

GALAPAGOS BIOPHARMA DENMARK APS
C/O Harbour House,
Sundkrogsgade 21,
2100 København Ø

Annual report for 2023
(3rd Financial year)

Adopted at the annual general meeting on
15 July 2024

Michele Manto
chairman

CVR-nr. 42 44 72 42

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STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The executive board has today discussed and approved the annual report of Galapagos Biopharma Denmark ApS for the financial year 1 January - 31 December 2023.

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 2023 and of the results of the company's operations for the financial year 1 January - 31 December 2023.

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, 15 July 2024

Executive board

Marcel de Jong
Director

Michele Manto
Director

Samara Orsatti
Director

INDEPENDENT AUDITOR'S REPORT ON EXTENDED REVIEW

To the shareholder of Galapagos Biopharma Denmark ApS

Opinion

We have performed extended review of the financial statements of Galapagos Biopharma Denmark ApS for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

Based on the performed work it is our opinion, that the financial statements give a true and fair view of the company's financial position at 31 December 2023 and of the results of the company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our extended review in accordance with the Danish Business Authority's standard on auditor's report for small enterprises and FSR - danish auditors' standard on extended review of financial statements in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code. We believe that the 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 responsibility for the extended review of the financial statements

Our responsibility is to express a conclusion on the accompanying financial statements. This requires us to perform procedures in order to obtain limited assurance for our conclusion on these financial statements, and in addition perform specifically required supplementary procedures in order to obtain additional assurance for our conclusion.

An extended review of financial statements includes procedures primarily consisting of making inquiries of management and others within the entity, as appropriate, applying analytical procedures and the specifically required supplementary procedures, and evaluating the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit and accordingly we do not express an audit opinion on these financial statements.

INDEPENDENT AUDITOR'S REPORT ON EXTENDED REVIEW

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.

In connection with our extended review 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 extended review, 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 Statements Act. We did not identify any material misstatement of management's review.

Copenhagen, 15 July 2024

MAZARS

Statsautoriseret Revisionspartnerselskab

CVR no. 31 06 17 41

Karsten Vedel

State-authorized public accountant

mne47841

COMPANY DETAILS

The company	Galapagos Biopharma Denmark ApS C/O Harbour House Sundkrogsgade 21 2100 København Ø
	CVR no.: 42 44 72 42
	Reporting period: 1 January - 31 December 2023
	Domicile: Copenhagen
Executive board	Marcel de Jong Michele Manto Samara Orsatti
Auditors	Mazars Statsautoriseret Revisionspartnerselskab Midtermolen 1, 2.tv. 2100 København Ø

MANAGEMENT'S REVIEW

Business review

The company's purpose is to conduct business in the commercialization of pharmaceutical products as well as activities that, in the opinion of the Executive Board, are connected with this.

Financial review

The company's income statement for the year ended 31 December 2023 shows a profit of DKK 1.389.584, and the balance sheet at 31 December 2023 shows equity of DKK 3.273.771.

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.

ACCOUNTING POLICIES

The annual report of Galapagos Biopharma Denmark ApS for 2023 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 2023 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 and other external expenses.

Revenue

Commission income concerns sales directly from supplier to the customer. The revenue is included once there is security for payment. It is calculated exclusive of VAT, charges and discounts.

Other external expenses

Other external expenses include expenses related to administration and premises etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees.

ACCOUNTING POLICIES

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, realised and unrealised capital/exchange gains and foreign currency transactions.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year 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 year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Receivables

Receivables are measured at amortised cost.

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

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.

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.

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'.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2023 DKK	2022 DKK
Gross profit		11.777.533	13.808.766
Staff costs	1	-10.001.873	-11.916.998
Profit/loss before net financials		1.775.660	1.891.768
Financial income	2	95.623	24.719
Financial costs	3	-88.493	-62.359
Profit/loss before tax		1.782.790	1.854.128
Tax on profit/loss for the year	4	-393.206	-408.192
Profit/loss for the year		1.389.584	1.445.936
Retained earnings		1.389.584	1.445.936
		1.389.584	1.445.936

BALANCE SHEET 31 DECEMBER

	<u>Note</u>	<u>2023</u> DKK	<u>2022</u> DKK
ASSETS			
Deposits		139.000	139.000
Fixed asset investments		139.000	139.000
Total non-current assets		139.000	139.000
Receivables from subsidiaries		6.099.755	16.291.865
Other receivables		791.375	369.482
Prepayments		254.144	248.250
Receivables		7.145.274	16.909.597
Total current assets		7.145.274	16.909.597
Total assets		7.284.274	17.048.597

BALANCE SHEET 31 DECEMBER

	<u>Note</u>	<u>2023</u>	<u>2022</u>
		DKK	DKK
EQUITY AND LIABILITIES			
Share capital		40.000	40.000
Retained earnings		3.233.771	1.844.187
Equity		<u>3.273.771</u>	<u>1.884.187</u>
Trade payables		1.023.235	1.352.324
Payables to group entities		0	11.309.987
Corporation tax		365.114	408.100
Other payables		2.622.154	2.093.999
Total current liabilities		<u>4.010.503</u>	<u>15.164.410</u>
Total liabilities		<u>4.010.503</u>	<u>15.164.410</u>
Total equity and liabilities		<u><u>7.284.274</u></u>	<u><u>17.048.597</u></u>

STATEMENT OF CHANGES IN EQUITY

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2023	40.000	1.844.187	1.884.187
Net profit/loss for the year	0	1.389.584	1.389.584
Equity at 31 December 2023	<u>40.000</u>	<u>3.233.771</u>	<u>3.273.771</u>

NOTES

	2023	2022
	DKK	DKK
1 STAFF COSTS		
Wages and salaries	9.095.681	11.022.325
Pensions	873.215	866.726
Other social security costs	32.977	27.947
	10.001.873	11.916.998
Number of fulltime employees on average	6	6
2 FINANCIAL INCOME		
Interest received from subsidiaries	69.630	0
Other financial income	25.993	0
Exchange gains	0	24.719
	95.623	24.719
3 FINANCIAL COSTS		
Other financial costs	72.867	62.250
Exchange loss	15.626	109
	88.493	62.359
4 TAX ON PROFIT/LOSS FOR THE YEAR		
Current tax for the year	393.114	408.192
Adjustment of tax concerning previous years	92	0
	393.206	408.192

NOTES

5 CONTINGENT LIABILITIES

The company has entered into a lease agreement of offices. The lease agreement can be terminated with three months notice, by the end of March, June, September and December. The company has a liability of TDKK 324.

The company has entered into a Leasing agreement. The lease obligation is TDKK 777.

6 RELATED PARTIES AND OWNERSHIP STRUCTURE

Consolidated financial statements

The company is reflected in the group report as the parent company

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