

*Translated from the Czech original*

**SCT Cell Manufacturing s.r.o.**

**Financial Statements  
for period ended 31 December 2022**

# BALANCE SHEET

in full format

as at 31 December 2022

(in thousands of Czech crowns)

Translated from the Czech original

Name and regist. office of the Company

SCT Cell Manufacturing s.r.o.

Jankovcova 1518/2

170 00 Praha 7

Czech Republic

Identification number

14088266

Ident. a	ASSETS b	line c	Current period			Prior period Net 4
			Gross 1	Adjust. 2	Net 3	
	<b>TOTAL ASSETS</b>	001	308,959	(137,604)	171,355	154,000
<b>A.</b>	<b>Receivables for subscribed registered capital</b>	002	-	-	-	-
<b>B.</b>	<b>Fixed assets</b>	003	202,096	(132,531)	69,565	78,464
B.I.	Intangible fixed assets	004	39,901	(33,681)	6,220	7,551
B.I.1.	Development	005	-	-	-	-
B.I.2.	Intellectual property rights	006	38,559	(33,570)	4,989	4,069
B.I.2.1.	Software	007	38,559	(33,570)	4,989	4,069
B.I.2.2.	Other intellectual property rights	008	-	-	-	-
B.I.3.	Goodwill	009	-	-	-	-
B.I.4.	Other intangible fixed assets	010	648	(111)	537	646
B.I.5.	Advance payments for intangible fixed assets and intangible fixed assets under construction	011	694	-	694	2,836
B.I.5.1.	Advance payments for intangible fixed assets	012	-	-	-	-
B.I.5.2.	Intangible fixed assets under construction	013	694	-	694	2,836
B.II.	Tangible fixed assets	014	162,195	(98,850)	63,345	70,913
B.II.1.	Land and buildings	015	46,187	(17,122)	29,065	31,484
B.II.1.1.	Land	016	27,038	-	27,038	27,038
B.II.1.2.	Buildings	017	19,149	(17,122)	2,027	4,446
B.II.2.	Plant and equipment	018	110,123	(81,728)	28,395	33,544
B.II.3.	Adjustments to acquired fixed assets	019	-	-	-	-
B.II.4.	Other tangible fixed assets	020	-	-	-	-
B.II.4.1.	Cultivated areas	021	-	-	-	-
B.II.4.2.	Adult livestock	022	-	-	-	-
B.II.4.3.	Other tangible fixed assets	023	-	-	-	-
B.II.5.	Advance payments for tangible fixed assets and tangible fixed assets under construction	024	5,885	-	5,885	5,885
B.II.5.1.	Advance payments for tangible fixed assets	025	-	-	-	-
B.II.5.2.	Tangible fixed assets under construction	026	5,885	-	5,885	5,885
B.III.	Long-term investments	027	-	-	-	-
B.III.1.	Equity investments - group undertakings	028	-	-	-	-
B.III.2.	Loans - group undertakings	029	-	-	-	-
B.III.3.	Equity investments - associated companies	030	-	-	-	-
B.III.4.	Loans - associated companies	031	-	-	-	-
B.III.5.	Other long-term securities and equity investments	032	-	-	-	-
B.III.6.	Loans - other	033	-	-	-	-
B.III.7.	Other long-term investments	034	-	-	-	-
B.III.7.1.	Other long-term investments	035	-	-	-	-
B.III.7.2.	Advance payments for long-term investments	036	-	-	-	-

SCT Cell Manufacturing s.r.o.

Balance sheet

as at 31 December 2022

Ident. a	ASSETS b	line c	Current period			Prior period
			Gross 1	Adjust. 2	Net 3	Net 4
<b>C.</b>	<b>Current assets</b>	037	104,740	(5,073)	99,667	74,253
C.I.	Inventories	038	16,667	(5,073)	11,594	10,999
C.I.1.	Raw materials	039	16,631	(5,073)	11,558	10,950
C.I.2.	Work-in-progress and semi-finished products	040	-	-	-	-
C.I.3.	Finished goods and goods for resale	041	-	-	-	-
C.I.3.1.	Finished goods	042	-	-	-	-
C.I.3.2.	Goods for resale	043	-	-	-	-
C.I.4.	Young and other livestock	044	-	-	-	-
C.I.5.	Advance payments for inventories	045	36	-	36	49
C.II.	Receivables	046	44,267	-	44,267	62,513
C.II.1.	Long-term receivables	047	-	-	-	-
C.II.1.1.	Trade receivables	048	-	-	-	-
C.II.1.2.	Receivables - group undertakings	049	-	-	-	-
C.II.1.3.	Receivables - associated companies	050	-	-	-	-
C.II.1.4.	Deferred tax asset	051	-	-	-	-
C.II.1.5.	Receivables - other	052	-	-	-	-
C.II.1.5.1.	Receivables from shareholders/members	053	-	-	-	-
C.II.1.5.2.	Long-term advances paid	054	-	-	-	-
C.II.1.5.3.	Estimated receivables	055	-	-	-	-
C.II.1.5.4.	Other receivables	056	-	-	-	-
C.II.2.	Short-term receivables	057	44,267	-	44,267	62,513
C.II.2.1.	Trade receivables	058	19,516	-	19,516	34,245
C.II.2.2.	Receivables - group undertakings	059	-	-	-	-
C.II.2.3.	Receivables - associated companies	060	-	-	-	-
C.II.2.4.	Receivables - other	061	24,751	-	24,751	28,268
C.II.2.4.1.	Receivables from shareholders/members	062	-	-	-	-
C.II.2.4.2.	Social security and health insurance	063	-	-	-	-
C.II.2.4.3.	Tax receivables	064	5,968	-	5,968	-
C.II.2.4.4.	Short-term advances paid	065	7,092	-	7,092	2,396
C.II.2.4.5.	Estimated receivables	066	11,581	-	11,581	25,870
C.II.2.4.6.	Other receivables	067	110	-	110	2
C.III.	Short-term financial assets	072	-	-	-	-
C.III.1.	Equity investments - group undertakings	073	-	-	-	-
C.III.2.	Other short-term financial assets	074	-	-	-	-
C.IV.	Cash	075	43,806	-	43,806	741
C.IV.1.	Cash in hand	076	18	-	18	107
C.IV.2.	Bank accounts	077	43,788	-	43,788	634
<b>D.</b>	<b>Deferrals</b>	078	2,123	-	2,123	1,283
D.1.	Prepaid expenses	079	2,123	-	2,123	1,283
D.2.	Complex prepaid expenses	080	-	-	-	-
D.3.	Accrued revenues	081	-	-	-	-

**SCT Cell Manufacturing s.r.o.**

**Balance sheet**

as at 31 December 2022

Ident.	LIABILITIES	line	Current period	Prior period
a	b	c	5	6
	<b>TOTAL LIABILITIES AND EQUITY</b>	082	171,355	154,000
<b>A.</b>	<b>Equity</b>	083	102,262	8,971
A.I.	Registered capital	084	20	20
A.I.1.	Registered capital	085	20	20
A.I.2.	Own shares/ownership interests (-)	086	-	-
A.I.3.	Changes in registered capital	087	-	-
A.II.	Premium and capital contributions	088	175,151	8,960
A.II.1.	Premium	089	-	-
A.II.2.	Capital contributions	090	175,151	8,960
A.II.2.1.	Other capital contributions	091	175,151	8,960
A.II.2.2.	Revaluation of assets and liabilities (+/-)	092	-	-
A.II.2.3.	Revaluation reserve on transformations (+/-)	093	-	-
A.II.2.4.	Differences resulting from transformations (+/-)	094	-	-
A.II.2.5.	Change in revaluation reserve on transformations (+/-)	095	-	-
A.III.	Funds from profit	096	-	-
A.III.1.	Other reserve funds	097	-	-
A.III.2.	Statutory and other funds	098	-	-
A.IV.	Retained earnings (+/-)	099	-	(9)
A.IV.1.	Retained profits or accumulated losses (+/-)	100	-	(9)
A.IV.2.	Other retained earnings (+/-)	101	-	-
<b>A.V.</b>	<b>Profit (loss) for the current period (+/-)</b>	102	(72,909)	-
<b>A.VI.</b>	<b>Approved advance profit distribution (-)</b>	103	-	-
<b>B. + C.</b>	<b>Liabilities</b>	104	69,093	145,029
<b>B.</b>	<b>Provisions</b>	105	13,356	15,184
B.1.	Provision for pensions and other similar payables	106	-	-
B.2.	Income tax provision	107	-	-
B.3.	Tax-deductible provisions	108	-	-
B.4.	Other provisions	109	13,356	15,184
<b>C.</b>	<b>Liabilities</b>	110	55,737	129,845
C.I.	Long-term liabilities	111	-	-
C.I.1.	Debentures and bonds issued	112	-	-
C.I.1.1.	Convertible debentures and bonds	113	-	-
C.I.1.2.	Other debentures and bonds	114	-	-
C.I.2.	Liabilities to credit institutions	115	-	-
C.I.3.	Long-term advances received	116	-	-
C.I.4.	Trade payables	117	-	-
C.I.5.	Long-term bills of exchange payable	118	-	-
C.I.6.	Liabilities - group undertakings	119	-	-
C.I.7.	Liabilities - associated companies	120	-	-
C.I.8.	Deferred tax liability	121	-	-
C.I.9.	Liabilities - other	122	-	-
C.I.9.1.	Liabilities to shareholders/members	123	-	-
C.I.9.2.	Estimated payables	124	-	-
C.I.9.3.	Other payables	125	-	-

**SCT Cell Manufacturing s.r.o.**

**Balance sheet**

as at 31 December 2022

Ident.	LIABILITIES	line	Current period	Prior period
a	b	c	5	6
<b>C.II.</b>	<b>Short-term liabilities</b>	126	55,737	129,845
C.II.1.	Debentures and bonds issued	127	-	-
C.II.1.1.	Convertible debentures and bonds	128	-	-
C.II.1.2.	Other debentures and bonds	129	-	-
C.II.2.	Liabilities to credit institutions	130	-	-
C.II.3.	Short-term advances received	131	-	-
C.II.4.	Trade payables	132	30,080	8,838
C.II.5.	Short-term bills of exchange payable	133	-	-
C.II.6.	Liabilities - group undertakings	134	-	-
C.II.7.	Liabilities - associated companies	135	-	-
<b>C.II.8.</b>	<b>Liabilities - other</b>	136	25,657	121,007
C.II.8.1.	Liabilities to shareholders/members	137	-	80,000
C.II.8.2.	Short-term financial liabilities	138	-	-
C.II.8.3.	Payables to employees	139	3,741	3,661
C.II.8.4.	Social security and health insurance liabilities	140	1,900	1,556
C.II.8.5.	Tax liabilities and subsidies	141	444	408
C.II.8.6.	Estimated payables	142	19,527	35,343
C.II.8.7.	Other payables	143	45	39
<b>D.</b>	<b>Accruals</b>	147	-	-
D.1.	Accrued expenses	148	-	-
D.2.	Deferred revenues	149	-	-

**INCOME STATEMENT**  
**classification by nature**  
for period ended 31 December 2022  
(in thousands of Czech crowns)  
Translated from the Czech original

**Name and regist. office of the Company**

SCT Cell Manufacturing s.r.o.  
Jankovcova 1518/2  
170 00 Praha 7  
Czech Republic

**Identification number**

14088266

Ident.	a	line	b	
			Current period	Prior period
		c	1	2
I.	Revenue from products and services	01	116,194	-
II.	Revenue from goods	02	-	-
A.	Cost of sales	03	106,501	-
A.1.	Cost of goods sold	04	-	-
A.2.	Materials and consumables	05	20,924	-
A.3.	Services	06	85,577	-
B.	Change in inventory of own production (+/-)	07	-	-
C.	Own work capitalised (-)	08	-	-
D.	Personnel expenses	09	70,431	-
D.1.	Wages and salaries	10	50,481	-
D.2.	Social security, health insurance and other expenses	11	19,950	-
D.2.1.	Social security and health insurance expenses	12	16,491	-
D.2.2.	Other expenses	13	3,459	-
E.	Adjustments relating to operating activities	14	14,509	-
E.1.	Adjustments to intangible and tangible fixed assets	15	13,406	-
E.1.1.	Depreciation and amortisation of intangible and tangible fixed assets	16	13,406	-
E.1.2.	Impairment of intangible and tangible fixed assets	17	-	-
E.2.	Adjustments to inventories	18	1,103	-
E.3.	Adjustments to receivables	19	-	-
III.	Other operating revenues	20	235	-
III.1.	Proceeds from disposals of fixed assets	21	77	-
III.2.	Proceeds from disposals of raw materials	22	57	-
III.3.	Miscellaneous operating revenues	23	101	-
F.	Other operating expenses	24	1,486	-
F.1.	Net book value of fixed assets sold	25	-	-
F.2.	Net book value of raw materials sold	26	434	-
F.3.	Taxes and charges	27	393	-
F.4.	Provisions relating to operating activity and complex prepaid expenses	28	(35)	-
F.5.	Miscellaneous operating expenses	29	694	-
*	<b>Operating profit (loss) (+/-)</b>	30	(76,498)	-

SCT Cell Manufacturing s.r.o.

INCOME STATEMENT

for period ended 31 December 2022

Ident.	b	line c	Current period		Prior period	
			1	2		
IV.	Revenue from long-term investments - equity investments	31	-	-	-	-
IV.1.	Revenue from equity investments - group undertakings	32	-	-	-	-
IV.2.	Other revenue from equity investments	33	-	-	-	-
G.	Cost of equity investments sold	34	-	-	-	-
V.	Revenue from other long-term investments	35	-	-	-	-
V.1.	Revenue from other long-term investments - group undertakings	36	-	-	-	-
V.2.	Other revenue from other long-term investments	37	-	-	-	-
H.	Expenses related to other long-term investments	38	-	-	-	-
VI.	Interest revenue and similar revenue	39	230	-	-	-
VI.1.	Interest revenue and similar revenue - group undertakings	40	230	-	-	-
VI.2.	Other interest revenue and similar revenue	41	-	-	-	-
I.	Adjustments and provisions relating to financial activity	42	-	-	-	-
J.	Interest expense and similar expense	43	-	-	-	-
J.1.	Interest expense and similar expense - group undertakings	44	-	-	-	-
J.2.	Other interest expense and similar expense	45	-	-	-	-
VII.	Other financial revenues	46	7,571	-	-	-
K.	Other financial expenses	47	4,212	-	-	-
*	<b>Profit (loss) from financial operations</b>	48	3,589	-	-	-
**	<b>Profit (loss) before tax (+/-)</b>	49	(72,909)	-	-	-
L.	Income tax	50	-	-	-	-
L.1.	Current tax	51	-	-	-	-
L.2.	Deferred tax (+/-)	52	-	-	-	-
**	<b>Profit (loss) after tax (+/-)</b>	53	(72,909)	-	-	-
M.	Transfer of profit or loss to shareholders/members (+/-)	54	-	-	-	-
***	<b>Profit (loss) for the accounting period (+/-)</b>	55	(72,909)	-	-	-
*	<b>Net turnover for the accounting period = I. + II. + III. + IV. + V. + VI. + VII.</b>	56	124,230	-	-	-

# SCT Cell Manufacturing s.r.o.

## Notes to the Financial Statements

for period ended 31 December 2022

Amounts are shown in thousands of Czech crowns ("CZK")

*Translated from the Czech original*

## **NOTES TO THE FINANCIAL STATEMENTS**

**for period ended 31 December 2022**

**Company name:** SCT Cell Manufacturing s.r.o.

Registered office: Jankovcova 1518/2, 170 00 Prague 7

Legal form: limited liability company

Company Reg. No.: 140 88 266



# SCT Cell Manufacturing s.r.o.

## Notes to the Financial Statements

for period ended 31 December 2022

Amounts are shown in thousands of Czech crowns ("CZK")

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# SCT Cell Manufacturing s.r.o.

## Notes to the Financial Statements

for period ended 31 December 2022

Amounts are shown in thousands of Czech crowns ("CZK")

### 1 GENERAL INFORMATION

#### 1.1 Incorporation and characteristics of the company

SCT Cell Manufacturing s.r.o. (hereinafter referred to as "the Company") was incorporated by registration in the Commercial Register on 22 December 2021. The Company is registered in the Commercial Register administered by the Municipal Court in Prague, Section C, Insert 360388.

##### *Main object of business activities*

Production focused on advance cell therapies.

##### *Significant event in 2022*

In 2022, the separated part of the assets of the demerged company "SCTbio a.s." consisting in the operation of laboratories was transferred to SCT Cell Manufacturing s.r.o., as the successor company after spin-off. The effective date of the demerger was 1 January 2022. Within the framework of the demerger, all employees were transferred to the successor company. The financial settlement of both the companies from the demerger took place in December 2022.

##### *Entities holding more than 20% of the Company's registered capital:*

Name, company data	Share
PPF Biotech B.V. Amsterdam, Netherlands, reg. no. 55003982	100 %

##### *Statutory bodies as at 31 December 2022*

The statutory body of the Company is its Managing director, RNDr. Luděk Sojka, PhD.

The Company pursues its business activities at its registered office, where the Company's management is located.

The Consolidated financial statements of the widest and the narrowest group of entities to which the Company as a consolidated entity belongs are prepared by PPF Group N.V., with its registered office at Strawinskylaan 933, 1077XX Amsterdam. The consolidated financial statements are available at the consolidating entity's registered office.

# SCT Cell Manufacturing s.r.o.

## Notes to the Financial Statements

for period ended 31 December 2022

Amounts are shown in thousands of Czech crowns ("CZK")

### 1.2 Changes in and amendments to the Commercial Register during the last accounting period

On 30 June 2022, the Company's registered office at Evropská 2690/17, Dejvice, 160 00, Prague 6 was deleted and the new registered office at Jankovcova 1518/2, Holešovice, 170 00, Prague 7 was registered.

On 30 June 2022, the object of business activities "Lease of real estate, apartments and non-residential premises" was registered. On the same day, production, trade and services not specified in Annexes 1 and 3 to the Trade Licensing Act were registered in the object of business activities in the following fields:

- Production of medical devices,
- Intermediation of trade and services,
- Wholesale and retail trade activities,
- Provision of software, consulting in the field of information technologies, data processing, hosting and related activities and web portals,
- Lease and lending of movable assets,
- Advisory and consulting activities, preparation of expert studies and reports,
- Research and development in the area of natural and technical sciences or humanities,
- Testing, measurement, analyses and inspections,
- Advertising activities, marketing, media representation,
- Administrative management services and services of an organisational and economic nature,
- Extra-curricular education and training, organisation of courses, training courses, including teaching services.

On 1 October 2022, the following was registered in the Commercial Register:

A part of the assets of the demerged company "SCTbio a.s.", having its registered office at Jankovcova 1518/2, Holešovice, 170 00 Prague 7, Company Reg. No. 246 62 623, determined by the project of the demerger approved on 25 July 2022 was transferred to SCT Cell Manufacturing s.r.o., as the successor company, in consequence of the demerger carried out in the form of spin-off. The decisive date of the demerger was 1 January 2022.

### 1.3 Comparative information in the Financial Statements

Due to the transfer of a part of the assets in demerger (see section 1.1 – Significant event in 2022), the Balance Sheet presents, as comparative figures for the previous accounting period, the figures from the opening Balance Sheet as at 1 January 2022, whilst the Profit and Loss Statement does not present any comparative figures for the previous accounting period, because the presentation of the figures for the accounting period of 2021 would be misleading.

# SCT Cell Manufacturing s.r.o.

## Notes to the Financial Statements

for period ended 31 December 2022

Amounts are shown in thousands of Czech crowns ("CZK")

## 2 ACCOUNTING METHODS

The financial statements have been prepared based on the accounting records kept in compliance with the Act on Accounting and relevant regulations and decrees effective in the Czech Republic. These financial statements have been prepared in compliance with the Decree of the Czech Ministry of Finance No. 500/2002 Coll., implementing certain provisions of the Act No. 563/1991 Coll., on Accounting, as amended, for business entities using double-entry bookkeeping.

The financial statements have been prepared on a going concern basis.

The financial statements have been prepared as at the balance sheet date of 31 December 2022 for the period from 1 January 2022 to 31 December 2022.

The financial information in these financial statements is expressed in thousands of Czech Crowns (CZK thousand), unless provided for otherwise below.

### 2.1 Tangible and intangible fixed assets

Tangible and intangible fixed assets acquired by purchase are stated at cost consisting of the acquisition price plus expenses related to the acquisition.

Tangible fixed assets costing more than CZK 80 thousand with a useful life of more than one year and intangible fixed assets costing more than CZK 80 thousand with a useful life of more than one year are reported in fixed asset accounts and depreciated and amortized based on depreciation and amortization plan defined by the Company.

Tangible fixed assets costing up to CZK 80 thousand with a useful life of more than one year and intangible fixed assets costing up to CZK 80 thousand with a useful life longer than one year are not reported in the balance sheet and are expensed when put into use. These assets are monitored off-balance sheet.

In the table below, there are stated the methods and periods used for depreciation and amortization of assets by asset groups:

# SCT Cell Manufacturing s.r.o.

## Notes to the Financial Statements

for period ended 31 December 2022

Amounts are shown in thousands of Czech crowns ("CZK")

	Method	Depreciation period
Software	straight-line	3 years
Trademarks	straight-line	over the term of the trademark or 6 years
Patents	straight-line	over the term of the patent
Audio-visual works	straight-line	1.5 years
Other intangible assets	straight-line	6 years or over the term of the contract
Leasehold improvements on buildings	straight-line	over the lease term
Machinery and equipment	straight-line	3 - 15 years
Motor vehicles	straight-line	5 years

In the income statement, depreciation and amortization is presented in "Adjustments to intangible and tangible fixed asset – permanent".

### 2.2 Long-term investments

Long-term investments comprise equity investments. Equity investments are measured at acquisition cost. The acquisition costs includes expenses directly incurred in connection with the acquisition.

### 2.3 Inventories

Purchased materials are stated at cost. This acquisition cost includes the purchase price and incidental acquisition costs, in particular freight costs and customs duties. The Company uses Method A to recognize inventory cost is determined using the weighted average method.

### 2.4 Liabilities and loans received

Liabilities and loans received are stated at their nominal value. The Company classifies as long-term any part of liabilities that is due in more than one year after the balance sheet date.

### 2.5 Foreign currency translation

The Company applies the Czech National Bank's monthly rate to foreign currency transactions. During the period, foreign exchange gains and losses are only recognized when realized at the time of settlement.

Assets and liabilities denominated in foreign currencies are converted as at the Balance Sheet date according to the foreign exchange rate announced by the CNB. Unrealized foreign exchange gains and losses are recognized in profit or loss, except for unrealized foreign exchange gains and

# SCT Cell Manufacturing s.r.o.

## Notes to the Financial Statements

for period ended 31 December 2022

Amounts are shown in thousands of Czech crowns ("CZK")

losses on non-current financial assets, which are recognized in the Balance Sheet in the line entitled "Valuation differences on revaluation of assets and liabilities".

### 2.6 Leased property

The Company accounts for leased assets by expensing the lease payments on a straight-line basis over the term of the lease. If the leased property is redeemed during or at the end of the lease, the leased property is included in the Company's assets at the purchase price.

### 2.7 Income tax

The income tax for the period consists of the tax payable and the change in deferred tax position.

The tax payable comprises the tax estimate calculated on the tax base with the use of the tax rate applicable on the first day of the accounting period and any adjustments for previous periods.

Deferred tax is based on any temporary differences between the accounting and the tax values of assets and liabilities, or other temporary differences (tax loss), with the use of the expected tax rate applicable to the period in which the tax liabilities or receivables are to be exercised. A deferred tax asset is recognised only when it is probable that it will be exercised in the nearest subsequent accounting periods.

### 2.8 Determination of adjustments and provisions

#### *Accounts receivable*

The Company establishes adjustments for doubtful accounts receivable based on its own analysis of the solvency of its customers and the age structure of the receivables. The creation and accounting of the adjustments are recognized in the Profit and Loss Statement in the item "Adjustments of Receivable Values".

#### *Inventories*

Adjustments are made when the valuation used in the accounting records is temporarily higher than the sales price of inventories reduced by the costs associated with the sale. Adjustments to inventories are made when it is not certain that the item will be consumed before its expiry date. The creation and accounting of the adjustments are recognized in the Profit and Loss Statement in the item "Adjustments of Inventory Values".

#### *Intangible and tangible fixed assets*

Adjustments are made for temporary impairment of the value of assets. The creation and accounting of adjustments are recognised in the Profit and Loss Statement in the item "Adjustments to intangible and tangible fixed asset values – temporary".

# SCT Cell Manufacturing s.r.o.

## Notes to the Financial Statements

for period ended 31 December 2022

Amounts are shown in thousands of Czech crowns ("CZK")

### *Long-term investments*

Adjustments are created for temporary impairment of equity participations. The creation and accounting of adjustments are recognized in the Profit and Loss Statement under "Valuation adjustments and provisions in the financial area".

### *Provisions*

The Company makes provision for employees' leave remaining untaken on the basis of an analysis of untaken leave as at the date of the Financial Statements and considering the average wage costs, including social security and health insurance costs, by individual employee.

The Company makes provision for annual bonuses for employees for the bonuses remaining unpaid and unapproved as at the date of the Financial Statements based on applicable provisions in employment contracts, their annexes and amendments.

The Company makes provision for income tax with regard to the fact that the time of preparation of the Financial Statements precedes the time of determination of the tax liability amount. In the subsequent accounting period, the Company dissolves the provision and recognizes the tax liability ascertained.

In the Balance Sheet, the provision for income tax is reduced by any advance income tax paid and any resulting receivable is recognized under the entry "State - tax receivables".

## **2.9 Change in accounting policies and practices**

There was no change in the accounting methodology or depreciation method during 2022.

## **3 ADDITIONAL INFORMATION**

### **3.1 Intangible and tangible fixed assets**

A breakdown of movements in tangible and intangible fixed assets is given in Appendix No. 1.

During the accounting period, laboratory equipment and technical improvements to real estate amounting to CZK 1,182 thousand in total were put into use. No intangible assets were newly put into use during the accounting period.

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## Notes to the Financial Statements

for period ended 31 December 2022

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Intangible fixed assets under construction amounting to CZK 694 thousand (1 January 2022 - CZK 2,836 thousand) comprise acquired intangible fixed assets not yet placed in a condition suitable for use, which is defined as the completion of the acquired assets and the fulfilment of the functions and obligations set out by legal regulations for their use. They include trademarks and, in the comparative period, also software for production process management and software for logistic process support.

Tangible fixed assets in progress amounting to CZK 5,885 thousand (1 January 2022 - CZK 5,885 thousand) include the costs of a planned project of new laboratories.

### 3.2 Inventory

The balance of inventory as of 31 December 2022 amounts to CZK 16,631 thousand (1 January 2022 – CZK 14,920 thousand), of which material in stock amounts to CZK 14,827 thousand (1 January 2022 - CZK 14,444 thousand), the remaining part consists of unclassified low-value assets and material in transit. An impairment of CZK 5,073 thousand (1 January 2022 - CZK 3,970 thousand) is made for inventories approaching expiry or materials which the Company does not use anymore.

Advance payments made for materials as of 31 December 2022 amount to CZK 36 thousand (1 January 2022 - CZK 49 thousand).

### 3.3 Leased assets

#### a) Operating leases

The Company is contractually obligated to pay rental for office, manufacturing and warehouse premises, as well as equipment rental and vehicle rental as follows:

In CZK thousands	Current year costs	Repayable within 1 year	Repayable from 1 to 5 years	Repayable in subsequent years
Accounting period 2022	11,514	13,516	53,548	10,022

#### b) Financial leasing

The Company does not have any assets acquired previously by way of finance lease.

### 3.4 Trade receivables and payables

Current trade receivables amount to CZK 19,516 thousand (1 January 2022 – CZK 34,245 thousand), of which foreign receivables amount to CZK 15,320 thousand (1 January 2022 – CZK 33,140 thousand) and domestic receivables amount to CZK 4,196 thousand (1 January 2022 - CZK 1,105 thousand). The total value of receivables overdue (more than 30 days) amounts to



## SCT Cell Manufacturing s.r.o.

### Notes to the Financial Statements

for period ended 31 December 2022

Amounts are shown in thousands of Czech crowns ("CZK")

CZK 276 thousand (1 January 2022 - nil). Trade receivables were not impaired (1 January 2022 - TCZK 0).

Current trade payables amount to CZK 30,080 thousand (1 January 2022 - CZK 8,839 thousand), of which foreign payables amount to CZK 1,579 thousand (1 January 2022 - CZK 2,041 thousand) and domestic payables amount to CZK 28,501 thousand (1 January 2022 - CZK 6,798 thousand). The Company does not have any payables overdue for more than 30 days.

### 3.5 Deferred costs

Deferred costs amount to CZK 2,123 thousand (1 January 2022 - CZK 1,283 thousand), the amount represents the cost of insurance, licenses, access, assistance services and conference fees.

### 3.6 Adjustments and provisions

#### *a) Adjustments*

The Company recorded an inventory impairment amounting to CZK 5,073 thousand as of 31 December 2022 (1 January 2022 - CZK 3,970 thousand), see section 3.2.

There was no need for an impairment of receivables (1 January 2022 - nil).

#### *b) Provisions*

As of 31 December 2022, the Company has made an accounting provision for unpaid bonuses and untaken leave, including social and health insurance costs of CZK 13,356 thousand (1 January 2022 - CZK 15,184 thousand).

### 3.7 Equity

The Company's registered capital is CZK 20 thousand.

The Company is financed by additional contributions outside the registered capital. In the financial year 2022, the sole shareholder PPF Biotech B.V., made equity contributions of CZK 166,200 thousand and by the transfer of a part of the assets in demerger (see section 1.1 – Significant event in 2022), other capital funds of CZK 8,960 thousand were transferred to the Company. Based on the decision of the sole shareholder, the loss from 2021 in the amount of CZK 9 thousand was settled from other capital funds.

The Managing Director of the Company will propose to the sole shareholder that the Company's loss for the accounting period 2022 should be transferred to the retained losses.

# SCT Cell Manufacturing s.r.o.

## Notes to the Financial Statements

for period ended 31 December 2022

Amounts are shown in thousands of Czech crowns ("CZK")

### 3.8 Employees and managers

(in CZK thousand)	1 January 2022 – 31 December 2022	
	Total	Of which senior management
Average number of employees	124	9
Total personnel costs	70,431	17,874
Of which:		
<i>Wages and salaries</i>	<i>50,481</i>	<i>12,643</i>
<i>Social security and health insurance</i>	<i>16,491</i>	<i>4,963</i>
<i>Social costs</i>	<i>3,459</i>	<i>268</i>

As a result of the demerger (see section 1.1. - Significant event in 2022), all employees of SCTbio a.s. were transferred to the successor company "SCT Cell Manufacturing s.r.o.". A part of the personnel costs related to SCTbio a.s. projects remained in SCTbio a.s. and became a part of the financial settlement of both the companies.

### 3.9 Social security and health insurance liabilities

Social security and health insurance liabilities amount to CZK 1,900 thousand (1 January 2022 - CZK 1,556 thousand), of which CZK 1,298 thousand (1 January 2022 - CZK 1,028 thousand) represent social security liabilities and CZK 602 thousand (1 January 2022 - CZK 528 thousand) represent health insurance liabilities. None of these liabilities are overdue.

### 3.10 State – tax liabilities and receivables

Tax liabilities and subsidies amount to CZK 444 thousand (1 January 2022 - CZK 428 thousand), consist of income tax payables on employees' employment income. The Company has a value added tax receivable of CZK 5,968 thousand (1 January 2022 - nil).

### 3.11 Estimated receivables and payables

The estimated payables amount to CZK 19,527 thousand (1 January 2022 - CZK 35,343 thousand), these represent mainly unbilled services from lease, other operational and support services and supplies of materials.

The estimated receivables amount to CZK 11,581 thousand (1 January 2022 - CZK 25,870 thousand), these represent mainly unbilled laboratory technical support services, warehousing and logistic services.

# SCT Cell Manufacturing s.r.o.

## Notes to the Financial Statements

for period ended 31 December 2022

Amounts are shown in thousands of Czech crowns ("CZK")

### 3.12 Income tax

#### a) Payable

Estimated tax for the taxation period from 1 January 2022 to 31 December 2022 is nil, the Company has tax losses which can be utilized. The income tax payable is nil.

#### b) Deferred

Deferred tax assets and liabilities:

(TCZK)	Balance as at 31 December 2022
Fixed assets	18,353
Tax loss	11,660
Other	3,502
<b>Total</b>	<b>33,515</b>

In accordance with the accounting policies described in section 2.9, the tax rate used to calculate the deferred tax was the tax rate applicable to the period in which the tax liability or asset is to be realized, i.e., for 2023 and subsequent years – 19%. Other differences represent deferred tax on the adjustment for inventories and other provisions.

The Company did not recognize deferred tax asset due to the uncertainty of its realization.

### 3.13 Revenues

In 2022, revenues from the sale of services within the Group were in an amount of CZK 116,194 thousand.

### 3.14 Information on related parties

#### a) Receivables from and payables to related parties

The Company recognized the following trade payables to related parties from ordinary business contacts as of 31 December 2022 and 1 January 2022, respectively:

(in CZK thousand)	Balance as at 31 December 2022	Balance as at 1 January 2022
PPF a.s.	1,329	-
SCTbio a.s.	4,444	-
SOTIO Biotech a.s.	9,135	97
Public Picture & Marketing a.s.	171	-
O2 Czech Republic a.s.	60	51
<b>Total</b>	<b>15,139</b>	<b>148</b>

## SCT Cell Manufacturing s.r.o.

### Notes to the Financial Statements

for period ended 31 December 2022

Amounts are shown in thousands of Czech crowns ("CZK")

The Company recognized the following trade receivables owed by related parties from ordinary business contacts as at 31 December 2022 and 1 January 2022, respectively:

(in CZK thousand)	Balance as at 31 December 2022	Balance as at 1 January 2022
SOTIO Biotech a.s.	4,172	1,105
SOTIO Biotech Inc.	15,011	33,136
SCTbio a.s.	24	-
SOTIO Biotech AG	276	5
<b>Total</b>	<b>19,483</b>	<b>34,246</b>

The Company recognized the following prepaid expenses for services provided by related parties as at 31 December 2022 and 1 January 2022, respectively:

(in CZK thousand)	Balance as at 31 December 2022	Balance as at 1 January 2022
Public Picture & Marketing a.s.	71	-
O2 IT Services s.r.o.	-	20
SCTbio a.s.	-	58
<b>Total</b>	<b>71</b>	<b>78</b>

The Company recognized the following accrued expenses for services provided by related parties as at 31 December 2022 and 1 January 2022, respectively:

(in CZK thousand)	Balance as at 31 December 2022	Balance as at 1 January 2022
SOTIO Biotech a.s.	8,475	11,200
SOTIO Biotech AG	-	17,402
O2 Czech Republic a.s.	39	12
PPF a.s.	-	312
<b>Total</b>	<b>8,514</b>	<b>28,926</b>

The Company recognized the following accrued income for services provided to related parties as at 31 December 2022 and 1 January 2022, respectively:

(in CZK thousand)	Balance as at 31 December 2022	Balance as at 1 January 2022
SOTIO Biotech AG	5,571	0
SOTIO Biotech a.s.	2,493	1,724
SOTIO Biotech Inc.	3,517	24,146
<b>Total</b>	<b>11,581</b>	<b>25,870</b>

In the period of 2022, the Company fully repaid its loan to the shareholder PPF Biotech B.V. which amounted to CZK 80,000 thousand as of 1 January 2022.

## SCT Cell Manufacturing s.r.o.

### Notes to the Financial Statements

for period ended 31 December 2022

Amounts are shown in thousands of Czech crowns ("CZK")

#### b) Fixed assets and materials

The Company had on stock low-value fixed assets and raw materials purchased from related parties as at 31 December 2022 and 1 January 2022, respectively:

(in CZK thousand)	Balance as at 31 December 2022	Balance as at 1 January 2022
PPF a.s.	15	15
SCTbio a.s.	-	-
SOTIO Biotech a.s.	-	-
O2 Czech Republic, a.s.	-	9
<b>Total</b>	<b>15</b>	<b>24</b>

#### c) Revenue and expenses - related parties

The Company recognized the following revenues from related parties for the period from 1 January 2022 to 31 December 2022:

(in CZK thousand)	1 January 2022 – 31 December 2022
Cytune Pharma SAS	262
SCTbio a.s.	5,276
SOTIO Biotech a.s.	7,571
SOTIO Biotech AG	10,778
SOTIO Biotech Inc.	92,309
PPF banka a.s.	230
<b>Total</b>	<b>116,426</b>

The Company recognized following expenses from related parties for the period from 1 January 2022 to 31 December 2022:

(in CZK thousand)	1 January 2022 – 31 December 2022
SCTbio a.s.	1,438
SOTIO Biotech a.s.	36,777
PPF a.s.	2,248
Public Picture & Marketing a.s.	478
O2 IT Services s.r.o.	14
O2 Czech Republic a.s.	288
PPF banka a.s.	20
<b>Total</b>	<b>41,263</b>

#### d) Remunerations and loans to members of the statutory bodies

The amounts of remuneration to the members of the statutory bodies cannot be stated due to the confidentiality reason because of having only single statutory representative. No loans have been granted to the Managing Director of the Company.

## SCT Cell Manufacturing s.r.o.

### Notes to the Financial Statements

for period ended 31 December 2022

Amounts are shown in thousands of Czech crowns ("CZK")

#### 3.15 Subsequent events after the date of the Financial Statements

There were no events after the date of the Financial Statements which would have a material impact on the Financial Statements.

Prepared on:	Signature of the statutory body
15 May 2023	RNDr. Luděk Sojka, PhD.  <i>Managing Director</i>

# SCT Cell Manufacturing s.r.o.

Notes to the Czech statutory Financial Statements (translated from the Czech original)

For period ended 31 December 2022

Amounts are shown in thousands of Czech Crowns ("CZK")

Appendix No. 1

## OVERVIEW OF INTANGIBLE AND TANGIBLE FIXED ASSETS

Account	013 software	014 valuable rights	019 other intangible assets	021 improvement	022 Plant and equipment	031 land	041 intangible assets in progress	042 tangible assets in progress	Total
<b>Acquisition cost</b>									
Balance as at 1 Jan 2022	33,391	-	648	19,025	109,522	27,038	2,836	5,885	198,345
Additions	5,168	-	-	124	1,359	-	7,857	1,483	15,991
Disposals	-	-	-	-	(758)	-	(-9,999)	(1,483)	(12,240)
Transfers	-	-	-	-	-	-	-	-	-
Balance as at 31 Dec 2022	38,559	-	648	19,149	110,123	27,038	694	5,885	202,096
<b>Accumulated amortisation /depreciation</b>									
Balance as at 1 Jan 2022	29,322	-	3	14,579	75,978	-	-	-	119,882
Additions to accumulated amortisation/depreciation	4,248	-	108	2,543	6,507	-	-	-	13,406
Disposals	-	-	-	-	(757)	-	-	-	(757)
Transfers	-	-	-	-	-	-	-	-	-
Balance as at 31 Dec 2022	33,570	-	111	17,122	81,728	-	-	-	132,531
<b>Adjustments</b>									
Balance as at 1 Jan 2022	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-
Release	-	-	-	-	-	-	-	-	-
Balance as at 31 Dec 2022	-	-	-	-	-	-	-	-	-
<b>Net book value</b>									
Balance as at 1 Jan 2022	4,069	-	646	4,446	33,544	27,038	2,836	5,885	78,464
Gross balance as at 31 Dec 2022	38,559	-	648	19,149	110,123	27,038	694	5,885	202,096
Correction balance as at 31 Dec 2022	(33,570)	-	(111)	(17,122)	(81,728)	-	-	-	(132,531)
Net balance as at 31 Dec 2022	4,989	-	537	2,027	28,395	27,038	694	5,885	69,565