

Company registration number 08361712 (England and Wales)

**HANSA BIOPHARMA LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**  
**PAGES FOR FILING WITH REGISTRAR**

# HANSA BIOPHARMA LIMITED

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# HANSA BIOPHARMA LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2022

|   |       | 2022             |                  | 2021             |                  |
|---|-------|------------------|------------------|------------------|------------------|
|   | Notes | £                | £                | as restated<br>£ | £                |
| <b>Fixed assets</b>                                   |       |                  |                  |                  |                  |
| Intangible assets                                     | 4     |                  | 2,057            |                  | 2,278            |
| <b>Current assets</b>                                 |       |                  |                  |                  |                  |
| Debtors   | 5     | 245,503          |                  | 125,913          |                  |
| Cash at bank and in hand                              |       | 21,777           |                  | 16,945           |                  |
|   |       | <u>267,280</u>   |                  | <u>142,858</u>   |                  |
| <b>Creditors: amounts falling due within one year</b> | 6     | <u>(161,083)</u> |                  | <u>(102,464)</u> |                  |
| <b>Net current assets</b>                             |       |                  | <u>106,197</u>   |                  | <u>40,394</u>    |
| <b>Net assets</b>                                     |       |                  | <u>108,254</u>   |                  | <u>42,672</u>    |
| <b>Capital and reserves</b>                           |       |                  |                  |                  |                  |
| Called up share capital                               |       |                  | 10               |                  | 10               |
| Share premium account                                 |       |                  | 19,998           |                  | 19,998           |
| Other reserves  |       |                  | 496,169          |                  | 323,995          |
| Profit and loss reserves                              |       |                  | <u>(407,923)</u> |                  | <u>(301,331)</u> |
| <b>Total equity</b>                                   |       |                  | <u>108,254</u>   |                  | <u>42,672</u>    |

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 8 November 2023 and are signed on its behalf by:

D Spota  
Director

Company Registration No. 08361712

# HANSA BIOPHARMA LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

|   | Share capital | Share premium account | Other reserves | Profit and loss reserves | Total     |
|---|---------------|-----------------------|----------------|--------------------------|-----------|
|   | £             | £                     | £              | £                        | £         |
| <b>As restated for the period ended 31 December 2021:</b>       |               |                       |                |                          |           |
| <b>Balance at 1 January 2021</b>                                | 10            | 19,998                | -              | (6,996)                  | 13,012    |
| Prior period adjustment (see note)                              | -             | -                     | 174,770        | (174,770)                | -         |
| <b>As restated</b>  | 10            | 19,998                | 174,770        | (181,766)                | 13,012    |
| <b>Year ended 31 December 2021:</b>                             |               |                       |                |                          |           |
| Loss and total comprehensive income for the year                | -             | -                     | -              | (119,565)                | (119,565) |
| Prior period adjustment - Share based payment charge (see note) | -             | -                     | 149,225        | -                        | 149,225   |
| <b>Balance at 31 December 2021</b>                              | 10            | 19,998                | 323,995        | (301,331)                | 42,672    |
| <b>Year ended 31 December 2022:</b>                             |               |                       |                |                          |           |
| Loss and total comprehensive income for the year                | -             | -                     | -              | (602,762)                | (602,762) |
| Capital contribution by parent                                  | -             | -                     | 496,170        | -                        | 496,170   |
| Reserves transfer for share based payment parent recharge       | -             | -                     | (496,170)      | 496,170                  | -         |
| Share based payment charge                                      | -             | -                     | 172,174        | -                        | 172,174   |
| <b>Balance at 31 December 2022</b>                              | 10            | 19,998                | 496,169        | (407,923)                | 108,254   |

# HANSA BIOPHARMA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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### 1 Accounting policies

#### Company information

Hansa Biopharma Limited is a private company limited by shares incorporated in England and Wales. The registered office is Ashcombe Court, Woolsack Way, Godalming, Surrey, United Kingdom, GU7 1LQ.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;

The financial statements of the company are consolidated in the financial statements of Hansa Biopharma AB. These consolidated financial statements are available from its registered office, PO Box 785, SE-220 07 Lund, Sweden.

#### 1.2 Going concern

The company relies on the support of its' parent company, Hansa Biopharma AB, in order to meet its liabilities as they fall due. Hansa Biopharma AB have confirmed their willingness to continue to support the company for the foreseeable future and have the resources to do so. The company therefore continues to adopt the going concern basis in preparing its financial statements.

#### 1.3 Intangible fixed assets other than goodwill

Intangible assets relate to patents acquired.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

|                    |                        |
|--------------------|------------------------|
| Patents & licences | 20 years straight line |
|--------------------|------------------------|

Amortisation is accounted for from the date of purchase and none is charged in the year of disposal.

#### 1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

# HANSA BIOPHARMA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# HANSA BIOPHARMA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# HANSA BIOPHARMA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.8 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.9 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.10 Share-based payments**

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted. The fair value determined at the grant date is expensed over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to the capital contribution reserve in equity reflecting the shares being provided are in the parent, Hansa Biopharma AB. Where the parent company makes a recharge to the company in respect of the share options it has given to the company's employees a reserves transfer between the profit and loss account and the capital contribution reserve is reflected to the extent the recharge is equal to or less than the share based payment charges. If the recharge is more than the share based payment charges then the excess is treated as a distribution.



# HANSA BIOPHARMA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The directors consider that there are no key judgements or sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements.

### 3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

|       | 2022<br>Number | 2021<br>Number |
|-------|----------------|----------------|
| Total | 6              | 6              |

### 4 Intangible fixed assets

|  | Patents &<br>licences<br>£ |
|--|----------------------------|
| <b>Cost</b>                            |                            |
| At 1 January 2022 and 31 December 2022 | 4,138                      |
| <b>Amortisation and impairment</b>     |                            |
| At 1 January 2022                      | 1,860                      |
| Amortisation charged for the year      | 221                        |
| At 31 December 2022                    | 2,081                      |
| <b>Carrying amount</b>                 |                            |
| At 31 December 2022                    | 2,057                      |
| At 31 December 2021                    | 2,278                      |

### 5 Debtors

|   | 2022<br>£ | 2021<br>£ |
|---|-----------|-----------|
| <b>Amounts falling due within one year:</b> |           |           |
| Amounts owed by group undertakings          | 241,528   | 123,462   |
| Other debtors                               | 3,975     | 2,451     |
|   | 245,503   | 125,913   |

# HANSA BIOPHARMA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 6 Creditors: amounts falling due within one year

|                                    | 2022           | 2021           |
|------------------------------------|----------------|----------------|
|                                    | £              | £              |
| Trade creditors                    | 3,282          | 828            |
| Corporation tax                    | 8,147          | 6,773          |
| Other taxation and social security | 4,626          | -              |
| Other creditors                    | 145,028        | 94,863         |
|                                    | <u>161,083</u> | <u>102,464</u> |

### 7 Share-based payment transactions

The parent, Hansa Biopharma AB, has a long term incentive program (LTIP) of which participants, including eligible Hansa Biopharma Limited employees, can receive performance-based share rights. Each share right provides the right to acquire one ordinary share in Hansa Biopharma AB free of charge provided certain pre-defined performance conditions are met and provided that the participant, with certain exceptions, from the date of the start of the participation in the LTIP up until and including the date three years thereafter maintains his or her employment within the Group.

### 8 Other reserve

Other reserve is a capital contribution reserve relating to the share based payment charges arising on the employee long term incentive plan in the parents shares to the extent it has not been offset by a share based recharge from the parent and the contribution the parent made to the company through the conversion of the intercompany creditor to equity.

### 9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

|                           |                |
|---------------------------|----------------|
| Senior Statutory Auditor: | Robert Southey |
| Statutory Auditor:        | Azets          |

### 10 Parent company

The company's ultimate controlling party is Hansa Biopharma AB, a company registered in Sweden. Hansa Biopharma AB is the smallest and largest group for which consolidated accounts, which include Hansa Biopharma Limited are prepared.

### 11 Prior period adjustment

The prior period adjustments reflect the past share based payment charges which arose due to parent, Hansa Biopharma AB, providing a long term incentive plan to company employees. These were omitted in error. The impact of reflecting these share based payment charges results in a debit to the profit and loss reserve and a credit to the capital contribution reserve in each relevant year.

There is no impact on total equity from these adjustments.

# HANSA BIOPHARMA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 11 Prior period adjustment

(Continued)

#### Changes to the balance sheet

|                             | As previously reported | Adjustment at 1 Jan 2021 | Adjustment at 31 Dec 2021 | As restated at 31 Dec 2021 |
|-----------------------------|------------------------|--------------------------|---------------------------|----------------------------|
|                             | £                      | £                        | £                         | £                          |
| Net assets                  | 42,672                 | -                        | -                         | 42,672                     |
| <b>Capital and reserves</b> |                        |                          |                           |                            |
| Other reserves              | -                      | 174,770                  | 149,225                   | 323,995                    |
| Profit and loss reserves    | 22,664                 | (174,770)                | (149,225)                 | (301,331)                  |
| Total equity                | 42,672                 | -                        | -                         | 42,672                     |

#### Changes to the profit and loss account

|  | As previously reported | Adjustment | As restated |
|--|------------------------|------------|-------------|
|  | £                      | £          | £           |
| <b>Period ended 31 December 2021</b>   |                        |            |             |
| Administrative expenses                | (733,096)              | (149,225)  | (882,321)   |
| Profit/(loss) for the financial period | 29,660                 | (149,225)  | (119,565)   |

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.