

Incyte Biosciences Denmark ApS

Suomisvej 4, 1927 Frederiksberg C

Company reg. no. 35 81 87 90

Annual report

1 January - 31 December 2021

The annual report was submitted and approved by the general meeting on the 3 March 2022.

Jonathan Dickinson
Chairman of the meeting

Contents

	<u>Page</u>
Reports	
Management's statement	1
Practitioner's compilation report	2
Management's review	
Company information	3
Management's review	4
Financial statements 1 January - 31 December 2021	
Income statement	5
Balance sheet	6
Statement of changes in equity	8
Notes	9
Accounting policies	10

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 Board of Directors and the Managing Director have approved the annual report of Incyte Biosciences Denmark ApS for the financial year 1 January - 31 December 2021.

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 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021.

The Board of Directors and the Managing Director consider the conditions for audit exemption of the 2021 financial statements to be met.

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.

Frederiksberg C, 3 March 2022

Managing Director

Erik Thomas Fromm

Board of directors

Jonathan Elliot Dickinson

Erik Thomas Fromm

Practitioner's compilation report

To the Shareholders of Incyte Biosciences Denmark ApS

We have compiled the financial statements of Incyte Biosciences Denmark ApS for the financial year 1 January - 31 December 2021 based on the company's bookkeeping and on information you have provided.

These financial statements comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies,.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist Management in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant requirements under the Danish Act on Approved Auditors and Audit Firms and International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 3 March 2022

Grant Thornton

State Authorised Public Accountants
Company reg. no. 34 20 99 36

Steen K. Bager

State Authorised Public Accountant
mne28679

Company information

The company

Incyte Biosciences Denmark ApS
Suomisvej 4
1927 Frederiksberg C

Company reg. no. 35 81 87 90
Established: 1 April 2014
Financial year: 1 January - 31 December

Board of directors

Jonathan Elliot Dickinson
Erik Thomas Fromm

Managing Director

Erik Thomas Fromm

Auditors

Grant Thornton, Statsautoriseret Revisionspartnerselskab
Stockholmsgade 45
2100 København Ø

Management's review

The principal activities of the company

Like previous years, the activities are to promote medical and pharmaceutical knowledge and activities along with trade of pharmaceuticals as well as any business associated herewith.

Development in activities and financial matters

The gross profit for the year totals DKK 5.287.823 against DKK 5.397.378 last year. Income from ordinary activities after tax totals DKK 268.531 against DKK 150.425 last year. Management considers the net profit for the year satisfactory.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2021</u>	<u>2020</u>
Gross profit	5.287.823	5.397.378
1 Staff costs	-4.924.198	-5.183.272
Operating profit	363.625	214.106
Other financial expenses	-18.050	-14.665
Pre-tax net profit	345.575	199.441
2 Tax on net profit for the year	-77.044	-49.016
Net profit for the year	268.531	150.425
 Proposed appropriation of net profit:		
Transferred to retained earnings	268.531	150.425
Total allocations and transfers	268.531	150.425

Balance sheet at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2021</u>	<u>2020</u>
Non-current assets		
Deposits	23.175	23.175
Total investments	23.175	23.175
Total non-current assets	23.175	23.175
Current assets		
Receivables from subsidiaries	2.046.450	2.893.288
Other receivables	306.921	319.061
Prepayments	128.824	62.731
Total receivables	2.482.195	3.275.080
Cash and cash equivalents	936.823	72.799
Total current assets	3.419.018	3.347.879
Total assets	3.442.193	3.371.054

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2021</u>	<u>2020</u>
Equity		
Contributed capital	50.000	50.000
Retained earnings	895.939	627.409
Total equity	<u>945.939</u>	<u>677.409</u>
 Liabilities other than provisions		
Trade payables	352.779	36.026
Payables to subsidiaries	500.000	500.000
Income tax payable	59.044	43.016
Other payables	1.584.431	2.114.603
Total short term liabilities other than provisions	<u>2.496.254</u>	<u>2.693.645</u>
 Total liabilities other than provisions	<u>2.496.254</u>	<u>2.693.645</u>
 Total equity and liabilities	<u>3.442.193</u>	<u>3.371.054</u>

3 Contingencies

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2021	50.000	627.409	677.409
Retained earnings for the year	<u>0</u>	<u>268.531</u>	<u>268.531</u>
	<u>50.000</u>	<u>895.940</u>	<u>945.940</u>

Notes

All amounts in DKK.

	<u>2021</u>	<u>2020</u>
1. Staff costs		
Salaries and wages	4.455.161	4.734.100
Pension costs	477.412	445.734
Other costs for social security	<u>-8.375</u>	<u>3.438</u>
	<u>4.924.198</u>	<u>5.183.272</u>
Average number of employees	<u>4</u>	<u>3</u>
2. Tax on net profit for the year		
Tax on net profit or loss for the year	<u>77.044</u>	<u>49.016</u>
	<u>77.044</u>	<u>49.016</u>

3. Contingencies

Contingent liabilities

Lease liabilities:

The company has entered into operational leases with an average annual lease payment of k.DKK 144. The leases have 10 months to maturity and total outstanding lease payments total k.DKK 120.

Other contingent liabilities:

The company has entered into a contract regarding house rent. There is a minimum payment of k.DKK 36 and a minimum of three months left of the contract.

Accounting policies

The annual report for Incyte Biosciences Denmark ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B 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, other operating income, 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. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Other external expenses comprise expenses 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.

Financial income and expenses

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

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.

Investments

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal 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 and on hand.

Accounting policies

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.

Liabilities other than provisions

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