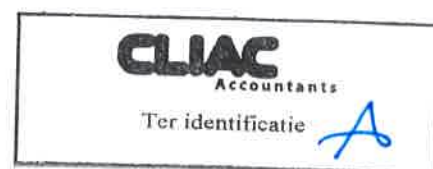


Glenmark Pharmaceuticals B.V.

at Amsterdam

Financial report 2018/2019



Balance sheet as at March 31, 2019

Assets

(after profit appropriation)

| | € | 31 March 2019 | € | 31 March 2018 | € |
|---------------------------|---------|------------------|-----------|------------------|---|
| <i>Non-current assets</i> | | | | | |
| Equipment | | 2,390 | | 750 | |
| <i>Current assets</i> | | | | | |
| Inventories | | 1,947,862 | | 571,314 | |
| <i>Receivables</i> | | | | | |
| Trade receivables | 993,868 | | 1,327,403 | | |
| Group companies | 832,653 | | 284,194 | | |
| Tax receivables | 89,412 | | - | | |
| Other receivables | 44,431 | | 17,437 | | |
| | | 1,960,364 | | 1,629,034 | |
| Cash and cash equivalents | | 2,807,129 | | 3,586,000 | |
| Total | | 6,717,745 | | 5,787,098 | |

Equity and liabilities

(after profit appropriation)

| | 31 March 2019 | | 31 March 2018 | |
|---|---------------|------------------|---------------|------------------|
| | € | € | € | € |
| <i>Equity</i> | | | | |
| Share capital | 18,000 | | 18,000 | |
| Other reserves | 703,580 | | 433,373 | |
| | | 721,580 | | 451,373 |
| <i>Current liabilities</i> | | | | |
| Trade payables | 206,163 | | 27,599 | |
| Group companies | 4,448,268 | | 3,839,084 | |
| Taxes payable and social security contributions payable | 2,641 | | 160,438 | |
| Other payables | 503 | | 68,583 | |
| Accruals | 1,338,590 | | 1,240,021 | |
| | | 5,996,165 | | 5,335,725 |
| Total | | 6,717,745 | | 5,787,098 |

Profit and loss account for 2018/2019

| | 2018/2019 | | 2017/2018 | |
|---|------------|-----------|------------|-----------|
| | € | € | € | € |
| Net revenue | 9,183,312 | | 6,704,821 | |
| Cost of sales | -6,602,172 | | -4,963,054 | |
| Gross margin | | 2,581,140 | | 1,741,767 |
| Employee benefits | 486,333 | | - | |
| Amortisation, depreciation and impairment | 896 | | 685 | |
| <i>Other operating expenses</i> | | | | |
| Other undefined expenses | 1,749,635 | | 1,405,598 | |
| Sum of expenses | | 2,236,864 | | 1,406,283 |
| Operating result | | 344,276 | | 335,484 |
| Financial income and expense | | - | | -340 |
| Result before tax | | 344,276 | | 335,144 |
| Income tax expense | | -74,069 | | -83,786 |
| Result after tax | | 270,207 | | 251,358 |

Glenmark Pharmaceuticals B.V., Amsterdam

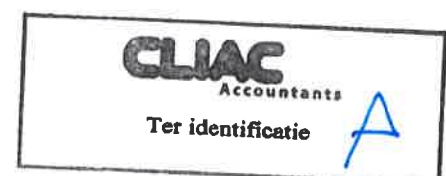
General notes

Most important activities

The activities of Glenmark Pharmaceuticals B.V., having its legal seat at Amsterdam primarily consist of: the purchase and sales of medicine.

Location actual activities

The registered and actual address of Glenmark Pharmaceuticals B.V. is Databankweg 26 , 3821AL te Amersfoort in Registered place of business and is registered at the chamber of commerce under number 50131893.



Accounting policies

General

General policies

The financial statements are drawn up in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code and the firm pronouncements in the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving').

Accounting policies for the valuation of assets and equity and liabilities

Valuation of assets and liabilities and determination of the result takes place under the historical cost convention. Unless presented otherwise, the relevant principle for the specific balance sheet item, assets and liabilities are presented at face value.

Accounting policies for the income statement

Income and expenses are accounted for on accrual basis. Profit is only included when realized on balance sheet date. Losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

Accounting policies for assets

Equipment

Tangible fixed assets are presented at cost less accumulated depreciation and, if applicable, less impairments in value.

Inventories

Inventories (stocks) are valued at historical price or production cost based on the FIFO method (first in, first out) or lower realisable value.

Receivables

Upon initial recognition the receivables are recorded at the fair value and subsequently valued at the amortized cost. The fair value and amortized cost equal the face value.

Cash and cash equivalents

Cash at banks and in hand represent cash in hand, bank balances and deposits with terms of less than twelve months. Overdrafts at banks are recognised as part of debts to lending institutions under current liabilities. Cash at banks and in hand is carried at nominal value.

Accounting policies for the income statement

Net revenue

Revenues from the goods supplied are recognised when all significant risks and rewards in respect of the goods have been transferred to the buyer.

Income tax expense

The corporation tax is calculated at the current rate on the result of the financial year, taking into account permanent differences between the profit calculation according to the annual accounts and the tax profit calculation, and where deferred tax assets (if applicable) are only valued insofar as the realization thereof probably is.

Notes to balance sheet

Equipment

| | <u>31 March 2019</u> | <u>31 March 2018</u> |
|-----------------------|----------------------|----------------------|
| | € | € |
| Other tangible assets | 2,390 | 750 |
| Total | <u>2,390</u> | <u>750</u> |

The overview below shows the movements in the tangible fixed assets during the financial year:

| | <u>Other tangible assets</u> |
|--|--------------------------------------|
| | € |
| <i>Carrying value April 1, 2018</i> | |
| Cost or manufacturing price | 2,460 |
| Accumulated amortisation and impairments | -1,710 |
| | <u>750</u> |
| <i>Movements 2018/2019</i> | |
| Additions | 2,536 |
| Depreciation | -896 |
| | <u>1,640</u> |
| <i>Carrying value March 31, 2019</i> | |
| Cost or manufacturing price | 4,996 |
| Accumulated amortisation and impairments | -2,606 |
| | <u>2,390</u> |
| Depreciation rate (average) | 20.0 |

Inventories

| | <u>31 March 2019</u> | <u>31 March 2018</u> |
|---------------------------------------|----------------------|----------------------|
| | € | € |
| Inventory of finished and trade goods | 1,947,862 | 571,314 |
| Total | <u>1,947,862</u> | <u>571,314</u> |

Receivables

| | 31 March 2019 | 31 March 2018 |
|--------------------------|------------------|------------------|
| | € | € |
| Trade receivables, gross | 993,868 | 1,327,403 |
| Group companies | 832,653 | 284,194 |
| <i>Tax receivables</i> | | |
| VAT | 89,412 | - |
| Other receivables | 44,431 | 17,437 |
| Total | <u>1,960,364</u> | <u>1,629,034</u> |

Cash and cash equivalents

| | 31 March 2019 | 31 March 2018 |
|--------------|------------------|------------------|
| | € | € |
| Bank credits | 2,807,129 | 3,586,000 |
| Total | <u>2,807,129</u> | <u>3,586,000</u> |

Equity

| | 31 March 2019 | 31 March 2018 |
|----------------|----------------|----------------|
| | € | € |
| Share capital | 18,000 | 18,000 |
| Other reserves | 703,580 | 433,373 |
| Total | <u>721,580</u> | <u>451,373</u> |

The overview below shows the movements in the equity during the financial year:

| | Share capital | Other reserves | Total |
|-------------------------------|---------------|----------------|----------------|
| | € | € | € |
| Balance April 1, 2018 | 18,000 | 433,373 | 451,373 |
| <i>Movements 2018/2019</i> | | | |
| Result for the year | - | 270,207 | 270,207 |
| | - | 270,207 | 270,207 |
| Balance March 31, 2019 | <u>18,000</u> | <u>703,580</u> | <u>721,580</u> |

Share capital

The issued share capital of the company amounts to € 18.000, divided into € 18.000 ordinary shares. The total number of issued shares is 18.000.

Current liabilities

| | <u>31 March 2019</u> | <u>31 March 2018</u> |
|--|-------------------------|-------------------------|
| | € | € |
| Trade payables | 206,163 | 27,599 |
| Group companies | 4,448,268 | 3,839,084 |
| <i>Taxes payable and social security contributions payable</i> | | |
| Corporation income tax | 2,641 | 83,558 |
| VAT | - | 76,880 |
| | <u>2,641</u> | <u>160,438</u> |
| Other payables | 503 | 68,583 |
| Accruals | 1,338,590 | 1,240,021 |
| Total | <u><u>5,996,165</u></u> | <u><u>5,335,725</u></u> |

Notes to income statement

Revenue and gross margin

| | <u>2018/2019</u> | <u>2017/2018</u> |
|-------------------------|------------------|------------------|
| | € | € |
| Net revenue | 9,183,312 | 6,704,821 |
| Operating income | <u>9,183,312</u> | <u>6,704,821</u> |
| Cost of sales | 6,602,172 | 4,963,054 |
| Gross margin | <u>2,581,140</u> | <u>1,741,767</u> |

Employee benefits

| | <u>2018/2019</u> | <u>2017/2018</u> |
|--------------------|------------------|------------------|
| | € | € |
| Wages and salaries | 486,333 | - |
| Total | <u>486,333</u> | <u>-</u> |

Amortisation, depreciation and impairment

| | <u>2018/2019</u> | <u>2017/2018</u> |
|---------------------------------|------------------|------------------|
| | € | € |
| Depreciation of tangible assets | 896 | 685 |
| Total | <u>896</u> | <u>685</u> |

Other operating expenses

| | <u>2018/2019</u> | <u>2017/2018</u> |
|---------------------------------------|------------------|------------------|
| | € | € |
| Other undefined expenses | | |
| Sales commission | 1,576,578 | 1,276,603 |
| Advice | 55,227 | 57,182 |
| Transport expenses | 40,503 | 12,197 |
| Insurance expenses | 19,953 | 14,730 |
| Rent expenses | 12,477 | 8,268 |
| Recruitment fees | 9,167 | - |
| Office expenses | 6,780 | 3,790 |
| Audit, accounting and payrolling fees | 4,500 | 4,200 |
| Bank charges | 573 | 367 |
| Other expenses | 23,877 | 28,261 |
| Total | <u>1,749,635</u> | <u>1,405,598</u> |

Financial income and expense

| | <u>2018/2019</u> | <u>2017/2018</u> |
|-------------------------------------|------------------|------------------|
| | € | € |
| Exchange rate differences | - | -340 |
| Financial income and expense | <u>-</u> | <u>-340</u> |

Taxation

| | <u>2018/2019</u> | <u>2017/2018</u> |
|--|------------------|------------------|
| | € | € |
| Income tax expense from ordinary activities | <u>74,069</u> | <u>83,786</u> |

Other notes

Employees

The average number of employees during the year, converted to full-time equivalents, was as follows:

| <i>Average number of employees during the period</i> | 2018/2019 | 2017/2018 |
|--|-----------|-----------|
| | fte | fte |
| Active within the Netherlands | 2.8 | 1.0 |

Profit appropriation

Appropriation of the results

The annual report will be adopted in the general meeting of shareholders.

Proposed appropriation of the results

It is proposed that the appropriation of result by the board of directors and pursuant to the articles of association, an amount of € 270,207 will be add to the other reserves.

Comparable figures

To ensure reconciliation with the IFRS reporting package for consolidation purposes, the comparable figures have been reclassified in the profit and loss statement. The reclassification does not have an impact on the result of the company.

Audit opinion

Please refer to the next page for the audit opinion.

Signature

Amsterdam, May 15, 2019

| <i>Name</i> | <i>Function</i> | <i>Signature</i> |
|-------------|-------------------|------------------|
| O. Bourne | Managing director | |

INDEPENDENT AUDITOR'S REPORT

To: Directors and shareholders of Glenmark Pharmaceuticals B.V.
Databankweg 28
3821 AL AMSTERFOORT

We have audited the accompanying financial statements for the year ended March 31 2019 of Glenmark Pharmaceuticals B.V., Amsterdam, which comprise the balance sheet as at 31 March 2019, the profit and loss account for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

Management's responsibility

Management is responsible for the preparation and fair presentation of these financial statements and in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion with respect to the financial statements

In our opinion, the financial statements give a true and fair view of the financial position of Glenmark Pharmaceuticals B.V. as at March 31, 2019 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Haarlem, 15 May 2019



A.M. Lansbergen RA
Clic Accountants B.V.