

Syneos Health Denmark ApS

Knud Højgaards Vej 9, 2860 Søborg

Company reg. no. 35 41 68 38

Annual report

1 January - 31 December 2022

The annual report was submitted and approved by the general meeting on the 29 June 2023.

Emma Louise Reuberson
Chairman of the meeting

Contents

	<u>Page</u>
Reports	
Management's statement	1
Independent auditor's report	2
Management's review	
Company information	5
Management's review	6
Financial statements 1 January - 31 December 2022	
Accounting policies	7
Income statement	10
Balance sheet	11
Statement of changes in equity	13
Notes	14

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Executive Board has approved the annual report of Syneos Health Denmark ApS for the financial year 1 January - 31 December 2022.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Søborg, 29 June 2023

Executive board

Emma Louise Reuberson

Kirstin Maura Mackenzie Connell Elisabeth Maria Trost

Independent auditor's report

To the Shareholders of Syneos Health Denmark ApS

Opinion

We have audited the financial statements of Syneos Health Denmark ApS for the financial year 1 January - 31 December 2022, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022, and of the results of the Company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the “Auditor’s Responsibilities for the Audit of the Financial Statements” section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management’s Responsibilities for the Financial Statements

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

In preparing the financial statements, Management is responsible for assessing the 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 in preparing the financial statements 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 that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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 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 use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

Independent auditor's report

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

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

Copenhagen V, 29 June 2023

RSM Danmark

Statsautoriseret Revisionspartnerselskab
Company reg. no. 25 49 21 45

Peter Arent Benkjer

State Authorised Public Accountant
mne35785

Company information

The company

Syneos Health Denmark ApS
Knud Højgaards Vej 9
2860 Søborg

Company reg. no. 35 41 68 38

Financial year: 1 January - 31 December

Executive board

Emma Louise Reuberson
Kirstin Maura Mackenzie Connell
Elisabeth Maria Trost

Auditors

RSM Danmark Statsautoriseret Revisionspartnerselskab
Ved Vesterport 6, 5. sal
1612 København V

Parent company

Syneos Health Switzerland GmbH

Management's review

The principal activities of the company

Like previous years, the principal activities are to conduct trials of healthcare products.

Development in activities and financial matters

The gross profit for the year totals 30.217.417 DKK against 27.156.769 DKK last year. Income from ordinary activities after tax totals 1.435.791 DKK against 1.144.685 DKK last year. Management considers the net profit or loss for the year satisfactory.

Events occurring after the end of the financial year

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Accounting policies

The annual report for Syneos Health Denmark 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.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

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.

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. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

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, work in progress and external costs.

Accounting policies

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. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Other external expenses comprise expenses incurred for sales, advertising, administration 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.

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.

Other operating expenses

Other operating expenses comprise items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets.

Financial income and expenses

Financial income and expenses are comprised interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursement 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.

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

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

Useful life

Accounting policies

Other fixtures and fittings, tools and equipment

3-5 years

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.

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.

Receivables

Receivables are measured at amortised cost, which usually corresponds to fair value. In order to meet expected losses, impairment takes place at the net realisable value.

Prepayments

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

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

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.

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 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.

Liabilities other than provisions

Other liabilities other than provisions are measured at amortised cost which usually corresponds to the nominal value.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2022</u>	<u>2021</u>
Gross profit	30.217.417	27.161.575
1 Staff costs	-28.799.625	-25.588.781
Depreciation and impairment of property, land, and equipment	-70.463	-46.653
Other operating expenses	-3.141	0
Operating profit	1.344.188	1.526.141
Other financial income	18.890	3.648
2 Other financial expenses	-3.998	-25.244
Pre-tax net profit or loss	1.359.080	1.504.545
3 Tax on net profit or loss for the year	-276.290	-359.863
Net profit or loss for the year	1.082.790	1.144.682
Proposed distribution of net profit:		
Transferred to retained earnings	1.082.790	1.144.682
Total allocations and transfers	1.082.790	1.144.682

Balance sheet at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2022</u>	<u>2021</u>
Non-current assets		
Other fixtures, fittings, tools and equipment	103.587	77.557
Total property, plant, and equipment	103.587	77.557
Total non-current assets	103.587	77.557
Current assets		
Trade receivables	658.752	0
Receivables from group enterprises	7.956.988	5.413.497
Deferred tax assets	5.469	0
Income tax receivables	31.802	0
Other receivables	252.124	3.046.973
Prepayments	65.765	11.816
Total receivables	8.970.900	8.472.286
Cash and cash equivalents	143.893	911.740
Total current assets	9.114.793	9.384.026
Total assets	9.218.380	9.461.583

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2022</u>	<u>2021</u>
Equity		
Contributed capital	80.000	80.000
Retained earnings	5.421.675	4.338.885
Total equity	<u>5.501.675</u>	<u>4.418.885</u>
Provisions		
Provisions for deferred tax	0	17.081
Total provisions	<u>0</u>	<u>17.081</u>
Liabilities other than provisions		
Trade payables	137.065	137.030
Payables to group enterprises	19.487	2.104
Income tax payable	0	33.384
Other payables	3.560.153	4.853.099
Total short term liabilities other than provisions	<u>3.716.705</u>	<u>5.025.617</u>
Total liabilities other than provisions	<u>3.716.705</u>	<u>5.025.617</u>
Total equity and liabilities	<u>9.218.380</u>	<u>9.461.583</u>

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2021	80.000	3.194.203	3.274.203
Retained earnings for the year	0	1.144.682	1.144.682
Equity 1 January 2022	80.000	4.338.885	4.418.885
Retained earnings for the year	0	1.082.790	1.082.790
	80.000	5.421.675	5.501.675

Notes

All amounts in DKK.

	<u>2022</u>	<u>2021</u>
1. Staff costs		
Salaries and wages	26.464.780	23.589.987
Pension costs	2.042.834	1.769.513
Other costs for social security	<u>292.011</u>	<u>229.281</u>
	<u>28.799.625</u>	<u>25.588.781</u>
Average number of employees	<u>30</u>	<u>26</u>
2. Other financial expenses		
Financial costs, group enterprises	480	-5
Other financial costs	<u>3.518</u>	<u>25.249</u>
	<u>3.998</u>	<u>25.244</u>
3. Tax on net profit or loss for the year		
Tax on net profit or loss for the year	308.198	342.782
Adjustment of deferred tax for the year	-22.550	17.081
Adjustment of tax for previous years	<u>-9.358</u>	<u>0</u>
	<u>276.290</u>	<u>359.863</u>