

Enzyvant Therapeutics Holdings Limited
Directors' Report and Financial Statements

31 March 2019

Registered no: 10317630

MONDAY



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Contents

Directors' Report	2
Statement of Directors' Responsibilities	4
Independent Auditor's Report to the members of Enzyvant Therapeutics Holdings Limited	5
Profit and Loss Account	8
Balance Sheet	9
Statement of Changes in Equity	10
Notes	11

Directors' Report

The directors present their report and audited financial statements for the year ended 31 March 2019.

Directors

The directors who held office during the year and up to the date of signing the financial statements were as follows:

Reuben James Anstock

Jason Antony Reader

Secretary

Vistra Cossec Limited (formerly Jordan Cossec Limited)

Business review

Principal activities and future developments

Enzyvant Therapeutics Holdings Limited (the "Company") is a holding company and conducts its operations through its subsidiaries, Enzyvant Therapeutics GmbH and Enzyvant Therapeutics, Inc., which are clinical-stage biopharmaceutical companies focused primarily on RVT-802, an investigational biologic therapy using proprietary processes to harvest, culture, and apply allogeneic thymic tissue for the treatment of primary immune deficiency resulting from Complete DiGeorge Syndrome. The Company will continue to operate as a non-trading holding company for Enzyvant Therapeutics GmbH and Enzyvant Therapeutics, Inc.

Principal risks and uncertainties

The Company continues to monitor the major areas of risk and uncertainty that could affect the future success of the business. Due to the nature of the Company, no principal risks have been identified.

Going Concern

Assets of the Company are comprised of the shares in its operating subsidiaries, Enzyvant Therapeutics GmbH and Enzyvant Therapeutics, Inc., which are presented as investments on the balance sheet. The principal operating activities, which include research and development for therapeutic areas described above, are conducted by its subsidiaries and financed (as required) by the parent entity Enzyvant Therapeutics Ltd. The Company does not have any employees in the UK and does not have any operations of its own separate and apart from those of its subsidiaries. Therefore, the Company is not dependent on financing or other forms of financial support to sustain its operations. The Company has adequate financial resources and support at its disposal through its parent company, Enzyvant Therapeutics Ltd., to settle its future obligations, if required. Based on these factors, the Company is able to continue in operational existence for the foreseeable future and therefore continues to adopt the going concern basis of accounting in preparing the annual reports and accounts.

Results and dividends

The loss for the year was \$22,000 (2018: \$23,000). The directors do not recommend the payment of a dividend (2018: \$nil).

Small company exemption

In preparing this report the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Directors' Report *(continued)*

Strategic report

Advantage has been taken of the exemption under section 414B of the Companies Act 2006 from the requirement to prepare a Strategic Report.

Directors' liabilities

There were no indemnity claims during the period, nor during the previous period.

Qualifying third party indemnity provisions

A qualifying third party indemnity provision by Section 232(2) of the Companies Act 2006 is in force for the benefit of the directors in respect of liabilities incurred as a result of their office, to the extent permitted by law. In respect of those liabilities for which the directors may not be indemnified, as directors' and officers' liability insurance policy was in force at the date of signing the financial statements.

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report are aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

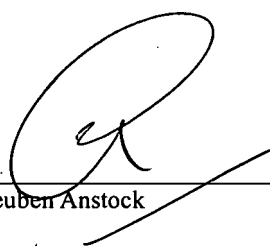
Political and charitable donations

During the year, the Company had no political or charitable donations (2018: \$nil).

Appointment of auditors

Under Section 485 of the Companies Act 2006, Ernst & Young LLP are to be appointed as auditors of the Company.

By order of the board.



Reuben Anstock
Director

Date: 4 July 2019

Statement of Directors' Responsibilities

The directors are responsible for preparing 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 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 accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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 also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's report to the members of Enzyvant Therapeutics Holdings Limited

Opinion

We have audited the financial statements of Enzyvant Therapeutics Holdings Limited for the year ended 31 March 2019 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of changes in equity and the related notes 1 to 10, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 March 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor's report to the members of Enzyvant Therapeutics Holdings Limited (continued)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us 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; or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the directors' report and from the requirements to prepare a strategic report.

Responsibilities of directors

As explained more fully in the Statement of directors' responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

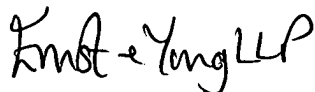
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (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 further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Independent Auditor's report to the members of Enzyvant Therapeutics Holdings Limited (continued)

Use of our report

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

Handwritten signature of Ruth Logan in black ink, reading "Ernst & Young LLP".

Ruth Logan (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Belfast
Date: 4 July 2019

Profit and loss account

for the year ended 31 March 2019

		<u>2019</u>	<u>2018</u>
	Note	\$000	\$000
General and administrative expenses	2	<u>22</u>	<u>23</u>
Total operating expenses		<u>22</u>	<u>23</u>
Loss from ordinary activities		(22)	(23)
Tax on loss from ordinary activities	4	<u>—</u>	<u>—</u>
Loss for the financial period		<u>(22)</u>	<u>(23)</u>

All the above operations relate to continuing operations for the period presented.

There were no recognized gains and losses for 2019 and 2018 other than those included in the profit and loss account.

The notes on pages 11 to 15 form part of these financial statements.

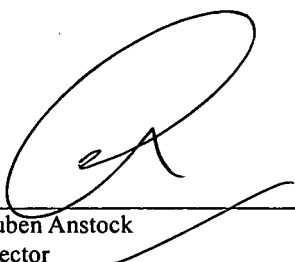
Balance sheet

at 31 March 2019

	Note	2019 \$000	2018 \$000
Fixed assets			
Investments	5	24	24
Current assets			
Debtors: amounts falling due within one year	6	30	1
Total current assets		30	1
Current liabilities			
Creditors: amounts falling due within one year	7	(28)	(23)
Total current liabilities		(28)	(23)
Net current assets / (liabilities)		2	(22)
Net assets		26	2
Capital and reserves			
Called up share capital	8	25	25
Share premium		46	-
Capital contribution		15	15
Profit and loss account		(60)	(38)
Shareholders' funds		26	2

The notes on pages 11 to 15 form part of these financial statements.

These financial statements were approved and authorized for issue by the board of directors on 4 July 2019 and were signed on its behalf by:



Reuben Anstock
Director

Registered number: 10317630

Statement of Changes in Equity

for the year ended 31 March 2019

	Called Up Share Capital	Share Premium	Capital Contribution	Profit and loss account	Total Equity
	\$000	\$000	\$000	\$000	\$000
Balance at 1 April 2018	25	—	15	(38)	2
Loss for the financial period	—	—	—	(22)	(22)
Issue of shares	—	46	—	—	46
Balance at 31 March 2019	25	46	15	(60)	26

	Called Up Share Capital	Share Premium	Capital Contribution	Profit and loss account	Total Equity
	\$000	\$000	\$000	\$000	\$000
Balance at 1 April 2017	25	—	—	(15)	10
Capital contribution	—	—	15	—	15
Loss for the Financial Period	—	—	—	(23)	(23)
Balance at 31 March 2018	25	—	15	(38)	2

The notes on pages 11 to 15 form part of these financial statements.

Called up share capital represents the aggregate nominal value of all ordinary shares in issue.

Share premium includes any premiums received on issue of share capital.

Capital contribution relates to capital injections into the company from group entities.

Profit and loss account includes all current and prior period profit and losses.

Notes

(forming part of the financial statements)

1. Accounting Policies

Enzyvant Therapeutics Holdings Limited (the "Company") was incorporated on 8 August 2016 as a private limited company under the laws of England and Wales and is a wholly-owned subsidiary of Enzyvant Therapeutics General Limited. (the "Parent"). The principal operating subsidiaries of the Company are Enzyvant Therapeutics GmbH ("ETG") and Enzyvant Therapeutics, Inc. ("ETI") which are clinical-stage biopharmaceutical entities focused primarily on RVT-802, an investigational biologic therapy using proprietary processes to harvest, culture, and apply allogeneic thymic tissue for the treatment of primary immune deficiency resulting from Complete DiGeorge Syndrome. The address of the Company's registered office is Suite 1, 3rd Floor, 11-12 St. James's Square London, United Kingdom SW1Y 4LB. ETI was formed on 17 March 2015 in the United States and ETG was formed on 18 August 2016 as a limited liability company under the laws of Switzerland.

The Company is exempt under the small companies regime of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

1.1 Basis of preparation and statement of compliance

The financial statements have been prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102"). The financial statements are prepared in US dollars, which is the functional currency of the Company, and rounded to the nearest \$ 000 unless otherwise stated.

1.2 Disclosure Exemptions

On the basis that the Company is a qualifying entity, the directors have taken advantage of the following disclosure exemptions in FRS 102:

- The requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d)
- The requirements of Section 33 Related Party Disclosures, paragraph 33.7
- The requirements of Section 12 Other Financial Instruments paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A

1.3 Going Concern

Assets of the Company are comprised of the shares in its operating subsidiaries, Enzyvant Therapeutics GmbH and Enzyvant Therapeutics, Inc., which are presented as investments on the balance sheet. The principal operating activities, which include research and development for therapeutic areas described above, are conducted by its subsidiaries and financed (as required) by the parent entity Enzyvant Therapeutics Ltd. The Company does not have any employees in the UK and does not have any operations of its own separate and apart from those of its subsidiaries. Therefore, the Company is not dependent on financing or other forms of financial support to sustain its operations. The Company has adequate financial resources and support at its disposal through its parent company, Enzyvant Therapeutics Ltd., to settle its future obligations, if required. Based on these factors, the Company is able to continue in operational existence for the foreseeable future and therefore continues to adopt the going concern basis of accounting in preparing the annual reports and accounts.

1.4 Taxation

Tax on the profit or loss for the period comprises current and deferred tax. Tax is recognized in the profit and loss account except to the extent that it relates to items recognized directly in other comprehensive income, in which case it is recognized directly in other comprehensive income.

Notes (continued)

1.4 Taxation (continued)

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of all timing differences which are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognized in the financial statements, except that unrelieved tax losses and other deferred tax assets are recognized only to the extent that the directors consider that it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.5 Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

1.6 Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2. Auditor's remuneration

The remuneration of the auditors or its associates is analyzed as follows:

	2019	2018
	\$000	\$000
Audit of these financial statements	9	10
	9	10

3. Directors' remuneration

During the current and previous period the directors of the Company did not receive any remuneration. The directors of the Company are also directors or officers of other companies within the group.

4. Tax on loss from ordinary activities

The tax on loss for the period is as follows:

	2019	2018
	\$000	\$000
Current Tax		
Current tax on losses for current period	-	-
Deferred tax		
Current period	-	-
Tax on loss on ordinary activities	-	-

Notes (continued)

4. Tax on loss from ordinary activities

The Company's effective tax rate for the period was 0.00%, determined as follows:

	<u>2019</u>	<u>2018</u>
	\$000	\$000
Loss on ordinary activities before taxation	(22)	(23)
UK statutory rate	19%	20%
Expected tax	<u>(4)</u>	<u>(4)</u>
Unrecognizable net operating loss	4	4
Unrecognizable deferred taxes	<u>4</u>	<u>4</u>
Total tax on Profit and Loss Account	<u><u>—</u></u>	<u><u>—</u></u>

The Company has net operating losses carried forward of \$60,000 (2018: \$38,000) upon which a deferred tax asset is not recognized. This asset is not recognized as it is not expected to be utilized in the foreseeable future. The net operating losses carried forward do not expire. Deferred tax assets are summarized as follows:

	<u>Gross deferred tax assets</u>	<u>Unrecognized deferred tax assets</u>	<u>Ending deferred tax asset</u>
At 31 March 2019	\$000	\$000	\$000
Net operating loss	11	(11)	—
Total	<u>11</u>	<u>(11)</u>	<u>—</u>
At 31 March 2018	\$000	\$000	\$000
Net operating loss	7	(7)	—
Total	<u>7</u>	<u>(7)</u>	<u>—</u>

5. Investments

All of the Company's investments are in subsidiary undertakings and are held at cost less impairment.

	<u>Subsidiary undertakings</u>
	\$000
At 1 April 2018 and at 31 March 2019	<u>24</u>

Notes (continued)

5. Investments (continued)

Name of company	At cost \$000	Incorporated	Holding	Proportion held	Nature of Business
<i>Subsidiary undertakings</i>					
Enzyvant Therapeutics GmbH	20	Switzerland	Common stock	100%	Biopharmaceuticals
Enzyvant Therapeutics, Inc.	4	USA	Ordinary shares	100%	Biopharmaceuticals

6. Debtors: amounts falling due within one year

	2019 \$000	2018 \$000
Amounts owed by group undertakings	30	1
	30	1

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

7. Creditors: amounts falling due within one year

	2019 \$000	2018 \$000
Accounts Payable	9	-
Amounts owed to group undertakings	-	13
Accrued expenses	19	10
	28	23

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

8. Allotted and issued share capital

Ordinary share of \$1 each	2019 No.	2019 \$000
At 1 April 2018	25,000	25
Issued during the year	1	-
At 31 March 2019	25,001	25

On 29 March 2019 one ordinary was issued for \$46,190.

Notes *(continued)*

9. Ultimate parent company and controlling party

The Company is controlled by the immediate Parent, Enzyvant Therapeutics Limited, incorporated in Bermuda as a Bermuda Exempted Limited Company and centrally managed and controlled in the United Kingdom. The smallest group in which the results are consolidated is Enzyvant Therapeutics Limited and the largest group in which the results are consolidated is the ultimate parent company Roivant Sciences Limited, incorporated in Bermuda as a Bermuda Exempted Limited Company.

10. Subsequent events

In line with the consolidation of the Enzyvant organizational structure, Enzyvant Therapeutics Holdings Limited shall acquire the investments held by Enzyvant Farber Holdings Limited at cost.