

**Condensed Combined Interim Financial Statements as of and for the three months ended
31 March 2020**

**in accordance with
International Financial Reporting Standards
(IFRS, as adopted by the EU)**

for

PharmaSGP

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Combined interim statements of profit or loss and other comprehensive income for the three months ended 31 March 2020

<u>in EUR thousand</u>	<u>Notes</u>	<u>Jan-March 2020</u>	<u>Jan-March 2019</u>
Revenues	5.1	16,738	14,955
Other operating income	5.2	632	25
Raw material, consumables and finished goods	5.3	(1,212)	(1,604)
Personnel expenses		(644)	(613)
Depreciation and amortization		(106)	(97)
Other operating expenses	5.4	(11,095)	(8,906)
EBIT		4,313	3,760
Finance income	5.5	1	1
Finance expenses	5.5	(22)	(1)
Profit before taxes		4,292	3,760
Income tax expense	4.6	(1,055)	(901)
Profit for the period		3,237	2,859
Other comprehensive income		—	—
Total comprehensive income		3,237	2,859

Combined Interim statements of financial position as of 31 March 2020

<u>in EUR thousand</u>	<u>Notes</u>	<u>31 March 2020</u>	<u>31 December 2019</u>
Assets			
Non-current assets			
Intangible assets		1,436	1,394
Right-of-use assets	4.1	<u>3</u>	<u>254</u>
Total non-current assets		1,439	1,648
Current assets			
Inventories		2,307	2,096
Trade and other receivables	4.2	11,285	10,885
Other assets		188	102
Income tax assets		534	534
Cash and cash equivalents		<u>93,337</u>	<u>88,476</u>
Total current assets		<u>107,651</u>	<u>102,093</u>
Total assets		<u>109,090</u>	<u>103,741</u>
 Shareholders' equity and liabilities			
Shareholders' equity			
Net assets attributable to shareholders	4.3	<u>98,938</u>	<u>95,580</u>
Total shareholders' equity		98,938	95,580
Non-current liabilities			
Deferred tax liabilities	4.6	<u>241</u>	<u>219</u>
Total non-current liabilities		241	219
Current liabilities			
Provisions		722	738
Trade payables	4.5	3,793	811
Other liabilities		2,164	1,780
Financial liabilities		446	441
Lease liabilities	4.4	3	254
Income tax liabilities		<u>2,783</u>	<u>3,918</u>
Total current liabilities		<u>9,911</u>	<u>7,942</u>
Total shareholders' equity and liabilities		<u>109,090</u>	<u>103,741</u>

Combined Interim statements of changes in equity for the three months ended 31 March 2020

<u>in EUR thousand</u>	<u>Notes</u>	<u>Net assets attributable to shareholders</u>
Balance as of 01 January 2019		84,374
Profit for the period		2,859
Balance as of 31 March 2019		87,233
Balance as of 01 January 2020		95,580
Profit for the period		3,237
Shareholders contributions and distributions	4.3	120
Balance as of 31 March 2020		98,937

Combined interim statements of cash flow for the three months ended 31 March 2020

<u>in EUR thousand</u>	<u>Notes</u>	<u>Jan- March 2020</u>	<u>Jan- March 2019</u>
Profit for the period		3,237	2,859
Depreciation, amortization and impairment of intangible assets and right-of-use assets.....		106	97
(Increase)/decrease in trade and other receivables, inventories and other assets		(692)	(1,330)
Increase/(decrease) in trade payables and other (financial) liabilities		3,366	715
Increase/(decrease) in provisions		(15)	(12)
Interest expense		22	1
Interest income		(1)	(1)
Income tax expense		1,055	901
Income tax payments		(2,168)	(858)
Interest received		1	1
Net cash flows from operating activities		4,911	2,374
Payments for investments in intangible assets and PPE.....		(82)	(228)
Net cash flows from investing activities		(82)	(228)
Repayment of lease liabilities	4.4	(66)	(64)
Interest paid		(22)	(1)
Payments (to)/from shareholders	4.3	120	—
Net cash flows from financing activities		32	(65)
Net increase in cash and cash equivalents		4,861	2,081
Cash and cash equivalents as at 01 January		88,476	77,008
Cash and cash equivalents as at 31 March		93,337	79,089

Notes to the condensed combined interim financial statements as of and for the three months ended 31 March 2020

1. Basis of preparation

Background and general information

FUTRUE GmbH (“FUTRUE”), Gräfelfing, Germany, and MVH Beteiligungs- und Beratungs-GmbH (“MVH”), Gräfelfing, Germany intend to list the business of their following subsidiaries via PharmaSGP Holding SE (“SGP SE”) on a stock exchange: SGP SE, PharmaSGP GmbH (“PharmaSGP GmbH”), Remitan GmbH (“Remitan”) and Restaxil GmbH (“Restaxil”) (hereafter all together the “Group” or “PharmaSGP”). PharmaSGP GmbH, Remitan and Restaxil are domiciled in Germany with headquarters located in Am Haag 14, 82166 Gräfelfing. In contemplation of this listing, PharmaSGP Holding SE, a shell company, has been acquired on 06 March 2020. SGP SE located in Germany, Lochhamer Schlag 21, 82166 Gräfelfing, will be the holding company of the Group and the issuer of the shares for the intended listing on a stock exchange.

Shares of SGP SE are to be admitted to trading on the regulated market segment (regulierter Markt) of the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse), Germany. In accordance with the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019, supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, companies are required to present audited historical financial information covering the latest three financial years in the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market. PharmaSGP also presents condensed combined interim financial statements as of and for the three months 31 March 2020.

Given that PharmaSGP did not exist as a consolidated group as of 31 March 2020, PharmaSGP GmbH management has prepared condensed combined interim financial statements for PharmaSGP in accordance with IFRS as of 31 March 2020.

These condensed combined interim financial statements comprise combined statements of profit or loss and other comprehensive income, combined statements of financial position, combined statements of changes in equity, combined statements of cash flows and notes to the combined financial statements as of and for the three months ended 31 March 2020.

The combined financial statements are presented in Euros. Amounts are stated in thousands of euros (EUR thousand) except where otherwise indicated. Rounding differences may arise when individual amounts or percentages are added together.

The condensed combined interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual combined financial statements as of and for fiscal years ended 31 December 2019, 31 December 2018 and 31 December 2017.

The condensed combined interim financial statements are unaudited and were authorized on 28 April 2020 by management of PharmaSGP GmbH which was the preparer of the condensed combined interim financial statements.

Combined financial statements and compliance with IFRS

The condensed combined interim financial statements for the three months ended 31 March 2020 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and in particular for interim financial information according to IAS 34 *Interim Financial Reporting*.

Since IFRS does not provide any guidance for the preparation of condensed combined interim financial statements, IAS 8.10 and 8.12 have been used for the preparation of the condensed combined interim financial statements. In the absence of IFRS specific guidance, IAS 8.10 requires management to use judgement in developing and applying accounting policies which produce information that is relevant to users, reliable and free from bias, and complete in all material respects. In addition, IAS 8.12 requires that the latest pronouncements of other standard setters, other accounting literature and accepted industry practice should be considered when developing accounting policies. The condensed combined interim financial statements were prepared on the basis of the same combination rules in the

Group's annual combined financial statements. For further explanations, reference is made to the Combined Financial Statements for fiscal 2019, fiscal 2018 and fiscal 2017.

The scope of the interim financial statements changed compared to the Group's annual combined financial statements as SGP SE is now part of the Group beginning 6 March 2020. SGP SE has been founded as a shell company in November 2019. The balance sheet as of 6 March 2020 includes mainly cash (EUR 120 thousand) and fully paid in equity (EUR 120 thousand). The effect of SGP SE on the Group's combined profit and loss statement for the three months ended 31 March 2020 is immaterial.

The condensed combined interim financial statements may not be indicative of PharmaSGP's future performance and do not necessarily reflect what its combined results of operations, financial position and cash flows would have been had PharmaSGP operated as an independent group during the reporting periods presented.

2. Summary of significant accounting policies

The accounting policies adopted in the preparation of the condensed combined interim financial statements are consistent with those followed in the preparation of the Group's annual combined financial statements, except for the estimation of income tax. Income tax expense is recognised based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. The Group does not expect any material effect from the application of these standards, amendments to standards and interpretations.

3. Segment report information

The Group has one operating segment including all products of the Group companies. This assessment is based on information reported to the Group's Chief Operating Decision Maker (CODM) for the purpose of assessing segmental performance and resource allocation. The Management Board is the CODM and monitors the entity's performance. Performance is measured using revenues and earnings before interest and taxes ("EBIT") as key performance indicators in order to assess the success of the Group's business. Segment Assets and Segment Profit is reported in the combined statements of financial position and the combined statements of profit or loss and other comprehensive income.

Geographical information

<u>Revenues in EUR thousand</u>	<u>Jan-March 2020</u>	<u>Jan-March 2019</u>
Germany	12,122	10,935
Italy	2,202	1,750
Other European countries (1)	2,414	2,270
Total	<u>16,738</u>	<u>14,955</u>

(1) Comprises: Austria, France, Belgium and Spain.

PharmaSGP has maintained business relationships with its logistic partners per country. The general structure of its customers is unchanged compared to fiscal year 2019.

4. Notes to the condensed combined interim statement of financial position

4.1 Right-of-use asset

The breakdown of the leased assets is as follows:

<u>in EUR thousand</u>	<u>Cars</u>	<u>Office space</u>	<u>Total</u>
01 January 2019	17	489	506
Additions	—	—	—
Depreciation expense	(3)	(61)	(64)
31 March 2019	14	428	442
01 January 2020	10	244	254
Additions	—	—	—
Depreciation expense	(7)	(61)	(68)
Lease termination	—	(183)	(183)
31 March 2020	3	—	3

Effective 31 March 2020 the existing real estate lease contract between FUTRUE and the Group companies has been terminated and as a consequence the corresponding right-of-use asset and lease liability have been derecognized. Starting as of 01 April 2020, the Group has entered into a new lease agreement for the next two years and four months with a third party lessor.

4.2 Trade and other receivables

Trade and other receivables increased compared to 31 December 2019 by EUR 400 thousand mainly due to a sales driven increase in trade receivables (related to German market sales as well as international sales).

4.3 Net assets attributable to shareholders

The equity consists of net assets attributable to shareholders. Net assets attributable to shareholders represent historical investments in the Group companies, the net effect of transactions with and allocations from the entities and the entities' accumulated earnings.

The combined financial statements as of 31 March 2020 include assets and liabilities of SGP SE. The effect of the net assets increase is presented in the condensed combined interim statements of changes in equity as shareholders contribution.

4.4 Lease liabilities

The lease liabilities for real estate leases are zero as of 31 March 2020. For further explanations please refer to note 4.1.

4.5 Trade payables

Trade payables increased compared to 31 December 2019 by EUR 2,982 thousand. This increase is mainly driven by increased inventory, increased liabilities against other FUTRUE group companies and liabilities for IPO consulting services.

4.6 Income taxes and deferred taxes

The estimated average annual tax rate for the year to 31 March 2020 is 24,6 % compared to 24,0% for the three months ended 31 March 2019.

5. Notes to the condensed combined interim statements of profit or loss and other comprehensive income

5.1 Revenue

Compared to the three months ended 31 March 2019, revenue excluding charges to other FUTURE group companies increased by 14.4%, driven by intensified marketing activities, resulting in increased sales volumes from existing brands and launches of new products.

To a minor extent (Q1 2020: EUR 13 thousand; Q1 2019: EUR 337 thousand) revenue also includes purchased materials and services charged to other FUTRUE group companies.

5.2 Other operating income

In Q1 2020, other operating income is mainly related to IPO consulting services charged to FUTRUE. A corresponding amount has been accounted for in other operating expenses.

5.3 Raw material, consumables and finished goods

Raw material, consumables and finished goods has decreased in Q1 2020 compared to Q1 2019 from EUR 1,604 thousand to EUR 1,212 thousand driven by a shift in product mix and the lower amount of purchased materials and services ultimately charged to other FUTRUE group companies.

5.4 Other operating expenses

Marketing expenses increased in Q1 2020 compared to Q1 2019 from EUR 7,591 thousand to EUR 9,041 thousand in line with revenue development and new product launch activities. Additionally, expenses for IPO consulting services amounting to EUR 606 thousand are included (Q1 2019: EUR 0 thousand).

5.5 Finance income and expense

Finance expense consist mainly of negative interest on cash balances.

5.6 Financial instruments and financial risk management

Additional disclosure on financial instruments

The following table shows the carrying amounts and fair values of financial assets and financial liabilities. Due to their short-term nature the carrying amounts of all financial assets and liabilities in the table below approximate their fair value.

Financial instruments as of 31 March 2020 and 31 December 2019 were as follows:

<u>in EUR thousand</u>	<u>Carrying amount</u>	<u>Category in accordance with IFRS 9</u>	<u>Fair Value</u>
31 December 2019			
Financial assets			
Current financial assets			
Trade and other receivables	10,885	Amortized costs	10,885
Cash and cash equivalents	88,476	Amortized costs	88,476
Financial liabilities			
Current financial liabilities			
Financial liabilities	441	Amortized costs	441
Trade payables	811	Amortized costs	811
	<u>Carrying amount</u>	<u>Category in accordance with IFRS 9</u>	<u>Fair Value</u>
31 March 2020			
Financial assets			
Current financial assets			
Trade and other receivables	11,285	Amortized costs	11,285
Cash and cash equivalents	93,337	Amortized costs	93,337
Financial liabilities			
Current financial liabilities			
Financial liabilities	446	Amortized costs	446
Trade payables	3,793	Amortized costs	3,793

The carrying amounts of each of the measurement categories listed above and defined by IFRS 9 as of 31 March 2020 and 2019 as follows:

<u>in EUR thousand</u>	<u>31 March 2020</u>	<u>31 December 2019</u>
Financial assets measured at amortized cost (AC)	104,622	99,361
Financial liabilities measured at amortized cost (AC)	4,239	1,252

As the Group does not meet the criteria for offsetting, no financial instruments are netted.

6. Related party disclosures

The significant transactions between the Group and FUTRUE mostly consist of management fees including among others personnel recruiting expenses, as well as expenses for IT equipment and maintenance. The transactions between the Group and the subsidiaries controlled by FUTRUE mainly consist of media services and to a minor extent selling and research related expenses invoiced to the Group in the exchange of services provided.

In Q1 2020, costs for IPO consulting services (EUR 606 thousand) have been passed on to FUTRUE and MVH with the same amount and are included in both other operating income and other operating expenses, and in parts in trade and other receivables. Based on transactions related to media services between the Group and a subsidiary controlled by FUTRUE, trade payables in the amount of EUR 1,992 thousand have been accounted for. Effective 31 March 2020 the existing real estate lease contract between FUTRUE and the Group companies has been terminated. Starting as of 01 April 2020, the Group has entered into a new lease agreement for the next two years and four months with a third party lessor.

7. Events after the reporting period

After the reporting date of 31 March 2020, the COVID-19 pandemic continued and led to a decline in general economic performance in countries that are relevant for the sales of the Group.

Until 28 April 2020, the pandemic had no significant negative effects on the supply chain, distribution channels, or on the availability of the Group's products in pharmacies in its sales markets.

Gräfelfing, 28 April 2020

M. Rudolf

N. Weigand