

TFS Trial Form Support ApS

Gyngemose Parkvej 50, 9. tv., 2860 Søborg

Company reg. no. 10 06 46 27

Annual report

1 January - 31 December 2020

The annual report was submitted and approved by the general meeting on the 29 June 2021.

DocuSigned by:



Bassem Radwan Saleh
Signer Name: Bassem Saleh
Signing Reason: I approve this document
Chairman of the meeting
Signing Time: 29 Jun-2021 | 11:19 CEST

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Notes to users of the English version of this document:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

Management's report

Today, the board of directors and the managing director have presented the annual report of TFS Trial Form Support ApS for the financial year 1 January - 31 December 2020.

The annual report has been presented in accordance with the Danish Financial Statements Act.


We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the company's results of activities in the financial year 1 January – 31 December 2020.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.


We recommend that the annual report be approved by the general meeting.

Søborg, 29 June 2021

Managing Director

DocuSigned by:

Bassem Radwan Saleh
GEO Signing Reason: I approve this document
Signing Time: 29-Jun-2021 | 15:28 CEST
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Board of directors

DocuSigned by:

Bassem Radwan Saleh
Chairman Signing Reason: I approve this document
Signing Time: 29-Jun-2021 | 11:20 CEST
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Mina Holst
Mina Holst
Signing Reason: I approve this document
Signing Time: 29-Jun-2021 | 14:27 CEST
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DocuSigned by:
René Holmen Pedersen
René Holmen Pedersen
Signing Reason: Jeg godkender dette dokument
Signing Time: 29-jun-2021 | 14:34 CEST
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Penneo dokumentnagel: BXEDX-V5LUP-JGBN5-EYKGH-N7XTD-Q48DC

Independent auditor's report

To the shareholders of TFS Trial Form Support ApS

Opinion

We have audited the financial statements of TFS Trial Form Support ApS for the financial year 1 January - 31 December 2020, which comprise accounting policies, income statement, statement of financial position, statement of changes in equity and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the results of the company's activities for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent auditor's report

As part of an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and contents of the financial statements, including disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

Independent auditor's report

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

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

Based on the work we have performed, we believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Copenhagen, 29 June 2021

TimeVision

Godkendt Revisionspartnerselskab
Company reg. no. 38 26 71 32

Gert Hunosø

Registreret Revisor
mne17802

Company information

The company	TFS Trial Form Support ApS Gyngemose Parkvej 50, 9. tv. 2860 Søborg Company reg. no. 10 06 46 27 Established: 1 January 2001 Financial year: 1 January - 31 December
Board of directors	Bassem Radwan Saleh, Chairman Nina Henriette Holst René Holmen Pedersen
Managing Director	Bassem Radwan Saleh, CEO
Auditors	TimeVision, Godkendt Revisionspartnerselskab Park Allé 295 2605 Brøndby
Parent company	TFS International Clinical Development Services AB

Management commentary

The principal activities of the company

TFS Trial Form Support ApS is a subsidiary under the Swedish company TFS International Clinical Development Services AB.

The company is a private research company whose main activity is to carry out contract based clinical research projects. The company's customers are major pharmaceutical and biotech companies. The objective is to offer the company's customers a professional research support of optimal quality.

Development in activities and financial matters

The company has continued its normal operations. There have been no significant events in the financial year that require disclosure in the Management commentary.

Management considers the development and results for the year satisfactory.

Accounting policies

The annual report for TFS Trial Form Support ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

Changes in comparative figures

During closing of the financial year 2020 management has found that a significant transfer pricing adjustment was missing in 2019.

Management has corrected the error in the comparative figures for 2019 with the following net effects:

- Net loss for the year has been reduced by DKK 232.517.
- Equity has been increased with DKK 232.517.
- Balance sheet total has been increased with DKK 232.517.

Except for the above, the accounting policies remain unchanged from last year.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Accounting policies

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Income statement

Gross profit

Gross profit comprises the revenue, other operating income and other external costs.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Financial income and expenses

Financial income and expenses comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the income statement with the amounts concerning the financial year.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

Accounting policies

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Property, plant, and equipment

Other property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-5 years	0

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Leases

Leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Accounting policies

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist.

Investments

Deposits

Deposits are measured at amortised cost.

Receivables

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Accounting policies

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Tax receivables from group enterprises" or "Tax payables to group enterprises".

According to the rules of joint taxation, TFS Trial Form Support ApS is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Accruals and deferred income

Payments received concerning future income are recognised under accruals and deferred income.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
Gross profit	11.976.661	17.137.682
1 Staff costs	-12.590.086	-18.258.528
Depreciation and impairment of property, land, and equipment	-35.680	-70.005
Operating profit	-649.105	-1.190.851
Other financial income	0	2.728
2 Other financial costs	-107.632	-44.086
Pre-tax net profit or loss	-756.737	-1.232.209
Tax on net profit or loss for the year	165.692	271.805
Profit or loss from ordinary activities after tax	-591.045	-960.404
Net profit or loss for the year	-591.045	-960.404
Proposed appropriation of net profit:		
Allocated from retained earnings	-591.045	-960.404
Total allocations and transfers	-591.045	-960.404

Statement of financial position at 31 December

All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
Assets		
Non-current assets		
Other fixtures and fittings, tools and equipment	41.199	72.773
Total property, plant, and equipment	41.199	72.773
Deposits	188.185	534.308
Total investments	188.185	534.308
Total non-current assets	229.384	607.081
Current assets		
Trade receivables	2.642.427	3.687.630
Receivables from group enterprises	11.106.216	10.075.410
Deferred tax assets	4.301	1.809
Tax receivables from group enterprises	97.618	253.891
Other receivables	555.908	0
Prepayments and accrued income	46.564	138.108
Total receivables	14.453.034	14.156.848
Cash on hand and demand deposits	103.186	914.886
Total current assets	14.556.220	15.071.734
Total assets	14.785.604	15.678.815

Statement of financial position at 31 December

All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
Equity and liabilities		
Equity		
Contributed capital	125.000	125.000
Retained earnings	4.499.022	5.090.067
Total equity	<u>4.624.022</u>	<u>5.215.067</u>
Liabilities other than provisions		
Other debts	983.357	0
Total long term liabilities other than provisions	<u>983.357</u>	<u>0</u>
Trade payables	390.262	110.292
Payables to group enterprises	6.828.607	7.157.858
Other payables	1.956.791	2.552.110
Accrued expenses and deferred income	2.565	643.488
Total short term liabilities other than provisions	<u>9.178.225</u>	<u>10.463.748</u>
Total liabilities other than provisions	<u>10.161.582</u>	<u>10.463.748</u>
Total equity and liabilities	<u>14.785.604</u>	<u>15.678.815</u>

3 Contingencies

4 Related parties

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2019	125.000	6.050.471	6.175.471
Profit or loss for the year brought forward	0	-1.192.921	-1.192.921
Correction due to transfer pricing adjustment	0	232.517	232.517
Equity 1 January 2020	125.000	5.090.067	5.215.067
Profit or loss for the year brought forward	0	-591.045	-591.045
	125.000	4.499.022	4.624.022

Notes

All amounts in DKK.

	<u>2020</u>	<u>2019</u>
1. Staff costs		
Salaries and wages	11.481.059	16.661.270
Pension costs	988.086	1.438.334
Other costs for social security	<u>120.941</u>	<u>158.924</u>
	<u>12.590.086</u>	<u>18.258.528</u>
Average number of employees	<u>17</u>	<u>25</u>
2. Other financial costs		
Other financial costs	<u>107.632</u>	<u>44.086</u>
	<u>107.632</u>	<u>44.086</u>

3. Contingencies

Contingent liabilities

Lease liabilities

The company has entered into operational leases for office supplies with monthly lease payments of DKK 336. The leases have 38 months to maturity and total outstanding lease payments total DKK 12.781.

Liability regarding office lease amounts to DKK 525.940 equivalent to lease payments for twelve months.

Joint taxation

With RF af 20.12.2005 A/S, company reg. no 29211116 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

Notes

All amounts in DKK.

4. Related parties

Consolidated financial statements

The company is included in the consolidated financial statements of:

TFS Trial Form Support International AB
Medicon Village
Scheeleorget 1, building 601, 4th floor
SE-223 81 Lund
Sweden

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Gert Hunosø

Registreret revisor

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