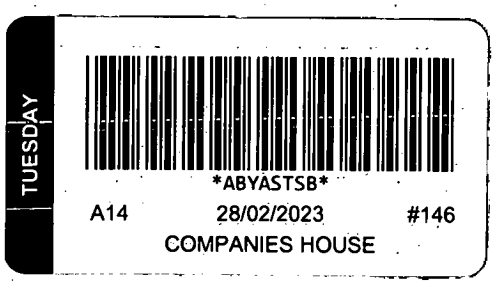
# Intercept Pharma Europe Ltd

Registered number: 09224395

## Annual Report

### For the year ended 31 December 2021



# INTERCEPT PHARMA EUROPE LTD

## COMPANY INFORMATION

| | |
|---|---|
| **Directors** | R Venezia<br>D Ford<br>G Higson<br>S R Kenyon<br>K Munster |
| **Company secretary** | Quayseco Limited |
| **Registered number** | 09224395 |
| **Registered office** | One Glass Wharf<br>Bristol<br>BS2 0ZX |
| **Independent auditor** | KPMG LLP<br>Chartered Accountants & Statutory auditors<br>15 Canada Square<br>London<br>E14 5GL |

## INTERCEPT PHARMA EUROPE LTD

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## STRATEGIC REPORT
## FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their strategic report for Intercept Pharma Europe Ltd ('the company') for the year ended 31 December 2021.

### Principal activity

The company's principal activities during the year were the sale of the Ocaliva product to other group undertakings, providing support services to other group undertakings and performing research & development activities.

The business is part of a biopharmaceutical company, Intercept Pharmaceuticals, Inc. (ultimate parent company) and its affiliates (the "group") focused on the development and commercialization of novel therapeutics to treat progressive non-viral liver diseases with high unmet medical need utilizing our proprietary bile acid chemistry. The first marketed product, Ocaliva® (obeticholic acid or "OCA"), is a farnesoid X receptor ("FXR") agonist approved in the United States and several other jurisdictions for the treatment of primary biliary cholangitis ("PBC") in combination with ursodeoxycholic acid ("UDCA") in adults with an inadequate response to UDCA or as monotherapy in adults unable to tolerate UDCA. In addition to commercializing OCA for PBC under the Ocaliva brand name, the group is also currently developing OCA for additional indications, including nonalcoholic steatohepatitis ("NASH"). The group is also developing product candidates in various stages of clinical and preclinical development.

In addition, the group continues to work to execute on its postmarketing regulatory commitments with respect to Ocaliva.

**Business review**

As of 1 January 2021, Brexit came into effect. After the end of the transition period, the company remained responsible for packaging and distribution of commercial product for the group's non-EU affiliates (including UK) and customer markets. The company is no longer responsible for packaging and distribution of commercial product for the group's EU affiliates and customer markets.

Compared to the prior year, turnover decreased by £51,837,124 or 21% due to the change in business operations after Brexit came into effect (as noted above), which resulted in less sales of goods to the United Kingdom and rest of world jurisdictions offset by an increase in turnover to the United States.

Compared to the prior year, administrative expenses decreased by £137,166,940 or 36% given the company realised a full year of cost savings resulting from the group-wide initiative announced in the prior year to further streamline operations and provided fewer support services to group undertakings given the termination of arrangements due to Brexit.

In the current year, the company recognised into income £7,184,980 of tax credits under the U.K. Research and Development Expenditure Scheme, compared to £17,302,887 in the prior year.

The lead development product candidate remains OCA for the potential treatment of NASH.

In December 2021, the parent company withdrew its Marketing Authorization Application ("MAA") to the European Medicines Agency (the "EMA") seeking conditional approval of OCA for liver fibrosis due to NASH as the established application timeline could not be extended any further to allow for submission of additional safety and efficacy data being generated from the REGENERATE study and the Committee for Medicinal Products for Human Use was not able to determine a positive benefit-risk based on previously submitted data. The company will continue to pursue development of OCA for NASH.

**Principal risks and uncertainties**

We set out below the principal risks and uncertainties relating to the company. The company has processes and controls in place to actively manage these risks and uncertainties.

**Intellectual property risks**

- It is difficult and costly to protect our proprietary rights, and we may not be able to ensure their protection. If our patent position does not adequately protect our products such as Ocaliva and product candidates such as OCA for liver fibrosis due to NASH, others may compete against us more directly, which could harm our business, possibly materially.

- We may incur substantial costs as a result of litigation or other proceedings relating to patent and other intellectual property rights, and such litigation may divert the attention of our management and scientific personnel and adversely affect our development and commercialization efforts.

- We may infringe the intellectual property rights of others, which may prevent or delay our product development efforts and/or delay, halt or increase the costs of our commercialization efforts.

**Financial position**

- We have incurred net losses since our incorporation of £964,798,279 (2020: £924,970,121).

- We will require substantial additional funding, which may not be available to us on acceptable terms, if at all. If adequate funds are not available to us, we may be required to delay, limit, reduce or cease our operations.

- To date, we have been funded by our parent company.

**Regulatory risks**

- Failure can occur at any stage of clinical development. The results of earlier clinical trials are not necessarily predictive of future results and any product candidate we or our collaborators advance through clinical trials, including OCA, may not have favorable results in later clinical trials or receive or maintain regulatory approval.

- We may not be able to obtain or, if approved, maintain orphan drug exclusivity for our approved products or product candidates, which could cause our turnover to suffer.

- Delays or difficulties in the commencement, enrolment and completion of our clinical trials and studies could increase our product development costs and delay, limit or prevent us from obtaining regulatory approval for OCA and our other product candidates.

- We are subject to uncertainty relating to pricing and reimbursement. Failure to obtain or maintain adequate coverage, pricing and reimbursement for Ocaliva for PBC, OCA for liver fibrosis due to NASH, if approved, or our other future approved products, if any, could have a material adverse impact on our ability to commercialize such products

**Commercialisation risks**

- Ocaliva and our other future approved products, if any, may not achieve broad market acceptance among physicians, patients and healthcare payors, and revenues generated from their sales may be limited as a result.

- If we fail to develop OCA for additional indications such as NASH, our commercial opportunity will be limited.

**The withdrawal of the United Kingdom from the European Union**

Brexit came into effect on January 1, 2021, at which time the existing centrally approved marketing authorization for Ocaliva was automatically converted into a UK marketing authorization by the UK medicines regulator, MHRA. In general, tariffs and quotas on trade have not been introduced, although administrative complications and regulatory restrictions have reduced the freedom of cross-border trade. To date the new trading arrangements have not had a significant impact on the company.

Over time, Brexit may result in material changes to the regulations applicable to the company.

**Section 172(1) Statement for 2021 of Intercept Pharma Europe Ltd. ("IPEL")**

Introduction

Section 172(1) of the Companies Act 2006 provides that a director of a company has a duty to act in the way that he or she considers, in good faith, would be most likely to promote the success of the company for the benefit of its members (i.e., shareholders) as a whole, and in doing so have regard (amongst other matters) to:

(a) the likely consequences of any decision in the long term,
(b) the interests of the company's employees,
(c) the need to foster the company's business relationships with suppliers, customers, and others,
(d) the impact of the company's operations on the community and the environment,
(e) the desirability of the company maintaining a reputation for high standards of business conduct, and
(f) the need to act fairly as between members of the company.

Section 414CZA of the Companies Act 2006 further provides that a strategic report for a financial year of a company must include a "section 172(1) statement" that describes how the directors have considered the matters set out in clauses (a) to (f) above when performing their duty under section 172.

This is that statement for the strategic report for 2021. This statement discusses 2021 and, where relevant, events that occurred in 2022 (after the balance sheet date of 31 December 2021).

Section 426B of the Companies Act 2006 additionally provides that a company must ensure that its section 172(1) statement is made available on its website (at least until the section 172(1) statement for the next financial year is made available) and that the website identifies the company in question.

Governance Overview

As described in the strategic report, IPEL is a wholly owned subsidiary of Intercept Pharmaceuticals, Inc. ("**ICPT Inc.**"), a U.S. publicly traded biopharmaceutical company focused on the development and commercialization of novel therapeutics to treat progressive non-viral liver diseases, including primary biliary cholangitis ("**PBC**"), and nonalcoholic steatohepatitis ("**NASH**"). ICPT Inc. and IPEL have one commercial product, Ocaliva® (obeticholic acid) ("**OCA**") for the treatment of PBC, and are pursuing additional product candidates and indications, including OCA for the treatment of NASH.

IPEL licenses intellectual property rights from ICPT Inc. Prior to 2021, IPEL distributed OCA to its affiliates for further distribution. Beginning in 2021, on account of Brexit, IPEL also licensed certain intellectual property to its Irish affiliate so that the Irish affiliate could distribute OCA in the European Union. In 2022 (after the end of the 2021 financial period), ICPT Inc. and IPEL sold their ex-U.S. commercial operations to Advanz Pharma and affiliates ("**Advanz**"), and sublicensed to Advanz the right to commercialize Ocaliva outside of the United States, including by entering into a sublicense agreement; a business transfer agreement ("**BTA**") with IPEL transferring certain business assets to Advanz, including pertinent employees; and a supply agreement with IPEL supplying OCA in bulk tablet form to Advanz, with Advanz responsible for packaging and labeling in its territory.

The directors of IPEL take seriously their duty to promote the success of IPEL for the benefit of ICPT Inc., its sole shareholder. In 2021, the board met four times, and also acted when needed via written resolution without a meeting (three times), including via its share allotment committee (one additional time). In those meetings, the board was informed about, discussed, and considered topics and updates including regarding the commercial business, finance and tax matters, the OCA supply chain, intra-group relations, research and development ("**R&D**") and product development matters, regulatory matters, and other matters.

For day-to-day matters, the board delegated management of IPEL to its employees, and operated in coordination with the group-wide governance structures maintained by ICPT Inc. and its affiliates.

(a) Long-term consequences

The directors of IPEL consider the long-term consequences of their decisions. In particular:

- The directors considered the post-Brexit regulatory environment in arranging IPEL's licensing and other arrangements with its Irish affiliate, and in managing on an overall basis IPEL's intra-group structure and relations.

- The directors have supported IPEL's continued investment in R&D in OCA for NASH, and in support of post-marketing obligations for Ocaliva for PBC. In 2021 (and continuing in 2022), there continued to be important R&D developments, and important regulatory developments, including:

  - In May 2021, an update to U.S. prescribing information for Ocaliva for PBC;
  - In December 2021, the withdrawal of the Intercept group's marketing authorization application ("**MAA**") to the European Medicines Agency ("**EMA**") for OCA for NASH;
  - In June 2022, the announcement of new clinical trial and real-world outcomes data for Ocaliva for PBC;
  - In July 2022, the announcement of positive data in fibrosis due to NASH from a new analysis of the Intercept group's REGENERATE study; and
  - In September 2022, the announcement that the Intercept group's REVERSE study did not meet its primary endpoint.

  The directors of IPEL stayed informed and involved regarding these important matters.

- In 2022, the directors evaluated the consideration payable, and financial and strategic implications, and decided to sell the business to Advanz described above, for consideration of USD $364.5 million (plus the possibility of a future earn-out) for the sublicense, and USD $1 million for the BTA. IPEL used the funds from Advanz to pay down its intercompany payable to ICPT Inc.

- The directors understand that IPEL's intellectual property rights are crucial to the long-term value of the business. Accordingly, the directors approved the settlement of a number of patent litigations in 2022 and 2023 with generic manufacturers. Similar patent litigation with other generic manufacturers remains pending.

(b) Interests of company employees

As part of promoting the success of IPEL, the directors of IPEL consider the interests of IPEL's employees. The Intercept group generally, and IPEL specifically, have been managed on the human resources side by skilled professionals who prioritize employee benefits and satisfaction. In particular:

- In August and September 2021, ICPT Inc. implemented a one-time stock option exchange program for its non-executive employees (including employees of IPEL and its other subsidiaries) to exchange underwater (out of the money) stock option awards for new, at-the-money awards. Employees exchanged a majority of eligible options (86.9%) at an overall exchange ratio of 1.81 old options for each new option.

- In 2022, as part of the Advanz sale and transfer of IPEL employees, ICPT Inc. modified certain equity awards to accelerate vesting, because those employees would have otherwise forfeited the awards. The management team of the Intercept group believed that, under these circumstances, treating the sale of subsidiary operations as similar to a change of control (which is defined at the parent company level and thus did not occur), rather than as a termination of employment from the Intercept group, supported employee morale, the value of the sold business, and the value of the transaction.

- In 2021 (and continuing in 2022), IPEL continued to operate flexibly regarding remote and hybrid work arrangements on account of the COVID pandemic, reflecting individual considerations and preferences, and benefiting employee morale and health. Since the pandemic has receded, IPEL has maintained significant flexibility with employee work arrangements.

- In 2021 (and continuing in 2022), the Intercept group, including IPEL, emphasized communication of company conditions and strategy to employees via regular "all employee update" meetings that included management presentations and Q&A sessions. IPEL also worked to keep its employees appropriately informed about the Advanz sale, and its human resources ("**HR**") implications.

(c) Business relationships

As part of promoting the success of IPEL, the directors of IPEL consider the need to foster IPEL's business relationships with suppliers, customers, and others. In particular, the following topics have been focuses of IPEL and its board, regularly considered and discussed by its directors and employees:

- Supply chain matters, including relationships with important vendors.

- Vendor and contractor relationships generally, particularly on the supply chain side and on the clinical trial side.

- Sales and distribution relationships, which for IPEL generally involve sales to Intercept affiliates or other distributors operating in particular jurisdictions where Ocaliva has been approved for sale.

- Post-Brexit, the structure of the relationship between IPEL and its Irish affiliate so that Ocaliva can be sold in the European Union pursuant to regulatory requirements.

- In 2022, the relationship between IPEL and Advanz, particularly in regard to their supply agreement, and supply and manufacturing topics generally.

- In 2022, assignment of IPEL business contracts to Advanz, transition of vendor relationships, and transition and integration matters. Good communication among IPEL, Advanz, and the vendors promotes brand value for IPEL and supports the value of the sold business.

(d) Community and environment

As part of promoting the success of IPEL, the directors of IPEL consider the impact of IPEL's operations on the community and the environment. In particular:

- In 2021 (and continuing in 2022), IPEL continued to operate flexibly regarding remote and hybrid work arrangements on account of the COVID pandemic. This practice reduced the likelihood of spreading illnesses, and also reduced the environmental impact from daily commuting.

- In 2022, ICPT Inc. promulgated for itself and its subsidiaries (including IPEL) an Environmental Policy, a Labor Policy, and a Human Rights Policy, which are posted on the Intercept group's website (https://ir.interceptpharma.com/corporate-governance).

    - The Environmental Policy highlights Intercept's commitment to responsible environmental stewardship and the use of safe, smart, and sustainable business practices, including in the categories of energy use, water use, waste management, and procurement and sustainability.

- The Labor Policy describes important standards of conduct for Intercept and its vendors, including no child labor, no involuntary labor, fair wages and benefits, appropriate working conditions, labor rights, non-discrimination, non-harassment, and workplace and occupational safety.

- The Human Rights Policy describes important standards of conduct for Intercept and its vendors, including regarding diversity, inclusion, equal opportunity, and non-discrimination.

(e) High reputation

As part of promoting the success of IPEL, the directors of IPEL consider the desirability of IPEL maintaining a reputation for high standards of business conduct. As a global organization, the Intercept group follows a Global Code of Business Conduct (the "**Code**") available on its website (https://ir.interceptpharma.com/corporate-governance). The Code emphasizes the responsibility of employees to meet the highest ethical standards when dealing with patients, healthcare providers, regulators, suppliers, payers, and others. Particular emphases include:

- A compliance and ethics hotline;
- Pharmaceutical product and patient safety and adverse event reporting;
- A prohibition on bribery;
- Restrictions on improper gifts, meals, or hospitality; and
- Appropriate interactions with healthcare professionals and government representatives.

(f) Acting fairly

Because IPEL has only one member (ICPT Inc.), the need to act fairly between members of the company is not a concern for IPEL.

**Financial key performance indicators**

The company's key financial performance indicator is the total research and development cost for the year of £140,076,842 (2020: £132,903,214).

This report was approved by the board and signed on its behalf by:

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Rocco Venezia
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**R Venezia**
Director

Date: 27 February 2023

## DIRECTORS' REPORT
## FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report and the audited financial statements for the year ended 31 December 2021.

### Principal activity

The principal activity of the company is that of research and development in PBC and NASH and commercialisation of OCA in PBC.

### Results and dividends

The loss for the year, after taxation, amounted to £39,828,158 (2020: loss of £117,078,293).

During the year there were no dividends paid or declared (2020: £nil).

### Directors

The directors who served during the year and to the date of this report were:

M Pruzanski (resigned 1 January 2021)
S Kapadia (resigned 26 March 2021)
S Arnold (resigned 26 February 2021)
R J Carey (resigned 7 January 2021)
C Stockwell (resigned 29 October 2021)
R Venezia (appointed 17 March 2021)
W W Van Weperen (appointed 28 June 2021, resigned 1 July 2022)
L Richardson (appointed 28 June 2021, resigned 24 January 2023)
M Gemellaro (appointed 28 June 2021, resigned 24 January 2023)
Dr O A Adekunle (appointed 19 October 2021, resigned 1 July 2022)
D Ford (appointed 24 January 2023)
G Higson (appointed 24 January 2023)
S R Kenyon (appointed 24 January 2023)
K Munster (appointed 24 January 2023)

### Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

### Future developments

The company plans to continue to incur the research and development expenses for the foreseeable future and continue the development of OCA for the treatment of PBC and NASH as well as commercialise OCA for PBC subject to the availability of additional funding. The company also plans to continue to manufacture and supply obeticholic acid globally.

### Research and development activities

Conducting preclinical studies and clinical trials, pursuing regulatory approvals and engaging in other product development activities.

**Going concern**

Notwithstanding net current liabilities of £232,789,492 as at 31 December 2021 and a loss for the year then ended of £39,828,158 the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, including a continuation of turnover at the levels achieved during 2021, the company will have sufficient funds, through funding from its ultimate parent company, Intercept Pharmaceuticals, Inc., to meet its liabilities as they fall due for that period.

Those forecasts are dependent on Intercept Pharmaceuticals, Inc. not seeking repayment of the amounts currently due to the group, which as at 31 December 2021 amounted to £858,655,923, and providing additional financial support during that period. Intercept Pharmaceuticals Inc has indicated its intention to continue to make available such funds as are needed by the company, and that it does not intend to seek repayment of the amounts due at the balance sheet date, for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

As set out in Note 23, during the year Intercept Pharmaceuticals, Inc. provided funding of £34,105,500 against which shares were issued on 22 December 2022, the company's cash balance at 31 December 2022 was £1,903,461.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

**Greenhouse gas emissions, energy consumption and energy efficiency action**

The company is a low energy user under the SECR guidance for the current and prior year, and therefore environmental reporting disclosures have not been presented.

**Matters covered in the Strategic report**

As permitted by Paragraph 1A of Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 certain matters which are required to be disclosed in the Directors' Report have been omitted as they are included in the Strategic Report on page 1. These matters relate to stakeholder engagement.

**Disclosure of information to auditor**

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**Post balance sheet events**

On 24 February 2022 Russian Forces entered Ukraine, resulting in Western Nation reactions including announcements of sanctions against Russia and Russian interests worldwide and an economic ripple effect on the global economy. The directors have carried out an assessment of the potential impact of Russian Forces entering Ukraine on the business, including the impact of mitigation measures and uncertainties, and have concluded that there are no significant impacts.

On 5 May 2022 Intercept Pharmaceuticals, Inc. the company entered into a series of agreements to sell the its ex-U.S. commercial operations, and sublicense the right to commercialize Ocaliva® (obeticholic acid) outside of the United States to Advanz Pharma and its affiliates.

Pursuant to the Supply and Manufacture Agreement, the company will supply OCA in bulk tablet form to Amdipharm Limited.

Pursuant to the Sublicense Agreement for consideration of $364.5 million, plus a $45 million earnout, payable upon Advanz's receipt of extensions of orphan drug exclusivity in Europe, Intercept Pharmaceuticals, Inc. and the company granted the following licenses to Mercury Pharma Group Limited with respect to Ocaliva for the treatment of PBC and obeticholic acid ("OCA") for the treatment of NASH:

(1) an exclusive, fully paid-up, perpetual and irrevocable license under the licensed intellectual property to develop,commercialize, package and label, use and import Ocaliva for the treatment of PBC; and

(2) an exclusive, royalty-bearing license to develop, commercialize, package and label, use and import a product containing OCA as the sole active pharmaceutical ingredient for the treatment of NASH, with a royalty based on net sales.

Pursuant to the Business Transfer Agreement transferred its commercial business assets, including pertaining to ex-U.S. packaging, labelling, marketing, and sales (but excluding product development or manufacture), including transfer of pertinent employees, for consideration of $1 million.

The company will maintain an office in the UK to manage its global supply chain, support its quality organization, and support its global clinical trials.

The transactions were completed on 1 July 2022 and the company received total cash proceeds of $365.5 million.

**Post balance sheet events (continued)**

After the year end the company issued the following shares:

| Date of issue | Number of shares | Nominal value | Amount paid | Share premium |
|---|---|---|---|---|
| 22/12/2022 | 1 | 1 | 1,850,000 | 1,849,999 |
| 22/12/2022 | 1 | 1 | 1,332,000 | 1,331,199 |
| 22/12/2022 | 1 | 1 | 318,750 | 318,749 |
| 22/12/2022 | 1 | 1 | 803,000 | 802,999 |
| 22/12/2022 | 1 | 1 | 73,000 | 72,999 |
| 22/12/2022 | 1 | 1 | 131,250 | 131,249 |
| 22/12/2022 | 1 | 1 | 2,625,000 | 2,624,999 |
| 22/12/2022 | 1 | 1 | 75,000 | 74,999 |
| 22/12/2022 | 1 | 1 | 836,000 | 835,999 |
| 22/12/2022 | 1 | 1 | 115,500 | 115,499 |
| 22/12/2022 | 1 | 1 | 2,133,000 | 2,132,299 |
| 22/12/2022 | 1 | 1 | 810,000 | 809,999 |
| 22/12/2022 | 1 | 1 | 410,000 | 409,999 |
| 22/12/2022 | 1 | 1 | 160,000 | 159,999 |
| 22/12/2022 | 1 | 1 | 800,000 | 799,999 |
| 22/12/2022 | 1 | 1 | 486,000 | 485,999 |
| 22/12/2022 | 1 | 1 | 492,000 | 491,999 |
| 22/12/2022 | 1 | 1 | 1,530,000 | 1,529,999 |
| 22/12/2022 | 1 | 1 | 415,000 | 414,999 |
| 22/12/2022 | 1 | 1 | 913,000 | 912,999 |
| 22/12/2022 | 1 | 1 | 2,788,000 | 2,787,999 |
| 22/12/2022 | 1 | 1 | 1,176,000 | 1,175,999 |
| 22/12/2022 | 1 | 1 | 1,462,000 | 1,461,999 |
| 22/12/2022 | 1 | 1 | 688,000 | 687,999 |
| 22/12/2022 | 1 | 1 | 391,500 | 391,949 |
| 22/12/2022 | 1 | 1 | 1,260,000 | 1,259,999 |
| 22/12/2022 | 1 | 1 | 90,000 | 89,999 |
| 22/12/2022 | 1 | 1 | 133,500 | 133,499 |
| 22/12/2022 | 1 | 1 | 1,188,000 | 1,187,999 |

**Post balance sheet events (continued)**

| | | | | |
|---|---|---|---|---|
| 22/12/2022 | 1 | 1 | 1,068,000 | 1,067,999 |
| 22/12/2022 | 1 | 1 | 176,000 | 175,999 |
| 22/12/2022 | 1 | 1 | 88,000 | 87,999 |
| 22/12/2022 | 1 | 1 | 86,000 | 85,999 |
| 22/12/2022 | 1 | 1 | 4,000,000 | 3,999,999 |
| 22/12/2022 | 1 | 1 | 1,008,000 | 1,007,999 |
| 22/12/2022 | 1 | 1 | 205,000 | 204,999 |
| 22/12/2022 | 1 | 1 | 1,989,000 | 1,988,999 |
| **Total** | **37** | **37** | **34,105,500** | **34,105,463** |

**Auditor**

The auditor, KPMG LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf by:

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Rocco Venezia
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**R Venezia**
Director

Date: 27 February 2023

## STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERCEPT PHARMA EUROPE LTD

### Opinion

We have audited the financial statements of Intercept Pharma Europe Ltd (the 'company') for the year ended 31 December 2021 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and related notes to the financial statements, including the accounting policies in note 2.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

**Fraud and breaches of laws and regulations – ability to detect**

*Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to the Company's high level policies and procedures to prevent and detect fraud and the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual,suspected or alleged fraud.
- Reading Board meeting minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropiate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because all revenue transactions are intercompany and at agreed markup rates.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included revenue and cash journals posted to unusual accounts and post closing journal entries.

*Identifying and responding to risks of material misstatement related to compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of noncompliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Company's license to operate. We identified the following areas as those most likely to have such an effect: MHRA regulations, health and safety, anti-bribery, employment law and General Data Protection Requirements recognising the nature of the company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach

*Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

**Strategic report and Directors' report**

The directors are responsible for the Strategic report and the Directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the Strategic report and Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Strategic report and the Directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

**Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERCEPT PHARMA EUROPE LTD

### Directors' responsibilities

As explained more fully in their statement set out on page 13, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view, such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

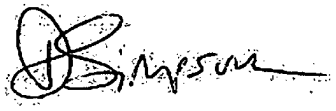
### Auditor's responsibilities

*Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free* from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can 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 users taken on the basis of these financial statements.

A fuller description of our responsibilities is located on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

### The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**David Simpson (Senior Statutory Auditor)**
**for and on behalf of KPMG LLP, Statutory Auditor**
*Chartered Accountants*
15 Canada Square
London

Date: 28 February 2023

## STATEMENT OF COMPREHENSIVE INCOME
## FOR THE YEAR ENDED 31 DECEMBER 2021

| | Note | 2021 £ | 2020 £ |
|---|---|---|---|
| Turnover | 4 | 193,661,660 | 245,498,784 |
| Cost of sales | 5 | (1,320,970) | (3,359,196) |
| **Gross profit** | | 192,340,690 | 242,139,588 |
| Administrative expenses | | (239,353,828) | (376,520,768) |
| **Operating loss** | 6 | (47,013,138) | (134,381,180) |
| **Loss on ordinary activities before tax** | | (47,013,138) | (134,381,180) |
| Tax credit on loss | 10 | 7,184,980 | 17,302,887 |
| **Loss for the financial year** | | (39,828,158) | (117,078,293) |
| Other comprehensive income | | - | - |
| **Total comprehensive expense for the year** | | (39,828,158) | (117,078,293) |

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes on pages 21 to 44 form part of these financial statements.

**INTERCEPT PHARMA EUROPE LTD**
**REGISTERED NUMBER: 09224395**

## STATEMENT OF FINANCIAL POSITION
## AS AT 31 DECEMBER 2021

| | Note | | 2021 £ | | 2020 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Intangible assets | 11 | | 3,371,328 | | 3,933,217 |
| Tangible assets | 12 | | 71,602 | | 190,269 |
| | | | 3,442,930 | | 4,123,486 |
| **Current assets** | | | | | |
| Stocks | 13 | 5,944,359 | | 6,296,172 | |
| Debtors: amounts falling due within one year | 14 | 721,458,582 | | 559,202,917 | |
| Cash at bank and in hand | 15 | 2,689,752 | | 4,871,816 | |
| | | 730,092,693 | | 570,370,905 | |
| Creditors: amounts falling due within one year | 16 | (962,882,185) | | (796,887,641) | |
| **Net current liabilities** | | | (232,789,492) | | (226,516,736) |
| **Total assets less current liabilities** | | | (229,346,562) | | (222,393,250) |
| **Net liabilities** | | | (229,346,562) | | (222,393,250) |
| **Capital and reserves** | | | | | |
| Called up share capital | 17 | | 251 | | 225 |
| Share premium account | 18 | | 717,197,159 | | 685,428,721 |
| Shared based payment reserve | 18 | | 18,254,307 | | 17,147,925 |
| Profit and loss account | 18 | | (964,798,279) | | (924,970,121) |
| **Total equity** | | | (229,346,562) | | (222,393,250) |

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:
Rocco Venezia
D7F937D7B0B84DA...

**R Venezia**
Director

Date: 27 February 2023

The notes on pages 21 to 44 form part of these financial statements.

## STATEMENT OF CHANGES IN EQUITY
## FOR THE YEAR ENDED 31 DECEMBER 2021

| | Called up share capital | Share premium account | Share based payment reserve | Retained earnings | Total equity |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| **At 1 January 2020** | 196 | 635,719,150 | 13,568,057 | (807,891,828) | (158,604,425) |
| **Comprehensive income for the year** | | | | | |
| Loss for the year | - | - | - | (117,078,293) | (117,078,293) |
| **Total comprehensive income for the year** | - | - | - | (117,078,293) | (117,078,293) |
| Shares issued during the year | 29 | 49,709,571 | - | - | 49,709,600 |
| Share based payments | - | - | 3,579,868 | - | 3,579,868 |
| **Total transactions with owners** | 29 | 49,709,571 | 3,579,868 | - | 53,289,468 |
| **At 1 January 2021** | 225 | 685,428,721 | 17,147,925 | (924,970,121) | (222,393,250) |
| **Comprehensive income for the year** | | | | | |
| Loss for the year | - | - | - | (39,828,158) | (39,828,158) |
| **Total comprehensive income for the year** | - | - | - | (39,828,158) | (39,828,158) |
| Shares issued during the year | 26 | 31,768,438 | - | - | 31,768,464 |
| Share based payments | - | - | 1,106,382 | - | 1,106,382 |
| **Total transactions with owners** | 26 | 31,768,438 | 1,106,382 | - | 32,874,846 |
| **At 31 December 2021** | 251 | 717,197,159 | 18,254,307 | (964,798,279) | (229,346,562) |

The notes on pages 21 to 44 form part of these financial statements.

## 1. General information

Intercept Pharma Europe Ltd (the "company") is a private company incorporated, domiciled and registered in England and Wales. The registered number is 09224395 and the registered address and principal place of business is One Glass Wharf, Bristol, BS2 0ZX.

The principal activity of the company is that of research and development in PBC and NASH and commercialisation of OCA in PBC.

The company is a wholly owned subsidiary of Intercept Pharmaceuticals, Inc.

## 2. Accounting policies

### 2.1 Basis of preparation of financial statements

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). The financial statements are presented in Pound Sterling which is the currency of the primary economic environment in which the company operates and are rounded to the nearest pound.

The following principal accounting policies have been applied:

### 2.2 Measurement convention

The financial statements are prepared on the historical cost basis unless otherwise noted.

### 2.3 Financial reporting standard 102 - reduced disclosure exemption

The company has taken advantage of the disclosure exemptions, as permitted by FRS 102 paragraph 1.12. The company has therefore complied with the applicable conditions, including providing notification of the use of exemptions to the company's shareholders who have not objected to the use of such disclosure exemptions.

Consolidated financial statements of Intercept Pharmaceuticals, Inc are prepared in accordance with US GAAP. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Intercept Pharmaceuticals, Inc. include the disclosures equivalent to those required by FRS 102, the company has also taken the exemptions available in respect of the following disclosures:

- Certain disclosures required by FRS 102.26 Share Based Payments; and;
- Certain disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12
- Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

## 2. Accounting policies (continued)

### 2.4 Going concern

Notwithstanding net current liabilities of £232,789,492 as at 31 December 2021 and a loss for the year then ended of £39,828,158 the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, including a continuation of turnover at the levels achieved during 2021, the company will have sufficient funds, through funding from its ultimate parent company, Intercept Pharmaceuticals, Inc., to meet its liabilities as they fall due for that period.

Those forecasts are dependent on Intercept Pharmaceuticals, Inc. not seeking repayment of the amounts currently due to the group, which as at 31 December 2021 amounted to £858,655,923, and providing additional financial support during that period. Intercept Pharmaceuticals Inc has indicated its intention to continue to make available such funds as are needed by the company, and that it does not intend to seek repayment of the amounts due at the balance sheet date, for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

As set out in Note 23, during the year Intercept Pharmaceuticals, Inc. provided funding of £34,105,500 against which shares were issued on 22 December 2022, the company's cash balance at 31 December 2022 was £1,903,461.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

### 2.5 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

**Sale of goods**

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

## 2. Accounting policies (continued)

### 2.6 Intangible assets

The proprietary nature of, and protection for, the product candidates and the discovery programs, processes and know-how are important to company's business. The company and its licensors have sought patent protection in the United States and internationally for the product candidates and the discovery programs, and other inventions to which the company has rights, where available and when appropriate. The company's policy is to pursue, maintain and defend patent rights, whether developed internally or licensed from third parties, and to protect the technology, inventions and improvements that are commercially important to the development of our business. The company also relies on trade secrets that may be important to the development of our business.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

| | | |
|---|---|---|
| Licenses | - | 12 years |

Amortisation is included in 'administrative expenses' in the statement of comprehensive income.

### 2.7 Tangible assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

## 2. Accounting policies (continued)

### 2.7 Tangible assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

| | |
|---|---|
| Leasehold improvements | - 7 to 8 years |
| Fixtures and fittings | - 7 years |
| Office equipment | - 3 years |
| Computer equipment | - 3 years |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

### 2.8 Operating leases

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

### 2.9 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads. The company capitalises inventory costs associated with the company's product after regulatory approval when, based on management's judgement, future commercialisation is considered probable and the future economic benefit is expected to be realised; otherwise, such costs are expensed as research and development.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the statement of comprehensive income.

### 2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

## 2. Accounting policies (continued)

### 2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

### 2.12 Research and development costs

Since incorporation, the company has focused its resources on research and development activities, including conducting preclinical studies and clinical trials, manufacturing development efforts and activities related to regulatory filings for OCA. The company recognises research and development expenses, as they are incurred, in the statement of comprehensive income.

Research and development expenses consist primarily of direct costs, personnel costs and indirect costs such as the following:

**Direct costs:**

- fees paid to consultants and clinical research organizations, or CROs, including in connection with our preclinical and clinical trials, and other related clinical trial fees, such as for investigator grants, patient screening, laboratory work, clinical trial database management, clinical trial material management and statistical compilation and analysis;
- costs related to activities associated with acquiring and manufacturing OCA;
- costs associated with discovery and early stage research initiatives; and
- costs related to compliance with regulatory requirements.

**Personnel costs:**

- salaries and related benefit expenses for personnel in research and development functions; and
- costs related to stock compensation granted to personnel in research and development functions.

**Indirect costs:**

- rent and other facilities related costs; and
- product related legal costs.

The company plans to continue to incur the research and development expenses for the foreseeable future and continue the development of OCA for the treatment of PBC and NASH as well as commercialise OCA for PBC subject to the availability of additional funding.

Research and development costs that do not have alternative future use are charged to expense as incurred. This includes the cost of conducting clinical trials, compensation and related overhead for employees and consultants involved in research and development and the cost of the company's manufacturing activities to supply ongoing and future clinical trials and preclinical studies as well as preparations for commercialisation of obeticholic acid or OCA.

## 2. Accounting policies (continued)

### 2.13 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and loans to related parties.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

### 2.14 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### 2.15 Foreign currency translation

**Functional and presentation currency**

The company's functional and presentation currency is Pounds Sterling.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses are presented in the statement of comprehensive income within 'administrative expenses'.

## 2. Accounting policies (continued)

### 2.16 Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

### 2.17 Pensions

**Defined contribution pension plan**

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

## 2. Accounting policies (continued)

### 2.18 Taxation

Tax is recognised in the statement of comprehensive income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

## 3. Judgements in applying accounting policies and key sources of estimation uncertainty

The directors believe that there are no critical judgements or material sources of estimation uncertainty for this financial year.

## 4. Turnover

All turnover is attributable to the sale of goods.

Analysis of turnover by country of destination:

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| United Kingdom | 10,158,927 | 13,260,267 |
| United States of America | 171,762,981 | 172,280,221 |
| Rest of world | 11,739,752 | 59,958,296 |
| | 193,661,660 | 245,498,784 |

## 5. Cost of sales

Cost of sales primarily relate to packaging and labelling expenses.

## 6. Operating loss

The operating loss is stated after charging/(crediting):

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| Research & development charged as an expense | 140,076,842 | 132,903,214 |
| Depreciation of tangible assets (note 12) | 118,667 | 135,574 |
| Amortisation of intangible assets (note 11) | 561,889 | 561,889 |
| Exchange differences | (674,201) | 3,366,273 |
| Other operating lease rentals | 1,103,347 | 1,121,109 |
| Defined contribution pension cost (notes 8 and 20) | 402,076 | 667,813 |
| Share based payment (note 19) | 672,854 | 1,553,056 |
| Restricted stock awards (note 19) | 433,529 | 2,026,812 |
| Impairment of inventory (included in 'cost of sales') | 807 | 53,791 |

## 7. Auditor's remuneration

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| Fees payable to the company's auditor for the audit of the company's annual accounts | 70,000 | 70,000 |

## 8. Employees

Staff costs were as follows:

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| Wages and salaries | 6,589,808 | 11,475,317 |
| Social security costs | 880,701 | 1,388,624 |
| Cost of defined contribution scheme | 402,076 | 667,813 |
| | 7,872,585 | 13,531,754 |

The average monthly number of employees, including the directors, during the year was as follows:

| | 2021<br>No. | 2020<br>No. |
|---|---|---|
| Administrative | 9 | 13 |
| Management | 27 | 41 |
| Operations | 4 | 6 |
| | 40 | 60 |

## 9. Directors' remuneration

Directors do not receive emoluments from the company in their capacity as directors. The amounts disclosed relate to directors in their capacities as employees or consultants of the company.

Directors received emoluments from the company of £491,703 (2020: £816,456).

Total directors' remuneration for 2021 was £580,559 (2020: £1,408,870)

The aggregate of remuneration of the highest paid director was £255,380 (2020: £899,919) and company pension contributions of £27,438 (2020: £47,271) were made to a defined contribution scheme on his/her behalf.

No directors are accruing retirement benefits under money purchase or defined benefit schemes. No directors exercised share options.

The number of directors who received (or became entitled to) shares under long-term incentive schemes was 1 (2020: 2)

The notional cost of those directors not remunerated through Intercept Pharma Europe Limited, but borne by another company, has been considered and is not deemed to be significant.

## 10. Taxation

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| **Corporation tax** | | |
| Adjustments in respect of previous periods | (7,184,980) | (17,302,887) |
| **Taxation on loss** | (7,184,980) | (17,302,887) |

## 10. Taxation (continued)

### Factors affecting tax charge/(credit) for the year

The tax assessed for the year is higher than (2020: higher than) the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| Loss before tax | (47,013,138) | (134,381,180) |
| Loss before tax multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%) | (8,932,496) | (25,532,424) |
| **Effects of:** | | |
| Income not taxable for tax purposes | - | (11,323) |
| Fixed asset differences | 2,747 | 3,137 |
| Expenses not deductible for tax purposes | 210,276 | 692,475 |
| Adjustment to tax charge in respect of previous periods | (7,184,980) | (17,302,887) |
| Remeasurement of deferred tax for changes in tax rates | (53,664,066) | (14,535,164) |
| Other permanent differences | (137,880) | (597,068) |
| Adjustments to losses | 145,256 | - |
| R&D expenditure credits | 617,090 | - |
| Movement in deferred tax not recognised | 60,977,870 | 40,170,638 |
| Timing differences not recognised in the computation | 781,203 | (190,271) |
| **Total tax charge/(credit) for the year** | (7,184,980) | (17,302,887) |

## 10. Taxation (continued)

### Factors that may affect future tax charges

In the March 2021 Budget, it was announced that the UK tax rate will increase from 19% to 25% with effect from April 1, 2023. This was substantively enacted on 24 May 2021.

The carried forward deferred tax value of the trading losses is £210,283,843 (2020: £162,049,034) which has not been recognised.

The company also has unrecognised fixed asset and short term timing differences of £131,195 (2020: £79,909) and £13,185,237 (2020: £1,590,590) respectively. As it is currently uncertain as to when the company will be profitable, no deferred tax asset has been recognised.

## 11. Intangible assets

| | License £ |
|---|---|
| **Cost** | |
| At 1 January 2021 | 6,742,662 |
| At 31 December 2021 | 6,742,662 |
| **Amortisation** | |
| At 1 January 2021 | 2,809,445 |
| Charge for the year | 561,889 |
| At 31 December 2021 | 3,371,334 |
| **Net book value** | |
| At 31 December 2021 | 3,371,328 |
| At 31 December 2020 | 3,933,217 |

## 12. Tangible assets

| | Leasehold improvements £ | Fixtures and fittings £ | Office equipment £ | Computer equipment £ | Total £ |
|---|---|---|---|---|---|
| **Cost** | | | | | |
| At 1 January 2021 | 264,269 | 605,044 | 82,935 | 378,842 | 1,331,090 |
| At 31 December 2021 | 264,269 | 605,044 | 82,935 | 378,842 | 1,331,090 |
| **Depreciation** | | | | | |
| At 1 January 2021 | 235,293 | 456,176 | 70,510 | 378,842 | 1,140,821 |
| Charge for the year | 25,689 | 83,659 | 9,319 | - | 118,667 |
| At 31 December 2021 | 260,982 | 539,835 | 79,829 | 378,842 | 1,259,488 |
| **Net book value** | | | | | |
| At 31 December 2021 | 3,287 | 65,209 | 3,106 | - | 71,602 |
| At 31 December 2020 | 28,976 | 148,868 | 12,425 | - | 190,269 |

## 13. Stocks

| | 2021 £ | 2020 £ |
|---|---|---|
| Work in progress | 5,787,914 | 6,122,013 |
| Finished goods and goods for resale | 156,445 | 174,159 |
| | 5,944,359 | 6,296,172 |

Stock recognised in cost of sales during the year as an expense was £1,320,970 (2020: £3,359,196).

Stocks are stated after provisions for impairment of £nil (2020: £nil).

## 14. Debtors

| | 2021 £ | 2020 £ |
|---|---|---|
| Amounts owed by group undertakings | 716,698,240 | 555,777,302 |
| Other debtors | 1,641,340 | 1,987,695 |
| Prepayments and accrued income | 3,119,002 | 1,437,920 |
| | 721,458,582 | 559,202,917 |

Amounts owed by group undertakings are unsecured, interest free and payable on demand.

## 15. Cash and cash equivalents

| | 2021 £ | 2020 £ |
|---|---|---|
| Cash at bank and in hand | 2,689,752 | 4,871,816 |

## 16. Creditors: Amounts falling due within one year

| | 2021 £ | 2020 £ |
|---|---|---|
| Trade creditors | 2,383,121 | 2,858,321 |
| Amounts owed to group undertakings | 943,578,235 | 784,486,728 |
| Other creditors | 1,309 | 1,305 |
| Accruals | 16,919,520 | 9,541,287 |
| | 962,882,185 | 796,887,641 |

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

## 17. Share capital

| | 2021 £ | 2020 £ |
|---|---|---|
| **Allotted, called up and fully paid** | | |
| 251 (2020: 225) ordinary shares of £1 each | 251 | 225 |

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

During the year the company issued the following shares:

| Date of issue | Number of shares | Nominal value | Amount paid | Share premium |
|---|---|---|---|---|
| 08/03/2021 | 1 | 1 | 72,321 | 72,320 |
| 08/03/2021 | 1 | 1 | 379,252 | 379,251 |
| 08/03/2021 | 1 | 1 | 717,542 | 717,541 |
| 08/03/2021 | 1 | 1 | 911,649 | 911,648 |
| 08/03/2021 | 1 | 1 | 1,544,730 | 1,544,729 |
| 08/03/2021 | 1 | 1 | 2,008,820 | 2,008,819 |
| 08/03/2021 | 1 | 1 | 2,089,660 | 2,089,659 |
| 08/03/2021 | 1 | 1 | 3,088,940 | 3,088,939 |
| 28/06/2021 | 1 | 1 | 704,516 | 704,515 |
| 28/06/2021 | 1 | 1 | 1,075,500 | 1,075,499 |
| 28/06/2021 | 1 | 1 | 1,413,710 | 1,413,709 |
| 28/06/2021 | 1 | 1 | 1,438,910 | 1,438,909 |
| 28/06/2021 | 1 | 1 | 1,440,250 | 1,440,249 |
| 28/06/2021 | 1 | 1 | 1,772,107 | 1,772,106 |
| 28/06/2021 | 1 | 1 | 2,182,200 | 2,182,199 |
| 28/06/2021 | 1 | 1 | 2,539,140 | 2,539,139 |
| 07/10/2021 | 1 | 1 | 724,350 | 724,349 |
| 07/10/2021 | 1 | 1 | 1,099,787 | 1,099,786 |
| 07/10/2021 | 1 | 1 | 577,500 | 577,499 |
| 07/10/2021 | 1 | 1 | 180,500 | 180,499 |
| 07/10/2021 | 1 | 1 | 1,812,500 | 1,812,499 |
| 07/10/2021 | 1 | 1 | 127,500 | 127,499 |
| 27/12/2021 | 1 | 1 | 112,700 | 112,699 |
| 27/12/2021 | 1 | 1 | 227,400 | 227,399 |
| 27/12/2021 | 1 | 1 | 1,486,630 | 1,486,629 |
| 27/12/2021 | 1 | 1 | 2,040,350 | 2,040,349 |
| **Total** | **26** | **26** | **31,768,464** | **31,768,438** |

## 18. Reserves

### Share premium account

This reserve represents the amount above the nominal value received for issued and called up share capital, less transaction costs.

### Share based payment reserve

This reserve represents the value of equity instruments issued to employees through share options and restricted stock awards.

### Profit and loss account

This reserve represents the cumulative profits and losses and capital contributions.

## 19. Share based payments

The company's ultimate parent company has an equity-settled share option scheme for employees of the group. Options are exercisable at a price equal to the estimated fair value of the ultimate parent company's shares on the date of grant. The vesting period is 4 years. If the options remain unexercised after a period of 10 years from the date of grant the options expire. Options are forfeited if the employee leaves the company before the options vest.

On 16 August 2021 the ultimate parent company launched an offer to exchange eligible out-of-the-money employee stock options for a lesser number of new options with at-the-money strike prices. The offer closed on September 17, 2021. The new grants were effective from 20 September 2021, with a strike price of $15.18, the closing stock price on that day. There was an exchange of 61,607 original options for 32,909 new options. Original options that had already vested were exchanged for new options vesting one year from the new grant date, subject to the employee's continued employment. Original options that had not already vested were exchanged for new options vesting two years from the new grant date, subject to the employee's continued employment. New options will expire after 6.5 years.

Details of the share options outstanding during the year are as follows, in United States dollars:

| | Weighted average exercise price 2021 | Number 2021 | Weighted average exercise price 2020 | Number 2020 |
|---|---|---|---|---|
| Outstanding at the beginning of the year | 105.53 | 207,507 | 108.09 | 189,689 |
| Granted during the year | 26.95 | 53,713 | 96.78 | 61,385 |
| Forfeited during the year | - | (44,085) | - | (35,022) |
| Exercised during the year | - | - | - | (471) |
| Exchanged during the year | - | (28,698) | - | - |
| Expired during the year | - | (37,729) | - | (10,909) |
| Employee transfer (to)/from Advanz Pharma UK and Ireland Limited (formerly Intercept Pharma UK & Ireland Ltd) | - | (13,735) | - | 2,835 |
| **Outstanding at the end of the year** | 67.46 | 136,973 | 105.53 | 207,507 |

The options outstanding at 31 December 2021 had a weighted average exercise price of $67.46 (2020: $105.53) and a weighted average remaining contractual life of 6.5 years (2020: 6.9).

The aggregate of the estimated fair values of the options granted during the year is $846,417 (2020: $3,437,188).

The inputs into the Black Scholes model for options granted during the year are as follows:

| | 2021 | 2020 |
|---|---|---|
| Weighted average share price ($USD) | 26.95 | 96.78 |
| Exercise price ($USD) | 19.78-29.46 | 27.79-123.92 |
| Expected terms (in years) | 6.0 | 6.0 |

## 19. Share based payments (continued)

| | | |
|---|---|---|
| Expected volatility | 65.37-66.69 | 61.87-87.05 |
| Risk-free interest rate (%) | 0.4-0.9 | 0.4-1.7 |

Expected volatility is based on historical implied volatility of Intercept Pharmaceuticals, Inc. stock.

The company recognised total expenses of £672,854 (2020: £1,553,056) in relation to share based payment transactions in 2021.

The fair value of services received in return for share options granted are measured by reference to the fair value of goods or services received or reference to the fair value of share options granted. The fair value of the goods or services received was arrived at by the fair value measurement at the grant date. The fair value of employee share options is measured using a Black-Scholes-Merton model. The model is chosen as the structure of the share options is simple and the model, provides accurate valuations and is based on fixed inputs.

**Share based payments (continued)**

**Restricted stock**

The company's ultimate parent company grants restricted stock units ("RSUs"), restricted stock awards ("RSAs") and performance stock units ("PSUs") to management, directors and/or employees. The vesting of the RSUs and RSAs is subject to continuing employment whereas the vesting of PSUs is subject to the ultimate parent company's achievement of certain performance goals.

A summary of RSU, RSA and PSU activity during the year ended 2021 is as follows:

| | 2021 Number | 2020 Number |
|---|---|---|
| Non-vested at the beginning of the year | 65,033 | 69,805 |
| Granted | 33,416 | 54,337 |
| Vested | (24,267) | (37,033) |
| Forfeited | (37,927) | (23,528) |
| Exercised | - | - |
| Transferred (to)/from Advanz Pharma UK and Ireland Limited (formerly Intercept Pharma UK & Ireland Ltd) | (4,756) | 1,452 |
| **Outstanding at the end of the year** | 31,499 | 65,033 |

At 31 December 2021, $1,324,534 (2020: $3,370,044) of total unrecognised compensation cost related to non-vested share awards is expected to be recognised over a weighted-average period of 0.8 years (2020: 1.7 years).

The weighted-average grant-date fair value of share awards granted during the year was $26.98 (2020: $85.63). The total fair value of shares vested during the year was $1,644,595 (2020: $3,169,939).

The company recognized total expenses of £433,529 (2020: £2,026,812) in relation to restricted stock award transactions in 2021.

During the year, the directors have corrected the prior year RSA activity to present more accurate information. The correction has no impact on the company's net asset position at the balance sheet date nor its statement of comprehensive income for either year.

## 20. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £402,076 (2020: £667,813). There were no contributions outstanding at year end (2020: £nil).

## 21. Commitments under operating leases

At 31 December 2021 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| Not later than 1 year | 726,665 | 726,665 |
| Later than 1 year and not later than 5 years | 1,029,442 | 1,756,107 |
| | 1,756,107 | 2,482,772 |

During the year £1,103,347 (2020: £1,121,109) was recognised as an expense in the Statement of comprehensive income in respect of operating leases.

The commitments under operating leases relate to an office lease which was transferred to Advanz Pharma after the year end.

## 22. Related party transactions

The company is a wholly owned subsidiary of Intercept Pharmaceuticals, Inc. and as such has taken advantage of the exemption permitted by Section 33 'Related party disclosures' not to provide disclosures of transactions entered into with other wholly owned members of the group.

## 23. Post balance sheet events

On 24 February 2022 Russian Forces entered Ukraine, resulting in Western Nation reactions including announcements of sanctions against Russia and Russian interests worldwide and an economic ripple effect on the global economy. The directors have carried out an assessment of the potential impact of Russian Forces entering Ukraine on the business, including the impact of mitigation measures and uncertainties, and have concluded that there are no significant impacts.

On 5 May 2022 Intercept Pharmaceuticals, Inc. the company entered into a series of agreements to sell the its ex-U.S. commercial operations, and sublicense the right to commercialize Ocaliva® (obeticholic acid) outside of the United States to Advanz Pharma and its affiliates.

Pursuant to the Supply and Manufacture Agreement, the company will supply OCA in bulk tablet form to Amdipharm Limited.

Pursuant to the Sublicense Agreement for consideration of $364.5 million, plus a $45 million earnout, payable upon Advanz's receipt of extensions of orphan drug exclusivity in Europe, Intercept Pharmaceuticals, Inc. and the company granted the following licenses to Mercury Pharma Group Limited with respect to Ocaliva for the treatment of PBC and obeticholic acid ("OCA") for the treatment of NASH:

(1) an exclusive, fully paid-up, perpetual and irrevocable license under the licensed intellectual property to develop,commercialize, package and label, use and import Ocaliva for the treatment of PBC; and

(2) an exclusive, royalty-bearing license to develop, commercialize, package and label, use and import a product containing OCA as the sole active pharmaceutical ingredient for the treatment of NASH, with a royalty based on net sales.

Pursuant to the Business Transfer Agreement transferred its commercial business assets, including pertaining to ex-U.S. packaging, labelling, marketing, and sales (but excluding product development or manufacture), including transfer of pertinent employees, for consideration of $1 million.

The company will maintain an office in the UK to manage its global supply chain, support its quality organization, and support its global clinical trials.

The transactions were completed on 1 July 2022 and the company received total cash proceeds of $365.5 million.

23. **Post balance sheet events (continued)**

After the year end the company issued the following shares:

| Date of issue | Number of shares | Nominal value | Amount paid | Share premium |
|---|---|---|---|---|
| 22/12/2022 | 1 | 1 | 1,850,000 | 1,849,999 |
| 22/12/2022 | 1 | 1 | 1,332,000 | 1,331,199 |
| 22/12/2022 | 1 | 1 | 318,750 | 318,749 |
| 22/12/2022 | 1 | 1 | 803,000 | 802,999 |
| 22/12/2022 | 1 | 1 | 73,000 | 72,999 |
| 22/12/2022 | 1 | 1 | 131,250 | 131,249 |
| 22/12/2022 | 1 | 1 | 2,625,000 | 2,624,999 |
| 22/12/2022 | 1 | 1 | 75,000 | 74,999 |
| 22/12/2022 | 1 | 1 | 836,000 | 835,999 |
| 22/12/2022 | 1 | 1 | 115,500 | 115,499 |
| 22/12/2022 | 1 | 1 | 2,133,000 | 2,132,299 |
| 22/12/2022 | 1 | 1 | 810,000 | 809,999 |
| 22/12/2022 | 1 | 1 | 410,000 | 409,999 |
| 22/12/2022 | 1 | 1 | 160,000 | 159,999 |
| 22/12/2022 | 1 | 1 | 800,000 | 799,999 |
| 22/12/2022 | 1 | 1 | 486,000 | 485,999 |
| 22/12/2022 | 1 | 1 | 492,000 | 491,999 |
| 22/12/2022 | 1 | 1 | 1,530,000 | 1,529,999 |
| 22/12/2022 | 1 | 1 | 415,000 | 414,999 |
| 22/12/2022 | 1 | 1 | 913,000 | 912,999 |
| 22/12/2022 | 1 | 1 | 2,788,000 | 2,787,999 |
| 22/12/2022 | 1 | 1 | 1,176,000 | 1,175,999 |
| 22/12/2022 | 1 | 1 | 1,462,000 | 1,461,999 |
| 22/12/2022 | 1 | 1 | 688,000 | 687,999 |
| 22/12/2022 | 1 | 1 | 391,500 | 391,949 |
| 22/12/2022 | 1 | 1 | 1,260,000 | 1,259,999 |
| 22/12/2022 | 1 | 1 | 90,000 | 89,999 |
| 22/12/2022 | 1 | 1 | 133,500 | 133,499 |
| 22/12/2022 | 1 | 1 | 1,188,000 | 1,187,999 |

23. **Post balance sheet events (continued)**

| | | | | |
|---|---|---|---|---|
| 22/12/2022 | 1 | 1 | 1,068,000 | 1,067,999 |
| 22/12/2022 | 1 | 1 | 176,000 | 175,999 |
| 22/12/2022 | 1 | 1 | 88,000 | 87,999 |
| 22/12/2022 | 1 | 1 | 86,000 | 85,999 |
| 22/12/2022 | 1 | 1 | 4,000,000 | 3,999,999 |
| 22/12/2022 | 1 | 1 | 1,008,000 | 1,007,999 |
| 22/12/2022 | 1 | 1 | 205,000 | 204,999 |
| 22/12/2022 | 1 | 1 | 1,989,000 | 1,988,999 |
| **Total** | **37** | **37** | **34,105,500** | **34,105,463** |

## 24. *Controlling party*

The company is a subsidiary undertaking of Intercept Pharmaceuticals, Inc. The ultimate controlling party is Intercept Pharmaceuticals, Inc.

The largest group in which the results of the company are consolidated is that headed by Intercept Pharmaceuticals, Inc. No other group financial statements include the results of the company. The consolidated financial statements of the group are available to the public and may be obtained from 305 Madison Avenue, Morristown, New Jersey 07960 or the U.S. Securities and Exchange Commission's website, *http://www.sec.gov*.