

Jazz Pharmaceuticals Denmark ApS

Kampmannsgade 2
1604 København V

CVR no. 39 79 14 47

Annual report for 2022

(4th Financial year)

Adopted at the annual general meeting on
14 June 2023

Samantha Pearce
chairman

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Statement by management on the annual report

The executive board has today discussed and approved the annual report of Jazz Pharmaceuticals Denmark ApS for the financial year 1 January - 31 December 2022.

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

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2022 and of the results of the company's operations for the financial year 1 January - 31 December 2022.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 31 May 2023

Executive board

Samantha Jane Laura Pearce
Director

Kamilla Enggard Have
Director

Independent auditor's report

To the management of Jazz Pharmaceuticals Denmark ApS

Opinion

We have audited the financial Statements of Jazz Pharmaceuticals Denmark ApS for the financial year 1 January - 31 December 2022 comprising, income statement, balance sheet, statement of change in equity, and notes including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position 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 rules and 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 responsibility 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 that 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 as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made 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 judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the company 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 the 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 the management's review and, in doing so, consider whether the 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 the management's review provides the information required under the Danish Financial Statements Act.

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

Aarhus, 31 May 2023
CVR no. 25 57 81 98
KMPG

Michael E.K Rasmussen
State Authorized Public Accountant
MNE no. mne41364

Company details

The company

Jazz Pharmaceuticals Denmark ApS
Kampmannsgade 2
1604 København V

CVR no.: 39 79 14 47

Reporting period: 1 January - 31 December 2022

Incorporated: 17 August 2018

Domicile: Copenhagen

Executive board

Samantha Jane Laura Pearce, Director
Kamilla Enggard Have, Director

Auditors

KMPG
Statsautoriseret Revisionspartnerselskab
Frederiks Pl. 42
8000 Aarhus C

Management's review

Business review

The purpose of the company is promotion, distribution and sale of pharmaceutical products and services, including all activity deemed relevant by the management of the company.

Financial review

The company's income statement for the year ended 31 December 2022 shows a profit of DKK 1.972.936, and the balance sheet at 31 December 2022 shows equity of DKK 10.161.721.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement
1 January 2022 - 31 December 2022

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> DKK
Gross profit		30.364.239	21.713.525
Staff costs	2	<u>-26.976.650</u>	<u>-20.844.749</u>
Profit/loss before net financials		3.387.589	868.776
Financial costs	3	<u>-1.408.773</u>	<u>-441.140</u>
Profit/loss before tax		1.978.816	427.636
Tax on profit/loss for the period	4	<u>-5.880</u>	<u>132.627</u>
Profit/loss for the year		<u>1.972.936</u>	<u>560.263</u>
Recommended appropriation of profit/loss			
Retained earnings		<u>1.972.936</u>	<u>560.263</u>
		<u>1.972.936</u>	<u>560.263</u>

Balance sheet at 31 December 2022

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> DKK
Assets			
Finished goods and goods for resale		8.167.447	4.388.259
Stocks		8.167.447	4.388.259
Trade receivables		7.298.226	5.033.564
Receivables from group enterprises		8.198.968	6.917.068
Other receivables		1.134.351	958.602
Deferred tax asset		721.370	437.972
Corporation tax		244.737	482.598
Prepayments		266.579	485.933
Receivables		17.864.231	14.315.737
Cash at bank and in hand		1.447.412	2.260.909
Total current assets		27.479.090	20.964.905
Total assets		27.479.090	20.964.905

Balance sheet at 31 December 2022

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> DKK
Equity and liabilities			
Share capital		50.000	50.000
Retained earnings		<u>10.111.721</u>	<u>8.138.785</u>
Equity		<u>10.161.721</u>	<u>8.188.785</u>
Trade payables		2.911.227	1.808.068
Payables to group enterprises		9.224.952	5.373.584
Other payables		<u>5.181.190</u>	<u>5.594.468</u>
Total current liabilities		<u>17.317.369</u>	<u>12.776.120</u>
Total liabilities		<u>17.317.369</u>	<u>12.776.120</u>
Total equity and liabilities		<u>27.479.090</u>	<u>20.964.905</u>

Statement of changes in equity

	Share capital	Retained earnings	Total
Equity at 1 January 2022	50.000	8.138.785	8.188.785
Net profit/loss for the year	0	1.972.936	1.972.936
Equity at 31 December 2022	50.000	10.111.721	10.161.721

Notes

1 Accounting policies

The annual report of Jazz Pharmaceuticals Denmark ApS for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2022 is presented in DKK.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods, costs of raw materials and consumables and other external expenses.

Revenue

Income from the sale of goods for resale is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Notes

1 Accounting policies

Other external costs

Other external costs include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial period. Net financials include interest income and expenses, realised and unrealised exchange gains and losses on foreign currency transactions and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Tax on profit/loss for the period

The company is subject to the Danish rules on compulsory joint taxation of the Group's Danish entities. Subsidiaries participate in the joint taxation arrangement from the time when they are included in the consolidated financial statements and until the time when they withdraw from the consolidation.

The company acts as management company for all jointly taxed entities and, in its capacity as such, pays all income taxes to the Danish tax authorities.

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits.

Tax for the period, which comprises the current tax charge for the period and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the period and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Stocks

Stocks are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

Notes

1 Accounting policies

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Equity

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Income tax and deferred tax

As management company, Jazz Pharmaceuticals Denmark ApS is liable for payment of the group companies' corporate income taxes to the tax authorities.

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

The company and all its Danish group entities are taxed on a joint basis. The current income tax charge is allocated between the jointly taxed entities relative to their taxable income. Tax losses are allocated based on the full absorption method. The jointly taxed entities are eligible for the Danish Tax Prepayment Scheme.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Notes

1 Accounting policies

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

	<u>2022</u>	<u>2021</u>
	DKK	DKK
2 Staff costs		
Wages and salaries	23.478.373	18.222.421
Pensions	1.958.104	1.601.035
Other social security costs	<u>1.540.173</u>	<u>1.021.293</u>
	<u>26.976.650</u>	<u>20.844.749</u>
 Average number of employees	 <u>16</u>	 <u>10</u>
 3 Financial costs		
Interest paid to group enterprises	1.117.593	354.945
Other financial costs	<u>291.180</u>	<u>86.195</u>
	<u>1.408.773</u>	<u>441.140</u>

Notes

	2022	2021
	DKK	DKK
4 Tax on profit/loss for the period		
Current tax for the period	289.278	-25.412
Deferred tax for the period	-283.398	-107.215
	<u>5.880</u>	<u>-132.627</u>

5 Contingent liabilities

The company has entered into a lease agreement with a contingent liability of TDKK 555.

The company has entered into a tenancy agreement with a contingent liability of TDKK 1,119.

6 Mortgages and collateral

None.

7 Related parties and ownership structure

Controlling interest

Jazz Pharmaceuticals Denmark ApS' related parties comprise of the following:

Jazz Pharmaceuticals Denmark ApS is part of the consolidated financial statements of Jazz Pharmaceuticals Ireland Holdings Limited, Dublin Ireland, which is the smallest group in which the Company is included as a subsidiary.