

McKesson Europe AG

Annual Financial Statements

for the **2021 Fiscal Year** from
01 April 2020 to 31 March 2021

Statement of financial position as at 31 March 2021

Assets	Note No.	31/03/2020 thsd. EUR	31/03/2021 thsd. EUR
Non-current assets			
Intangible assets	1	71,960	95,813
Property, plant and equipment	2	6,362	4,848
Financial assets	3	2,471,388	3,027,119
		2,549,710	3,127,780
Current assets			
Receivables and other assets	4	479,489	329,207
Shares related parties	5	104,671	0
Cash and cash equivalents	6	969,496	694,158
		1,553,656	1,023,365
Prepaid expenses	7	17,130	7,548
Total Assets		4,120,496	4,158,693
LIABILITIES	Note No.	31/03/2020 thsd. EUR	31/03/2021 thsd. EUR
Equity			
Issued capital	8	260,123	260,123
Capital reserves	8	1,762,627	1,762,627
Revenue reserves	8	1,102,781	1,102,781
Net retained profit	9	0	0
<i>Contingent capital</i>		21,773	21,773
		3,125,531	3,125,531
Provisions			
Provisions for pensions and similar obligations	10	38,009	36,557
Other provisions	11	27,669	20,698
		65,678	57,255
Liabilities	12	929,287	975,907
Prepaid expenses		0	0
Total equity and liabilities		4,120,496	4,158,693

Income statement for the 2021 fiscal year, from 01/04/2020 to 31/03/2021

	Note No.	01/04/2019 until 31/03/2020 thsd. EUR	01/04/2020 until 31/03/2021 thsd. EUR
Sales	16	107,468	93,056
Own work capitalized	17	1,870	3,012
Other income	18	54,116	242,480
Service related expenses	19	-54,142	-53,306
Personnel expenses	20	-47,561	-43,605
Amortization of intangible assets and property, plant and equipment		-10,140	-10,517
Other expenses	21	-74,148	-79,029
Investment result	22	-16,372	-242,466
Interest result	23	45,429	44,139
Income taxes	24	-7,219	-6,915
Earnings after income tax		-699	-53,151
Gain of loss transfer		-699	-53,151
Net profit for the year		0	0
Retained earnings from the previous year		0	0
Allocation to other revenue reserves		0	0
Net retained profit		0	0

Annex

General disclosures

The annual financial statements of McKesson Europe AG, Stuttgart, as at 31 March 2021, were compiled in euros (EUR) in accordance with Sections 242 et seqq. and Sections 264 et seqq. of the Handelsgesetzbuch (HGB, German Commercial Code) and the relevant provisions of the Aktiengesetz (AktG, German Stock Corporation Act). The requirements for major corporations apply. The income statement is prepared using the nature of expense method.

The stock corporation is headquartered in Stuttgart, Germany. The address is McKesson Europe AG, Stockholmer Platz 1, D-70173 Stuttgart, local court of Stuttgart, HRB 9517.

The annual financial statements of McKesson Europe AG reflect the activities of a management holding company. Therefore, sales mainly include the services provided to subsidiaries. Income from investments and profit and loss transfer agreements are additional sources of the company's earnings. Furthermore, group financing represents a focus of operations.

Individual items from the balance sheet as well as the income statement are summarized in accordance with Section 265 Paragraph 7 No. 2 HGB and separately listed and explained in these notes. The information on allocation to other items and “thereof” notes are also provided.

As part of the domination and profit and loss transfer agreement, the net profit of McKesson Europe AG is transferred to McKesson Europe Holdings GmbH & Co. KGaA, Stuttgart. The annual financial statements and the management report of McKesson Europe AG for the fiscal year 2021 are published in the Federal Gazette. The management report of McKesson Europe AG is combined with the group management report, as McKesson Europe AG is the management holding company of the group and its risks and opportunities are corresponding to those of its subsidiaries.

Principles of accounting and evaluation

The methods of accounting and valuation of the assets and liabilities are stated in the notes relating to the individual items in the statement of financial position.

Information on the statement of financial position

Development in non-current assets in 2021

	Intangible assets		Property, plant and equipment		Financial assets	Total
	Internally-developed capitalized intangible assets thsd. EUR	Purchased concessions and industrial rights thsd. EUR	Buildings on third-party land thsd. EUR	Other equipment, furniture and fixtures thsd. EUR	thsd. EUR	thsd. EUR
Accumulated historical cost as of 01/04/2020	112,678	105,335	1,510	12,080	3,434,162	3,665,765
Additions	31,518	174	0	1,164	1,838,758	1,871,614
Disposals	0	0	0	0	-1,109,122	-1,109,122
Reclassifications	0	0	0	0	0	0
Accumulated historical cost as of 31/03/2021	144,196	105,509	1,510	13,244	4,163,798	4,428,257
Accumulated amortization/ depreciation as of 01/04/2020	53,748	92,305	503	6,725	962,774	1,116,055
Additions	5,477	2,362	151	2,527	223,022	233,539
Disposals	0	0	0	0	-49,117	-49,117
Reclassifications	0	0	0	0	0	0
Accumulated amortization/ depreciation as of 31/03/2021	59,225	94,667	654	9,252	1,136,679	1,300,477
Amortized costs as at 31/03/2021	84,971	10,842	856	3,992	3,027,119	3,127,780
Amortized costs as at 31/03/2020	58,930	13,030	1,007	5,355	2,471,388	2,549,710

Intangible assets include software and trademarks. Tenant fixtures, other equipment and furniture and fixtures are recorded under property, plant and equipment. The development of the financial assets is explained under (3) Financial assets.

(1) Intangible assets

Intangible assets acquired are accounted for at acquisition cost. They are amortized on a straight-line basis over three to five years.

In addition, internally developed intangible assets were capitalized during the fiscal year, exercising the option provided in Section 248 Paragraph 2 HGB. This capitalization was valued at development cost in accordance with Section 253 Paragraph 1 Sentence 1 and Section 255 Paragraph 2a HGB. The internally developed intangible assets are development costs for the global ERP software. Costs include the directly attributable individual costs as well as appropriate percentages of overhead and social security costs. Administration costs are not capitalized. Financing costs of EUR 1,133 thsd (previous year EUR 561 thsd) were capitalized. Total ERP project expenses of EUR 31,518 thsd. (previous year EUR 31,934 thsd) were capitalized in this financial year.

The implementation of the new global ERP software SAP S/4 HANA is planned to be finalized in the material subsidiaries by financial year 2024. Expenses for ERP development costs capitalized in previous years are to be amortized on a straight-line basis over seven years. The related expenses are passed on to the relevant companies.

Total development costs mainly related to the SAP S/4 HANA project were EUR 37,583 thsd (previous year EUR 41,581 thsd).

In accordance with Section 268 Paragraph 8 HGB, the amount of internally developed intangible assets of EUR 84,886 thsd. (previous year EUR 58,930 thsd) is subject to a profit distribution block, i.e. the profits may only be paid out, if the available reserves after payout plus retained earnings and minus loss carryforward are equal to or higher than the total amounts applied minus the deferred tax liabilities recognized.

(2) Property, plant and equipment

Additions to property, plant and equipment are capitalized at acquisition cost. Scheduled depreciation for furniture and fixtures occurs on a straight-line basis over 3 to 10 years. Tenant fixtures are depreciated over the performance period of the rental agreements. Additions result from office equipment, furniture, and fixtures as well as tenant fixtures. Low-value assets up to a net individual value of EUR 250 have been fully depreciated in the year of acquisition or recorded as expenses; their immediate consumption has been assumed. For assets with a net individual value of between EUR 250 and EUR 1,000, the total value of these assets is recognized on an annual basis for tax purposes are capitalized on the balance sheet. The total amount of these individual assets is of minor significance. In accordance with tax requirements a lump-sum depreciation of 20% per year of the initial value is recognized in the year of capitalization and the subsequent four years. Depreciation on additions to property, plant and equipment is applied on a pro rata basis.

(3) Financial assets

	Shares in affiliates thsd. EUR	Loans to affiliates thsd. EUR	Shares in associates thsd. EUR	Total thsd. EUR
Accumulated historical cost as of 01/04/2020	2,125,214	1,175,932	133,016	3,434,162
Additions	1,838,715	43	0	1,838,758
Disposals	0	-1,109,122	0	-1,109,122
Reclassifications	0	0	0	0
Accumulated historical cost as of 31/03/2021	3,963,929	66,853	133,016	4,163,798
Accumulated amortization/ depreciation as of 01/04/2020	962,774	0	0	962,774
Additions	223,022	0	0	223,022
Disposals	-49,117	0	0	-49,117
Reclassifications	0	0	0	0
Accumulated amortization/ depreciation as of 31/03/2021	1,136,679	0	0	1,136,679
Amortized costs as at 31/03/2021	2,827,250	66,853	133,016	3,027,119
Amortized costs as at 31/03/2020	1,162,440	1,175,932	133,016	2,471,388

Financial assets are recognized at the lower of acquisition cost or fair value. The depreciation option for temporary impairment is generally not exercised. Interest-bearing loans are in principle recognized at their nominal value.

The increase in non-current assets was mainly driven by financial assets.

Additions to financial assets were the result of increases in the investments in Admenta UK PLC of EUR 1,405,695 thsd. related to a contribution of a loan receivable in the amount of EUR 700,476 thsd. against new shares and a capital contribution of EUR 705,219 thsd..

In addition, the investment in McKesson France Holding SAS increased by EUR 433,020 thsd. due to a contribution of a loan receivable against the subsidiary OCP S.A. of EUR 433,569 thsd. against new shares.

The loans to affiliates decreased accordingly resulting in a reclassification within the financial assets.

Despite improved long-term planning assumptions, an impairment of EUR 222,273 thsd. for the carrying amount of the shares of McKesson France Holding SAS which increased due to the contribution of the loan was recognized. In addition, a write-down of EUR 750 thsd. for Admenta Denmark ApS was recognized.

One of the carrying amounts of an investment of EUR 1,405,695 thsd. is covered by a guarantee from a parent company in the upper three-digit million range until June 1, 2022, so that there is no balance sheet risk of a change in value in the middle double-digit million range.

Due to positive earnings expectations and planning assumptions, there was an offsetting impairment reversal associated with the investment in affiliates in Belgium of EUR 49,117 thsd.

With effect from November 1, 2020, the German pharmaceutical distribution business, GEHE Pharma Handel GmbH, was contributed in exchange for a 30% share in Alliance Healthcare Deutschland GmbH. The share is recognized under shares in associates at acquisition costs.

(4) Receivables and other assets

	31/03/2020 thsd. EUR	31/03/2021 thsd. EUR
Receivables from affiliates	477,226	240,751
Receivables from shareholders	699	53,151
<i>of which due in more than one year</i>	<i>(0)</i>	<i>(0)</i>
Receivables from other investors and investees	0	0
<i>of which due in more than one year</i>	<i>(0)</i>	<i>(0)</i>
Other assets	1,564	35,305
<i>of which due in more than one year</i>	<i>(0)</i>	<i>(0)</i>
Total	479,489	329,207

Receivables and other assets are recognized at their nominal value. All risk-bearing items have been accounted for by recognizing appropriate specific valuation allowances. Receivables from affiliates mainly relate to short-term loans related to the cash pool agreement.

The decrease in receivables from affiliates results from the repayment of the loan (EUR 250,064 thsd.) to GEHE Pharma Handel GmbH following its contribution in Alliance Healthcare Deutschland GmbH in this fiscal year.

Receivables from shareholders and simultaneously from affiliated companies include the loss compensation under the domination and profit and loss transfer agreement in the amount of EUR 51,151 thsd.

In principle receivables in foreign currency have been converted applying the average spot exchange rate on the balance sheet date. In the event of a remaining term of more than one year, the realization principle (Section 252 Paragraph 1 No. 4 Clause 2, HGB) and the cost method (Section 253 Paragraph 1 Sentence 1 HGB) were considered.

The increase in other assets mainly results from a receivable due to purchase price adjustments regarding the contribution of GEHE Pharma Handel GmbH in the amount of EUR 35,250 thsd.

The increase in other assets results mainly from the receivable related to purchase price adjustments based on the contribution of GEHE Pharma Handel GmbH of EUR 35,250 thsd.

(5) Shares in related parties in current assets

In the prior period the shares in related parties in current asset included the shares of the former 100% subsidiaries GEHE Pharma Handel GmbH, GEHE Immobilien GmbH & Co KG as well as GEHE Immobilien Verwaltungs GmbH which were reclassified into current assets as a result of the contemplated transaction agreed with Walgreens Boots Alliances in December 2019. The transaction was completed in fiscal year 2021, eliminating the shares in related parties balance in current assets.

(6) Cash and cash equivalents

	31/03/2020 thsd. EUR	31/03/2021 thsd. EUR
Cash on hand	0	0
Cash at banks	969,496	694,158
Total	969,496	694,158

The change in cash and cash equivalents results from increased cash pool positions of the Group companies, more than offset by the payment into the capital reserve of Admenta UK PLC.

(7) Prepaid expenses

Prepaid expenses primarily relate to prepaid expenses for IT services.

(8) Subscribed capital and reserves

The subscribed capital of McKesson Europe AG is subdivided into 203,220,932 (previous year 203,220,932) no-par-value registered shares, which are fully paid up with a nominal value of EUR 1.28.

There is authorized capital of EUR 130,061 thsd. that has been authorized until 1 August 2024 (authorized capital 2019).

Capital and revenue reserves are unchanged since the start of the domination and profit and loss transfer agreement on 01 January 2015.

Revenue reserves in the amount of EUR 1,102,781 thsd. exclusively concern other revenue reserves. Overall, there is a profit distribution block of EUR 93,912 thsd. which relates to internally developed assets of EUR 84,886 thsd, the difference between the fair value and the acquisition cost of the plan assets of EUR 1,222 thsd. and changes based on interest rates adjustment of the provisions for pensions of EUR 7,804 thsd.

(9) Net retained profit

Based on the domination and profit and loss transfer agreement of 22 May 2014, the net loss is transferred to McKesson Europe Holdings GmbH & Co. KGaA. Therefore, the net retained profit for McKesson Europe AG is EUR 0 thsd. (previous year EUR 0 thsd.).

Based on the domination and profit and loss transfer agreement, McKesson Europe Holdings GmbH & Co. KGaA guarantees to pay external shareholders of McKesson Europe AG a compensatory payment of EUR 0.83 per no-par-value share. The external shareholders of McKesson Europe AG therefore received the compensatory payment of EUR 0.83 per no-par-value share for the 2020 fiscal year.

The compensatory payment of EUR 0.83 per no-par-value share for the 2021 fiscal year from 01 April 2020 to 31 March 2021 will be also payable by McKesson Europe Holdings GmbH & Co. KGaA, due on the first banking day after the Annual General Meeting however latest 8 months after the end of the fiscal year.

(10) Provisions for pensions and similar obligations

The provisions for pensions were determined using the projected unit credit method, under the application of the 2018 G mortality tables issued by Heubeck-Richttafel-GmbH, Köln. The option pursuant to Section 253 Paragraph 2 Sentence 2 HGB on the discounting method has been exercised and an average market interest rate over the past 10 years of 2.19% has been applied, assuming a remaining term of 15 years. Forecast salary increases of 3.00% and forecast pension increases of 1.75% for employees as well as a contribution increase of 3.00% for Management Board members have been considered. Employee turnover has been taken into consideration through turnover assumptions according to age, length of service and gender. It includes the probability of mortality, as well as the likelihood of becoming disabled and or married, which are used for the valuation of company pension schemes in Germany. Both the mortality and the morbidity rate fell over the past few years. A decline in the mortality rate, i.e., an increase in life expectancy leads to an increase in the cost of company pension schemes (bAV).

As of the reporting date 31 March 2021, the difference to the 7-year average market rate, pursuant to Section 253 Paragraph 6 HGB was EUR 7,805 thsd. (previous year: EUR 7,473 thsd.). This amount is subject to a profit distribution block in accordance with Section 253 Paragraph 6 Sentence 1 HGB.

Pursuant to Section 246 Paragraph 2 Sentence 2 HGB, assets of EUR 24,220 thsd, which are not accessible to all other creditors and which are used exclusively to fulfill the liabilities from pension benefit obligations or comparable long-term

obligations, were offset against these obligations. Acquisition costs for the offset assets are EUR 22,998 thsd., the fair value of the assets based on the redemption price of the investment fund units amounts to EUR 24,220 thsd., the settlement amount of the offset liabilities is EUR 24,902 thsd.

Related to the offsetting of plan assets, interest expenses of EUR 1,623 thsd. and interest income from plan assets of EUR 2,974 thsd. were offset.

The jubilee provisions have been calculated by the projected unit credit method, using the 2018 G mortality tables issued by Heubeck-Richttafeln-GmbH, Köln.

The salary increase is 3.00%, the interest rate 1.51% and the expected pension increase 1.75% p.a.

(11) Other provisions

	31/03/2020 thsd. EUR	31/03/2021 thsd. EUR
Other provisions	27,669	20,698
Total	27,669	20,698

Other provisions consider all uncertain liabilities and imminent losses from pending transactions which are recognized based on a reasonable commercial assessment of the required settlement amount (i.e., in principle including future increases in costs and prices). Provisions with a remaining term of more than twelve months are discounted. The option to discount provisions with a remaining term less than one year has not been applied.

From 01 January 2015, McKesson Europe AG has been included in the McKesson Europe Holdings GmbH & Co. KGaA tax group of companies (income tax group) as a subsidiary company. All tax consequences, whether for current or deferred taxes, are recognized on the level of the parent company. This does not relate to the periods up to 31 December 2014, which pre-date this group organization. There is no tax burden distribution agreement.

Other provisions primarily include provisions for personnel expenses amounting to EUR 7,076 thsd., provisions for outstanding invoices amounting to EUR 5,900 thsd., provisions for severance packages and restructuring amounting to EUR 3,333 thsd. and anniversary provisions amounting to EUR 1,276 thsd. The decrease in other provisions is a result of the decrease of provisions for outstanding invoices in an amount of EUR 6,640 thsd.

(12) Liabilities

Liabilities	31/03/2020 Due in				31/03/2021 Due in			
	up to 1 year, thsd. EUR	more than 1 year EUR k	of which more than 5 years EUR k	Carrying amount thsd. EUR	up to 1 year, thsd. EUR	more than 1 year EUR k	of which more than 5 years EUR k	Carrying amount thsd. EUR
Bonds	0	0	0	0	0	0	0	0
Liabilities to banks	0	0	0	0	1,902	0	0	1,902
Liabilities to shareholders	0	0	0	0	0	0	0	0
Trade payables	6,464	0	0	6,464	8,767	0	0	8,767
Liabilities to affiliates	398,544	0	522,159	920,703	441,244	522,159	0	963,403
Liabilities to other investors and investees	0	0	0	0	0	0	0	0
Other liabilities	1,051	1,069	0	2,120	944	891	0	1,835
<i>of which taxes</i>	647	0	0	647	648	(0)	(0)	648
<i>of which for social security</i>	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Total	406,059	1,069	522,159	929,287	452,857	523,050	0	975,907

The liabilities to affiliates include liabilities from the cash pool amounting to EUR 344,731 thsd. (previous year: EUR 308,296 thsd.), long-term loan liabilities amounting to EUR 522,159 thsd. (previous year: EUR 522,159 thsd.), short-term liabilities of EUR 80,758 (previous year EUR 75,730), liabilities from accrued interests of EUR 11,326 thsd. (previous year: EUR 11,360 thsd.) and trade payables of EUR 4,429 thsd. (previous year: EUR 3,146 thsd.). All the long-term loan liabilities are due to McKesson UK Finance II Ltd.

Liabilities are recognized at the settlement amount. Liabilities in foreign currency have been converted using the average spot exchange rate on the balance sheet date. For liabilities with a remaining term of more than one year, the realization principle (Section 252 Paragraph 1 No. 4 Clause 2, HGB) and the cost method (Section 253 Paragraph 1 Sentence 1 HGB) have been considered.

(13) Contingent liabilities

Contingent liabilities	31/03/2020 thsd. EUR	31/03/2021 thsd. EUR
From guarantees, bill and cheque guarantees	92,233	183,868
<i>of which to affiliates</i>	63,649	158,206
Total	92,233	183,868

The warranty obligations against third-parties primarily relate to litigation warranties in Brazil (EUR 25,599 thsd. [previous year EUR 28,582 thsd.] for Panpharma Distribuidora de Medicamentos Ltda., Brazil) and warranties to affiliates (EUR 33,172 thsd. [previous year EUR 33,172 thsd.] in respect of Lloyds Pharmacy Limited, Ireland) and EUR 13,398 thsd. [previous year EUR 13,398 thsd.] for Cophana S.A., Belgium. In addition, a guarantee of EUR 94,001 thsd [previous year: EUR 0 thsd.] has been provided to Admenta UK Limited. Due to legal risks in Brazil a usage of warranty obligations cannot be ruled out but is not considered likely at present. The risk associated with the other warranties for subsidiaries is regarded as low due to the net assets, financial position, and results of operations of those subsidiaries.

(14) Other financial obligations and off-balance-sheet transactions

In addition to contingent liabilities, there are EUR 41,584 thsd. (previous year EUR 28,761 thsd.) in other financial obligations. Specifically, these obligations concern the following matters:

Additional other financial obligations relate to lease obligations, obligations from future leasing expenses for business vehicles of the company, for furniture and fixtures and data and voice telecommunication services in the amount of EUR 41,332 thsd. (previous year EUR 28,379 thsd.) which end within one to six years. Furthermore, there is a purchase commitment from issued investment orders for lease vehicles amounting to EUR 252 thsd. (previous year EUR 75 thsd.).

The increase in other financial obligations mainly results from the license agreement entered with ORACLE Deutschland B.V. & Co. KG on 31 March 2021 regarding the extension of the existing ORACLE licenses, as well as related technical support.

No further significant financial obligations and off-balance sheet transactions have been identified.

(15) Derivative financial instruments and valuation units

Derivative financial instrument	Nominal volume		Market value		Carrying amount	
	31/03/2020 thsd. EUR	31/03/2021 thsd. EUR	31/03/2020 thsd. EUR	31/03/2021 thsd. EUR	31/03/2020 thsd. EUR	31/03/2021 thsd. EUR
Currency instruments (positive market value)	21,980	8,352	1,556	70	0	0
Currency instruments (negative market value)	4,170	24,974	-193	-680	0	0
Total	26,150	33,326	1,363	-610	0	0

The fair values of derivative financial instruments are determined by reference to capital market data at the end of the reporting period and by use of suitable valuation methods (e.g., the discounted cash flow method) and other generally accepted option pricing models. Insofar as interest rates are required for their calculation, market interest rates applicable for the remaining term of the derivatives are used. Derivative currency instruments solely comprise forward exchange contracts in the following currencies: pound sterling, US dollar, Swiss franc, Swedish krone, and Norwegian krone.

Regarding assets, liabilities and forecast transactions, McKesson Europe AG is exposed to risks resulting from changes in exchange rates and interest rates, among other things. Based on a risk assessment, selected hedging instruments are used to limit these risks.

The use of derivatives is subject to uniform group guidelines set by the Management Board, compliance with which is continuously monitored. These include the functional segregation of trading, handling, and posting, and the authorization of just a few qualified employees to enter into derivative financial instruments. We only enter into derivatives for hedging purposes and then only with banks with good credit ratings.

Currency risks refer to possible value adjustments due to fluctuations in exchange rates of items on the balance sheet and any planned future transactions.

Currency risks are hedged primarily using micro-hedges. This involves a direct hedge of the underlying transaction by means of a foreign exchange derivative. Currency derivatives are primarily used to hedge anticipated transactions in foreign currency. This involves selecting the currency derivative (or a combination of several derivatives) which best reflects the likelihood of occurrence and timing of the forecast transaction.

Forward exchange contracts were also used in the 2021 fiscal year to hedge foreign exchange transactions.

If valuation units are recognized pursuant to Section 254 HGB, the following principles of accounting and evaluation apply:

Economic hedge relationships are reflected in the balance sheet through valuation units. If positive and negative value changes or cash flows from underlying transactions and hedging instruments based on the hedged risk for this period are fully balanced, they are essentially offset and recorded neither in the carrying amounts of the underlying transactions or hedging instruments nor in the income statement (“compensatory valuation”). If negative value changes outweigh positive value changes based on the hedged risk (currently ineffective), this difference is transferred into a valuation unit provision as an unrealized loss, recorded as expenses in accordance with the impairment principle.

At the inception of a hedge relationship, the risk management strategy regarding the hedged risk, the planned hedging period, the hedging instrument, the underlying transaction, and the method for testing the hedge effectiveness is formally determined and documented. The following valuation units have been formed:

	Transaction/ Hedging instrument	Risk/ Type of valuation unit	covered amount	Volume	Amount of hedged risk	Hedging period
(1)	Currency derivative/ Currency derivative	Currency risk/ micro hedge	EUR -210 thsd.	TGBP 13.094	TEUR -210	up to 7 Monate
(2)	Currency derivative/ Currency derivative	Currency risk/ micro hedge	EUR -2 thsd.	TEUR 870	TEUR -2	up to 4 Monate
(3)	Currency derivative/ Currency derivative	Currency risk/ micro hedge	EUR -166 thsd.	TNOK 26.362	TEUR -166	up to 3 Monate

on (1–3): McKesson Europe AG concludes currency hedging transactions on behalf of subsidiaries and passes them on internally to the subsidiaries under the same terms. A valuation unit consists of the externally and internally forwarded transaction, whereby the cash flows are fully offset until the balance sheet date.

In this case, the hedges are perfect micro hedges as the hedged item and the hedging instrument match in all value-determining factors (currency, nominal amount, and duration). Therefore, the prospective effectiveness measurement is based on the critical term match-method. The same applies for the retrospective measurement of effectiveness.

Information on the income statement

(16) Sales

	2020 thsd. EUR	2021 thsd. EUR
Sales	107,468	93,056
Total	107,468	93,056

The year-on-year decrease in sales is mainly due to lower recharges to group companies and a reduction of other service charges.

(17) Other own works capitalized

	2020 thsd. EUR	2021 thsd. EUR
Own work capitalized	1,870	3,012
Total	1,870	3,012

Since the development costs for the ERP software mainly include third-party services, the related third-party services are directly recognized as an increase in non-current assets by application of the net method. Consequently, the income statement only reflects internal development work by McKesson Europe AG employees and interest expenses in the amount of EUR 1,133 thsd.

The increase of EUR 1,142 thsd. mainly results from increased interest expenses as well as an increase in internal development work of McKesson Europe AG employees capitalized in connection with the ongoing SAP S/4 HANA project.

(18) Other income

	2020 thsd. EUR	2021 thsd. EUR
Income from previous periods	3,291	2,568
Sundry income	50,825	239,912
<i>of which exchange rate gains</i>	<i>1,513</i>	<i>27,626</i>
Total	54,116	242,480

Other income mainly includes the loss compensation based on the comfort letter provided by McKesson Europe Holdings GmbH & Co. KGaA due to the contribution of GEHE Pharma Handel GmbH in the amount of EUR 102,800 thsd. Furthermore, other income includes the gain on the sale of intellectual property rights and other intangible assets in the amount of EUR 54,000 thsd. and currency effects in the context of the conversion of the loan to Admenta UK PLC in the amount of EUR 27,626 thsd. In addition, this position includes recharges to subsidiaries.

(19) Service-related expenses

	2020 thsd. EUR	2021 thsd. EUR
Service related expenses	54,142	53,306
Total	54,142	53,306

The company recorded costs for purchased services of EUR 53,306 thsd. during the year (previous year EUR 54,142 thsd.), exclusively related to received services.

(20) Personnel expenses / employees

	2020 thsd. EUR	2021 thsd. EUR
Wages and salaries	41,774	38,382
Social security and pension cost	5,787	5,223
<i>of which pension benefits</i>	<i>1,149</i>	<i>906</i>
Total	47,561	43,605

The average number of employees in the 2021 fiscal year was 327 (previous year 348).

Personnel expenses decreased by EUR 3,956 thsd. to EUR 43,605 thsd. (prior year: EUR 47,561 thsd.). The comparability of personnel expenses to the prior year is limited, as in the prior year the expenses for stock options for affiliated companies were disclosed under personal expenses. Excluding the expenses for stock options in the amount of EUR 2,802 thsd., personnel expenses decreased by EUR 1,154 thsd., which mainly results from a decrease in the number of employees compared to the prior year.

(21) Other expenses

	2020 thsd. EUR	2021 thsd. EUR
Other taxes	19	66
Sundry expenses	74,129	78,963
<i>of which exchange rate losses</i>	<i>22,741</i>	<i>2,648</i>
Total	74,148	79,029

Sundry expenses include expenses from currency translation, as well as IT costs, legal and consulting fees, costs for services from affiliated companies, travel costs, as well as sundry rental costs and incidental costs.

(22) Investment result

	2020 thsd. EUR	2021 thsd. EUR
Income from profit transfer agreements	17,820	21,883
Income from investments	15,412	14,820
<i>Of which received from affiliates</i>	6,327	6,743
Expenses from loss absorption	-12	-6,232
Write-ups of investments	60,315	49,117
Impairment and losses of disposal of financial assets	-109,907	-322,054
Total	-16,372	-242,466

The impairment on and losses of the disposal of financial assets and shares in related parties result from the contribution of GEHE Pharma Handel GmbH in the amount of EUR 99,032 thsd., as well as the impairment losses on affiliated companies in France amounting to EUR 222,273 thsd..

Impairment losses on shares in affiliated companies in Belgium were reversed due to positive earnings development and planning.

Impairments relate to permanent declines in value. Valuation have been carried out using the discounted cash flow method based on business planning.

(23) Interest result

	2020 thsd. EUR	2021 thsd. EUR
Income from long-term loans	64,890	58,968
<i>of which received from affiliates</i>	64,890	58,969
Other interest and similar income	875	62
<i>of which received from affiliates</i>	-6	0
Interest and similar expenses	-20,336	-14,891
<i>of which to affiliates</i>	-12,538	-12,400
<i>of which expense from discounting</i>	-7,240	-2,178
Total	45,429	44,139

The decrease in income from loans is due to the fact that fewer loans were granted to group companies year-on-year. This is primarily due to the termination of the loan to GEHE Pharma Handel GmbH and the contribution of the loan receivable against new shares in the investments in Admenta UK PLC and McKesson France Holdings SAS.

Please refer to the explanations on financial assets under Note 3.

The decrease in interest and similar expenses is mainly related to the offsetting of interest income from plan assets of EUR 2,974 thsd. (prior year: interest expense of EUR 1,390 thsd.).

(24) Income taxes

	2020 thsd. EUR	2021 thsd. EUR
Corporate income tax/trade tax for fiscal year	7,219	6,915
Corporate income tax/trade tax for previous years	0	0
Total	7,219	6,915

The income tax expenditure for the current year results from the tax implications of the payable compensatory payment for the remaining minority shareholders.

Other notes

Audit fees

The annual financial statements of McKesson Europe AG, the German subsidiaries subject to statutory audit, and the consolidated financial statements have been audited by Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart. Disclosure of the Auditor's fee is omitted pursuant to Section 285 Paragraph 1 No. 17 HGB. The disclosure of total fees to Deloitte GmbH is included in the consolidated financial statements of McKesson Europe AG.

Group companies and list of shareholdings

The consolidated financial statements of McKesson Europe AG and its subsidiaries as of 31 March 2021 have been prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB), London, UK, as endorsed by the European Union and applicable at the end of the reporting period, and supplemented by the provisions of Section 315e Paragraph 1 HGB. These are the consolidated financial statements for the smallest group of companies and are published in the Federal Gazette.

McKesson Europe Holdings GmbH & Co. KGaA, Stuttgart is the German parent company of McKesson Europe AG, and holds about 78% of the shares according to relevant notification.

McKesson Europe AG and McKesson Europe Holdings GmbH & Co. KGaA are indirectly owned by the McKesson Corporation, Irving, USA, as the ultimate parent, and are incorporated into the consolidated financial statements as of 31 March 2021 according to US Generally Accepted Accounting Principles. These are the consolidated financial statements for the largest group of companies and are available on the website of the Securities Exchange Commission.

The list of shareholdings of McKesson Europe AG is attached as an appendix to these notes.

Information on shareholdings in accordance with Section 160 Paragraph 1 No. 8 of the German Stock Corporation Act (AktG) of McKesson Europe AG

As of 31 March 2021, the company received the following information on shareholdings subject to notification in accordance with Section 160 Paragraph 1 No. 8 of the German Stock Corporation Act (AktG), which was published as follows:

McKesson Deutschland GmbH & Co. KGaA (today operating under McKesson Europe Holdings GmbH & Co. KGaA)

On 9 October 2015 McKesson Deutschland GmbH & Co. KGaA, Frankfurt am Main, notified the company, that McKesson Deutschland GmbH & Co. KGaA holds directly and without adding shares pursuant to Section 20 Paragraph 2 AktG, more than the fourth part of the shares and a majority shareholding in Celesio AG.

McKesson Deutschland Verwaltungs GmbH

On 9 October 2015 McKesson Deutschland Verwaltungs GmbH, Frankfurt am Main, notified the company that McKesson Deutschland Verwaltungs GmbH indirectly holds in accordance with Section 16 Paragraph 4 and without adding shares pursuant to Section 20 Paragraph 2 AktG, more than the fourth part of the shares and a majority shareholding in Celesio AG. The company holds the investment via McKesson Deutschland GmbH & Co. KGaA.

McKesson Global Procurement and Sourcing Limited

On 9 October 2015 McKesson Global Procurement and Sourcing Limited, London, United Kingdom, notified the company that McKesson Global Procurement and Sourcing Limited indirectly holds in accordance with Section 16 Paragraph 4 and without adding shares pursuant to Section 20 Paragraph 2 AktG, more than the fourth part of the shares and a majority shareholding in Celesio AG. The company holds the investment via

- McKesson Deutschland GmbH & Co. KGaA and
- McKesson Deutschland Verwaltungs GmbH.

McKesson UK Finance I Limited

On 9 October 2015 McKesson UK Finance I Limited, London, United Kingdom, notified the company that McKesson UK Finance I Limited indirectly holds in accordance with Section 16 Paragraph 4 and without adding shares pursuant to Section 20 Paragraph 2 AktG, more than the fourth part of the shares and a majority shareholding in Celesio AG. The company holds the investment via

- McKesson Deutschland GmbH & Co. KGaA,
- McKesson Deutschland Verwaltungs GmbH and
- McKesson Global Procurement and Sourcing Limited.

McKesson UK Finance II Limited

On 9 October 2015 McKesson UK Finance II Limited, London, United Kingdom, notified the company that McKesson UK Finance II Limited indirectly holds in accordance with Section 16 Paragraph 4 and without adding shares pursuant to Section 20 Paragraph 2 AktG, more than the fourth part of the shares and a majority shareholding in Celesio AG. The company holds the investment via

- McKesson Deutschland GmbH & Co. KGaA,
- McKesson Deutschland Verwaltungs GmbH,
- McKesson Global Procurement and Sourcing Limited and
- McKesson UK Finance I Limited.

McKesson US Finance Corporation

On 9 October 2015 McKesson US Finance Corporation, San Francisco, United States of America, notified the company that McKesson US Finance Corporation indirectly holds in accordance with Section 16 Paragraph 4 and without adding shares pursuant to Section 20 Paragraph 2 AktG, more than the fourth part of the shares and a majority shareholding in Celesio AG. The company holds the investment via

- McKesson Deutschland GmbH & Co. KGaA,
- McKesson Deutschland Verwaltungs GmbH,
- McKesson Global Procurement and Sourcing Limited,

- McKesson UK Finance I Limited and
- McKesson UK Finance II Limited.

McKesson Corporation

On 9 October 2015 McKesson Corporation, San Francisco, United States of America, notified the company that McKesson Corporation indirectly holds in accordance with Section 16 Paragraph 4 and without adding shares pursuant to Section 20 Paragraph 2 AktG, more than the fourth part of the shares and a majority shareholding in Celesio AG. The company holds the investment via

- McKesson Deutschland GmbH & Co. KGaA,
- McKesson Deutschland Verwaltungs GmbH,
- McKesson Global Procurement and Sourcing Limited,
- McKesson UK Finance I Limited,
- McKesson UK Finance II Limited and
- McKesson US Finance Corporation.

Disclosures pursuant to Section 285 Paragraphs 9 and 21 HGB

The total remuneration of the Management Board in terms of Sec. 285 no 9a HGB in the 2021 fiscal year amounts to EUR 2,953 thsd. (previous year EUR 3,126 thsd.). The composition of the Board has changed in comparison to the previous year. As of 01 January 2021, Holger Landauer has taken over the responsibility from Alain Vachon as the member of the Management Board for Finance. There were no advances, loans, or similar payments to members of the Management Board in either the reporting year or the previous year. In the reporting year, former Management Board members and their surviving dependents received compensation of EUR 239 thsd. (previous year EUR 231 thsd.). McKesson Europe AG has recognized pension provisions of EUR thsd. EUR 24,902 thsd. (previous year EUR 23,512 thsd.) for this group.

Compensation for the members of the McKesson Europe AG's Supervisory Board amounts to EUR 610 thsd. (previous year EUR 617 thsd.) in the past fiscal year including attendance fees and are exclusively related to short-term benefits. In addition, the McKesson Europe Group employee representatives on the Supervisory Board received customary market salaries for their services. No remuneration was paid to members of the Supervisory Board for services rendered individually, nor were transactions requiring disclosure conducted between members of the Supervisory Board or Management Board and other persons of the management, as far as active in key positions.

Likewise, no transactions were made between members of the Supervisory Board or Management Board and any other entities where such persons are members of the respective Management or Supervisory Boards. This also applies to close family members of these persons.

Proposal of the Management Board for the appropriation of profits

The net retained profit for McKesson Europe AG is EUR 0 thsd. (previous year EUR 0 thsd.) and corresponds to net profit of the year due to loss compensation.

On the basis of the domination and profit and loss transfer agreement of 22 May 2014, McKesson Europe Holdings GmbH & Co. KGaA guarantees and pays external shareholders of McKesson Europe AG a compensatory payment for the 2021 fiscal year of EUR 0,83 per no-par-value share.

The compensatory payment of EUR 0.83 per no-par-value is due on the first banking day after the Annual General Meeting of McKesson Europe AG for the past fiscal year, however latest 8 months after the end of the fiscal year.

Events after the reporting period

Oracle licenses

On 31. March 2021 a license contract between McKesson Europe AG and ORACLE DEUTSCHLAND B.V & Co. KG was extended regarding ORACLE licenses and related technical support for EUR 75,744 thsd., for three years. Of this value, EUR 41,210 thsd. were paid by McKesson Corp. The payment occurred in fiscal year 2022.

Judgment Stuttgart regional appeal court

On March 30, 2021, the regional appeal court of Stuttgart decided on the appraisal proceedings of several minority shareholders regarding the determination of the appropriate compensation and the appropriate settlement pursuant to Sections 304, 305 of the German Stock Corporation Act (AktG). There are no financial consequences for McKesson Europe AG, as McKesson Europe Holdings GmbH & Co. KGaA was the defendant. So far, only a minor portion of the shares of the minority shareholders has been disposed, however, the future development in this matter remains to be seen.

Apart from the above, no events of particular significance have occurred after the end of the financial year that would require reporting.

Members of the Management Board in the 2021 fiscal year

Name	Occupation and company	Disclosure of transactions with affiliated companies and people in the McKesson Group
Kevin Kettler	Chairman of the Management Board of McKesson Europe AG Labor Relations Director	none
Tilo Köster	Member of the Management Board of McKesson Europe AG Legal and Compliance	none
Alain Vachon (until Dec. 31, 2020)	Member of the Management Board of McKesson Europe AG Finance	none
Holger Landauer (since Jan. 1, 2021)	Member of the Management Board of McKesson Europe AG Finance	none

Members of the Supervisory Board in the 2021 fiscal year

Name	Occupation and company	Disclosure of transactions with affiliated companies and people in the McKesson Europe AG, Stuttgart as well as the McKesson Group
Brian S. Tyler (Chairman)	Chief Executive Officer, McKesson Corporation, Irving TX (USA)	none
Ihno Goldenstein (Deputy Chairman) (until Oct. 31, 2020)	Employee Incoming Goods Department, GEHE Pharma Handel GmbH, Distribution Center Delmenhorst Chairman of the General Works Council of GEHE Pharma Handel GmbH	none
Ralf Kuhlen (since Nov. 1, 2020) (Deputy Chairman since Nov. 3, 2020)	Director Internal Audit, McKesson Europe AG	none
W.M. Henning Rehder (Deputy Chairman)	Former Member of the Management Board (CFO) of Siemens Enterprise Communications GmbH & Co. KG (SEN Group), Munich	none
Marc Bauer (until Oct. 31, 2020)	Specialist Cooperation & Digitalization for Stuttgart – Günzburg, GEHE Pharma Handel GmbH	none
Detlef Bernhardt (until Oct. 31, 2020)	Employee Warehouse, Inventories / Documentation, GEHE Pharma Handel GmbH Distribution Center Kassel	none
Dennis Both (until Oct. 31, 2020)	Operations Manager, GEHE Pharma Handel GmbH, Distribution Center Delmenhorst	none
Leonie Dengler (since Nov. 1, 2020)	Demand Manager, Indirect Sourcing & Procurement Europe, McKesson Europe AG	none
Jörg Lauenroth-Mago	Department Manager Trading ver.di - Vereinte Dienstleistungsgewerkschaft Landesbezirk Sachsen, Sachsen-Anhalt, Thüringen	none
Pauline Lindwall	Senior Advisor and Independent Board Director, Zürich, (CH)	none
Stanton McComb (since Apr. 21, 2020)	President, McKesson Medical-Surgical, Inc Richmond VA (USA)	none

Susan Naumann	Trade Union Secretary, Business Unit Manager – Law and Advisory, ver.di – Vereinte Dienstleistungsgewerkschaft Landesbezirk Hamburg	none
Heike Nowak (since Nov. 1, 2020)	IT Strategy Manager, McKesson Technology Europe, Stuttgart	none
Fabian Sattler (since Nov. 1, 2020)	Wound manager, WZ-Wundzentren GmbH, Nürnberg	none
Lori A. Schechter	Executive Vice President, Chief Legal Officer and General Counsel, McKesson Corporation, Irving TX (USA)	none
Jack Stephens	President; McKesson Global Procurement & Sourcing, London (UK)	none

Stuttgart, 31 May 2021

The Management Board

Kevin Kettler
Chairman of the Management Board

Holger Landauer
Member of the Management Board

Tilo Köster
Member of the Management Board

List of shareholdings of the McKesson Europe AG, Stuttgart as at 31/03/2021 pursuant to Section 285 Paragraph 2 HGB

No.	Name and registered office of the company	Share 1)	Equity2)	Profit of the year 2)
		(in %)	in thsd.	in thsd.
I. Companies, in which McKesson Europe AG has a share of minimum 20%				
1	"Aewige" ärztliche Wirtschaftsgesellschaft m.b.H., Wien, AT	100,00	1.391	121
2	2012 DREAM LIMITED, Coventry, GB	100,00	9	129
3	28CVR LIMITED, Coventry, GB	100,00	275	5.487
4	30MC LIMITED, Coventry, GB	100,00	-796	0
5	A. SUTHRELL (HAULAGE) LIMITED, Coventry, GB	100,00	10	0
6	A.F.M. Bergamo S.p.A., Bergamo, IT	80,00	3.167	-2.229
7	AAH BUILDERS SUPPLIES LIMITED, Coventry, GB	100,00	9.685	0
8	AAH Ireland, Dublin, IE	100,00	32.069	-9.740
9	AAH LIMITED, Coventry, GB	100,00	2.029.586	0
10	AAH Lloyds Insurance (IoM) Limited, Douglas, GB	100,00	6.171	212
11	AAH ONE LIMITED, Glasgow, GB	100,00	0	0
12	AAH PHARMACEUTICALS LIMITED, Coventry, GB	100,00	283.092	15.699
13	AAH TWENTY FOUR LIMITED, Glasgow, GB	100,00	1.259	0
14	AAH TWENTY LIMITED, Coventry, GB	100,00	441	0
15	AAH TWENTY SIX LIMITED, Coventry, GB	100,00	236	0
16	ACME DRUG CO. LIMITED, Glasgow, GB	100,00	703	0
17	ADDED MARKETING LIMITED, Coventry, GB	100,00	50	0
18	Admenta Beteiligungs GmbH, Wien, AT	100,00	303.419	26
19	Admenta Denmark ApS, Rodovre, DK	100,00	320.166	-13.176
20	Admenta Deutschland GmbH, Stuttgart, DE	100,00	287.798	-221
21	ADMENTA HOLDINGS LIMITED, Coventry, GB	³⁾ 100,00	2.200.465	2.677
22	ADMENTA ITALIA S.P.A., Bentivoglio, IT	100,00	235.447	7.595
23	ADMENTA PENSION TRUSTEES LIMITED, Coventry, GB	100,00	0	0
24	ADMENTA UK LIMITED, Coventry, GB	100,00	2.677.645	-20.173
25	Admenta Verwaltungs GmbH, Wien, AT	100,00	11.545	796
26	AFM S.p.A., Bentivoglio, IT	³⁾ 79,97	86.828	595
27	ALCHEM (SOUTHERN) LIMITED, Coventry, GB	100,00	92	0
28	Algorithmic Health Ireland Ltd	100,00	0	0
29	Alliance Healthcare Deutschland GmbH	30,00	349.458	2.628
30	Alphar Ayeneux, Soumange, BE	51,61	0	0
31	Alphar Gilly DL, Charleroi, BE	100,00	114	16
32	Alphar Monceau sur Sambre, Charleroi, BE	51,61	95	4
33	Alphar Partners SA, Seneffe, BE	100,00	2.218	-44
34	AYRSHIRE PHARMACEUTICALS LIMITED, Glasgow, GB	100,00	507	0
35	AZIENDA FARMACEUTICA MUNICIPALE di Cremona S.p.A., Cremona, IT	78,00	3.352	1.214
36	Azienda Farmacie Milanesi S.p.A., Mailand, IT	80,00	5.844	9.388

List of shareholdings of the McKesson Europe AG, Stuttgart as at 31/03/2021 pursuant to Section 285 Paragraph 2 HGB

No.	Name and registered office of the company	Share 1)	Equity2)	Profit of the year 2)
		(in %)	in thsd.	in thsd.
37	Babbingore Limited, Dublin, IE	100,00	33.012	-2.463
38	BAILLIESTON HEALTH CENTRE PHARMACY LIMITED, Bailieston, GB	100,00	6	-284
39	BANNISTER & THATCHER LIMITED, Coventry, GB	100,00	1.996	0
40	BARCLAY PHARMACEUTICALS (ATHERSTONE) LIMITED, Coventry, GB	100,00	5.072	0
41	BARCLAY PHARMACEUTICALS LIMITED, Coventry, GB	100,00	96.147	0
42	BARLEY CHEMISTS HOLDINGS LIMITED, Coventry, GB	100,00	401	0
43	BARRY SHOOTER (ROMFORD) LIMITED, Coventry, GB	100,00	757	0
44	BEAUTY CARE DRUGSTORES LIMITED, Coventry, GB	100,00	-64	0
45	BERKSHIRE MEDICAL SUPPLIES LIMITED, Coventry, GB	100,00	1.646	0
46	BETTERLIFEHEALTHCARE LIMITED, Coventry, GB	100,00	1.511	-346
47	BIG PHARMA LIMITED, Glasgow, GB	100,00	-983	0
48	Breamor Pharmacy Limited, Dublin, IE	100,00	0	0
49	BRIDPORT MEDICAL CENTRE SERVICES LIMITED, Coventry, GB	100,00	-634	0
50	Brocef Groep N.V., Maarssen, NL	45,00	219.963	23.529
51	CAHILL MAY ROBERTS GROUP LIMITED, Dublin, IE	100,00	73.605	0
52	Camic Pharmacies Limited, Dublin, IE	100,00	845	0
53	Celesio Business Services Ltd., Dublin, IE	100,00	0	0
54	CENTRALE D'ADMINISTRATION DE BIENS IMMOBILIERS, Saint Quen, FR	100,00	61.480	11.568
55	Chem Labs Limited, Dublin, IE	100,00	0	0
56	Civiche Farmacie Desio S.p.A., Desio, IT	80,00	2.130	-697
57	CLARK CARE GROUP LIMITED, Coventry, GB	100,00	1.380	0
58	CLARK MUNRO LIMITED, Glasgow, GB	100,00	40	0
59	CMR Holdings Ltd, Dublin, IE	100,00	0	0
60	Coleham, Dublin, IE	100,00	4.778	0
61	COMPANY CHEMISTS ASSOCIATION LIMITED, Milton Keynes, UK	27,09	-12	-8
62	COMPTOIR MONEGASQUE DE BIOCHIMIE, Monaco	100,00	12.911	334
63	COMPTOIR PHARMACEUTIQUE MEDITERRANEEN, Monaco	99,40	9.334	-1.989
64	Cophana SA, La Louviere, BE	100,00	655	-1.522
65	CROSS AND HERBERT (DEVON) LIMITED, Coventry, GB	100,00	2.005	0
66	CROSS AND HERBERT (HOLDINGS) LIMITED, Coventry, GB	100,00	1.001	0
67	CROSS AND HERBERT LIMITED, Coventry, GB	100,00	8.733	0
68	Crowley`s Blackrock Limited, Dublin, IE	100,00	383	0
69	D.F. O'Neill (Chemists) Ltd, Dublin, IE	100,00	0	0
70	Dargle Pharmacies Holdings Limited, Dublin, IE	100,00	680	0
71	DATA CARE Datenpflege des Pharmagroßhandels Ges.m.b.H., Wien, AT	36,67	168	51
72	DATAPHARM, Paris, FR	37,67	156	115
73	DEPOTRADE, Saint Quen, FR	100,00	2.083	-2.132

List of shareholdings of the McKesson Europe AG, Stuttgart as at 31/03/2021 pursuant to Section 285 Paragraph 2 HGB

No.	Name and registered office of the company	Share 1)	Equity2)	Profit of the year 2)
		(in %)	in thsd.	in thsd.
74	Dix Bulles Pharma, Charleroi, BE	100,00	0	0
75	DOL Pharmacy Limited, Dublin, IE	100,00	0	0
76	Donnybrook Pharmacy Limited, Dublin, IE	100,00	7.735	0
77	ECLIPSE HEALTHCARE LIMITED, Coventry, GB	100,00	0	0
78	ESCON (ST NEOTS) LIMITED, Coventry, GB	100,00	34	0
79	EUROSANTE (Société en liquidation), Luxembourg, LU	100,00	345	0
80	Evesland Limited, Dublin, IE	100,00	516	0
81	EVOLUTION HOMECARE SERVICES LIMITED, Coventry, GB	100,00	21.029	4
82	EXPERT HEALTH LIMITED, Coventry, GB	100,00	6.227	0
83	FAR.CO.SAN S.p.A., San Giovanni Valdarno, IT	80,00	2.149	210
84	FARILLON LIMITED, Coventry, GB	100,00	2.001	0
85	Farmacie Comunali di Modena S.p.A., Modena, IT	63,60	27.901	-14.531
86	Farmacie Comunali di Padova S.p.A., Padova, IT	75,00	10.180	-3.568
87	Farmacie di Sassuolo S.p.A., Sassuolo, IT	80,00	1.446	-139
88	Farmacie Pratesi Pratoфарма S.p.A., Prato, IT	80,00	5.775	480
89	FARMALVARION S.R.L. SOCIO UNICO, Bentivoglio, IT	100,00	7.336	5.139
90	Felview Limited, Dublin, IE	100,00	13	0
91	FIRTH & PILLING LIMITED, Coventry, GB	100,00	482	0
92	FOSTER & PLUMPTON GROUP LIMITED, Coventry, GB	100,00	-34	0
93	FOSTER & PLUMPTON LIMITED, Coventry, GB	100,00	6	0
94	G J MALEY LIMITED, Douglas, GB	100,00	4.053	-121
95	G K CHEMISTS (GLOS) LIMITED, Coventry, GB	100,00	40	0
96	G K CHEMISTS LIMITED, Coventry, GB	100,00	920	0
97	GEORGE STAPLES (STOKE) LIMITED, Coventry, GB	100,00	2.314	0
98	Gerard Ryan Pharmacy (Clonmel) Limited, Dublin, IE	100,00	251	0
99	Gorrys Pharmacy Limited, Dublin, IE	100,00	1.821	0
100	Goviltown Limited, Dublin, IE	100,00	46.018	0
101	GPL 2007 LIMITED, Coventry, GB	100,00	2	0
102	GRAEME PHARMACY (STIRLING) LIMITED, Glasgow, GB	100,00	1.278	0
103	GREENS PHARMACEUTICAL (HOLDINGS) LIMITED, Coventry, GB	100,00	492	0
104	Greystones Pharmacy Limited, Dublin, IE	100,00	1.268	0
105	GROUPE PHR, Boulogne-Billancourt, FR	100,00	8.286	-675
106	H H THATCHER LIMITED, Coventry, GB	100,00	19	0
107	Haleston Enterprises Limited, Dublin, IE	100,00	1.998	0
108	HC Beteiligungsgesellschaft mbH, Wien, AT	100,00	16.172	2.231
109	HEALTH NEEDS LIMITED, Coventry, GB	100,00	142	0
110	HEALTHCLASS LIMITED, Coventry, GB	100,00	641	0

List of shareholdings of the McKesson Europe AG, Stuttgart as at 31/03/2021 pursuant to Section 285 Paragraph 2 HGB

No.	Name and registered office of the company	Share 1)	Equity2)	Profit of the year 2)
		(in %)	in thsd.	in thsd.
111	Helmard Holdings Limited, Dublin, IE	100,00	1.518	0
112	Herba Chemosan Apotheker-AG, Wien, AT	99,06	179.008	14.546
113	HERBERT FERRYMAN LIMITED, Coventry, GB	100,00	645	0
114	HIGGINS & SON (CHEMISTS) LIMITED, Coventry, GB	³⁾ 100,00	26	0
115	HILL-SMITH (WARRINGTON) LIMITED, Coventry, GB	100,00	5	0
116	HOLLYFAR - Marcas e Comunicação, Maia, PT	100,00	176	53
117	HOLON, S.A., Maia, PT	100,00	2.872	-2.301
118	HYWEL DAVIES (CAERPHILLY) LIMITED, Coventry, GB	100,00	1	0
119	INDEPENDENT PHARMACY CARE CENTRES (2008) LIMITED, Coventry, GB	100,00	8	0
120	INSPIRON DISTRIBUTION LIMITED, Coventry, GB	100,00	20	0
121	Inten GmbH, Stuttgart, DE	100,00	1.434	-415
122	IPCC LIMITED, Coventry, GB	100,00	0	0
123	J S DENT LIMITED, Coventry, GB	100,00	314	0
124	J. Bradbury (Surgical) Limited, Belfast, GB	100,00	0	0
125	J.G. Crowley Pharmacy Limited, Dublin, IE	100,00	951	0
126	JOHN BELL & CROYDEN LIMITED, Coventry, GB	100,00	5.401	29
127	JOHN HAMILTON (PHARMACEUTICALS) LIMITED, Glasgow, GB	100,00	-322	0
128	Kairnury, Dublin, IE	100,00	1.233	0
129	Kemofarmacija, veletrgovina za oskrbo zdravstva, d.d., Ljubljana, SI	97,92	30.112	4.637
130	Kilshallow Limited, Dublin, IE	100,00	982	0
131	KINGSWOOD CHEMISTS LIMITED, Coventry, GB	100,00	1	0
132	KINGSWOOD GK LIMITED, Coventry, GB	100,00	12.924	0
133	Kreuz-Apotheke KG	24,00	0	0
134	KYLE & CARRICK HOLDINGS LIMITED, Glasgow, GB	100,00	2.273	0
135	LEVELCROWN LIMITED, Coventry, GB	100,00	1.627	0
136	LINFORD PHARMACIES LIMITED, Coventry, GB	100,00	982	0
137	Lissone Farmacie S.p.A., Lissone, Lissone, IT	80,00	173	284
138	LIVINGSTON HEALTH CENTRE (P.D) CO. LIMITED, Glasgow, GB	100,00	281	0
139	LLOYDS CHEMISTS LIMITED, Coventry, GB	100,00	167.007	0
140	LLOYDS CHEMISTS RETAIL (NORTHERN) LIMITED, Coventry, GB	³⁾ 100,00	5.522	0
141	LLOYDS CHEMISTS RETAIL LIMITED, Coventry, GB	100,00	907	0
142	LLOYDS GROUP PROPERTIES LIMITED, Coventry, GB	100,00	1	0
143	Lloyds Pharmacy Clinical Homecare Limited, Coventry, GB	100,00	0	7.167
144	LLOYDS PHARMACY LIMITED, Coventry, GB	100,00	226.842	-78.503
145	LLOYDS PROPERTIES LIMITED, Coventry, GB	100,00	3.477	-44
146	LLOYDS Property Management Company Belgium S.A., Wavre, BE	100,00	1.986	25
147	LLOYDS RETAIL CHEMISTS LIMITED, Coventry, GB	100,00	5.000	0

List of shareholdings of the McKesson Europe AG, Stuttgart as at 31/03/2021 pursuant to Section 285 Paragraph 2 HGB

No.	Name and registered office of the company	Share 1)	Equity2)	Profit of the year 2)
		(in %)	in thsd.	in thsd.
148	Lloyds Retail S.r.l., Bologna, IT	100,00	1.362	-3.769
149	LLOYDSFARMACIA ROMA 4 S.R.L.	100,00	1.441	-1.307
150	Lloydspharma Group S.A., Wavre, BE	100,00	21.115	2.453
151	Lloydspharma S.A., Wavre, BE	100,00	48.904	-317
152	Lloydspharmacy Ireland Limited, Dublin, IE	100,00	48.319	-6.193
153	LPL ONE LIMITED, Coventry, GB	100,00	10.717	0
154	M PAYNE & CO LIMITED, Coventry, GB	100,00	68	0
155	MASTA Limited, Coventry, GB	100,00	2.791	-3.615
156	Maurice F. Dougan Limited, Dublin, IE	100,00	0	0
157	May Roberts Ltd, Dublin, IE	100,00	343	0
158	McKesson Belgium Holdings SPRL, Brussels, BE	100,00	84.069	4.816
159	McKESSON FRANCE HOLDINGS, Saint Quen, FR	100,00	1.453.664	9.429
160	McKesson France Retail, Saint Ouen *	100,00	-667	61
161	McSweeney Dispensers 10 Limited, Dublin, IE	100,00	1.080	0
162	McSweeney Dispensers 23 Limited, Dublin, IE	100,00	0	0
163	MDD pharma N.V., Kortrijk, BE	100,00	4.776	1.414
164	Median Healthcare Services Unlimited Company, Dublin, IE	100,00	757	-837
165	Medical Advisory Services for Travellers Abroad Limited, Coventry, GB	100,00	2.900	0
166	MEDIMART LIMITED, Coventry, GB	100,00	-11.246	0
167	MeMed CZ s.r.o., Chomutov, CZ	100,00	5.623	1.494
168	Menges Medizintechnik Schweiz AG, Rüthi, AT	100,00	1.404	481
169	Metabolic Healthcare Holdings Limited, Coventry, GB	73,95	36.875	-2.797
170	Metabolic Healthcare Limited, Coventry, GB	100,00	-24.213	-47.281
171	MUNRO PHARMACY LIMITED	100,00	585	0
172	Natureline, Dublin, IE	100,00	-386	0
173	Nensi d.o.o., Ljubljana, SI	35,00	8	1
174	NEW KIRK PHARMACY LIMITED, Glasgow, GB	100,00	1.482	0
175	O'Leary Pharmacy (Lucan) Limited, Dublin, IE	100,00	0	0
176	OCP, Saint Quen, FR	99,85	354.542	-27.439
177	OCP FORMATION, Saint Quen, FR	100,00	339	-13
178	OCP PORTUGAL, PRODUTOS FARMACÊUTICOS, S.A., Maia, PT	100,00	95.438	8.492
179	OCP REPARTITION, Saint Quen, FR	100,00	88.368	-19.923
180	Optimed Health Limited, Shipley, GB	100,00	0	13
181	P C Cahill & Company Limited, Dublin, IE	100,00	63.499	-451
182	PALEMODA LIMITED, Coventry, GB	100,00	25	0
183	PEEL STREET PHARMACY LIMITED, Coventry, GB	100,00	-7.899	0
184	PERILLA Grundstücks-Verwaltungsgesellschaft mbH & Co. KG, Stuttgart, DE	95,00	30	0

List of shareholdings of the McKesson Europe AG, Stuttgart as at 31/03/2021 pursuant to Section 285 Paragraph 2 HGB

No.	Name and registered office of the company	Share 1)	Equity2)	Profit of the year 2)
		(in %)	in thsd.	in thsd.
185	Pharma Belgium Belmedis SA, Woluwe-Saint-Lambert, BE	100,00	42.097	-2.604
186	Pharma Services (NI) Limited, Belfast, GB	50,00	61	17
187	Pharmacie Ananga-Talom, Charleroi, BE	100,00	182	4
188	Pharmacie de la Bascule, Molenbeek-Saint-Jean, BE	100,00	130	5
189	PHARMACTIV DISTRIBUTION, Saint Quen, FR	97,55	12.721	2.658
190	Pharmacy O` Riada Holdings Limited, Dublin, IE	100,00	0	0
191	PHARMAGEN LIMITED, Coventry, GB	100,00	849	0
192	PHILIP GOODMAN LIMITED, Coventry, GB	100,00	269	0
193	PHR ANTILLES , Le Lamentin, Martinique	89,82	1.648	144
194	Prescribing Support Services Limited, Shipley, GB	100,00	2	-2.323
195	Prima Brands Limited, Belfast, GB	100,00	1.235	96
196	PRIMELIGHT LIMITED, Coventry, GB	100,00	400	0
197	PRODILAB, Boulogne-Billancourt, FR	100,00	398	188
198	R F FOSKETT & SON LIMITED, Coventry, GB	100,00	1.320	0
199	Raabtal-Apotheke Mag.pharm. Karin Drawetz KG, Gleisdorf, AT	75,00	0	0
200	recucare GmbH, Stuttgart, DE	100,00	2.836	-578
201	recusana GmbH, Stuttgart, DE	100,00	-26	6.788
202	RESEAU SANTE, Brest, FR	100,00	3.512	554
203	Ryle and De Lacy Pharmacies Limited, Dublin, IE	100,00	1.162	0
204	Sangers (Northern Ireland) Limited, Belfast, GB	100,00	6.986	1.903
205	SANOVA Pharma GesmbH, Wien, AT	100,00	7.527	4.857
206	SAVORY & MOORE (JERSEY) LIMITED, St. Helier, GB	90,00	2.187	0
207	SAVORY & MOORE LIMITED, Glasgow, GB	100,00	10.486	-10
208	SCHOLES (CHEMISTS) LIMITED, Coventry, GB	100,00	23.083	0
209	SERVICE DE LA REPARTITION PHARMACEUTIQUE, Paris, FR	38,40	141	73
210	SOCIETE D`ETUDES ET DE REALISATIONS INFORMATIQUES, Monaco	100,00	624	447
211	Sofarmex BVBA, Brüssel, BE	99,73	606	2.242
212	Sofiadis SCRL, Brussels, BE	99,85	2.871	237
213	SOPI The Lough Limited, Dublin, IE	100,00	1.463	0
214	SOPI Youghal Limited, Dublin, IE	100,00	33	0
215	STATIM FINANCE LIMITED, Coventry, GB	100,00	1.000	0
216	STEPHEN SMITH LIMITED, St. Peter Port, GB	100,00	1.856	-78
217	SUPERFIELD LIMITED, Coventry, GB	100,00	185	0
218	T AND I WHITE LIMITED, Coventry, GB	100,00	7	0
219	T. Sheridan Sales & Marketing, Dublin, IE	100,00	361	0
220	Tjellesen Max Jenne A/S, Rodovre, DK	100,00	726.113	21.799
221	Todin A/S, Rodovre, DK	100,00	56.574	122

List of shareholdings of the McKesson Europe AG, Stuttgart as at 31/03/2021 pursuant to Section 285 Paragraph 2 HGB

No.	Name and registered office of the company	Share 1)	Equity2)	Profit of the year 2)
		(in %)	in thsd.	in thsd.
222	Unicare Dispensers 16 Limited, Dublin, IE	100,00	0	0
223	Unicare Dispensers 27 Limited, Dublin, IE	100,00	0	0
224	Unicare Dispensers 5 Limited, Dublin, IE	100,00	0	0
225	Unicare Pharmacy Group Limited, Dublin, IE	100,00	0	0
226	USCITA LIMITED, Coventry, GB	100,00	0	0
227	Vitapharm, Murska sobota, SI	100,00	86	71
228	W H CHANTER LIMITED, Coventry, GB	100,00	56	0
229	W H GREEN (CHEMISTS) LIMITED, Coventry, GB	100,00	457	0
230	W JAMIESON (CHEMISTS) LIMITED, Coventry, GB	100,00	8	0
231	WESTCLOSE LIMITED, Coventry, GB	100	147	0
232	WOODSIDE PHARMACY (GLASGOW) LIMITED, Glasgow, GB	100	84	-258
233	WZ-WundZentren GmbH, Stuttgart, DE	100	2.878	-10.279
II. Corporations, in which McKesson Europe AG has voting rights of more than 5%				
263	My MHealth Limited	8	1.569	-709
264	SRA SAS	31	0,00	0,00
265	W.H.C.P. (DUNDEE) LIMITED	14	-59	0,00

¹⁾ Calculation considers shares held by dependent companies completely even if the share is less than 100%

²⁾ Information in local currency acc. to IFRS or US-GAAP

³⁾ Profit and loss transfer agreement with McKesson Europe AG (direct or indirect)

In addition, there are also 59 further European pharmacy holdings.

Please note this is a translated version of the legally binding German Annual Financial Statements

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