

**REGISTERED NUMBER: 11834085 (England and Wales)**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**  
**FOR**  
**OWKIN UK LTD**

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for the Year Ended 31 December 2020**

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**COMPANY INFORMATION**  
**for the Year Ended 31 December 2020**

**DIRECTORS:**

V Dillard  
Owkin, Inc.

**REGISTERED OFFICE:**

10 John Street  
London  
WC1N 2EB

**REGISTERED NUMBER:**

11834085 (England and Wales)

**AUDITORS:**

Oury Clark Chartered Accountants  
Statutory Auditors  
Herschel House  
58 Herschel Street  
Slough  
Berkshire  
SL1 1PG

**BALANCE SHEET**  
**31 December 2020**

	Notes	31.12.20 £	£	31.12.19 £	£
<b>FIXED ASSETS</b>					
Tangible assets	4		2,829		2,588
<b>CURRENT ASSETS</b>					
Debtors	5	40,282		59,539	
Cash at bank		<u>137,779</u>		<u>94,717</u>	
		178,061		154,256	
<b>CREDITORS</b>					
Amounts falling due within one year	6	<u>125,404</u>		<u>155,939</u>	
<b>NET CURRENT ASSETS/(LIABILITIES)</b>			<u>52,657</u>		<u>(1,683)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>55,486</u>		<u>905</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	8		1		1
Other reserves	9		81,153		-
Retained earnings	9		<u>(25,668)</u>		<u>904</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>55,486</u>		<u>905</u>

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 17 June 2021 and were signed on its behalf by:

V Dillard - Director

**NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 31 December 2020**

**1. STATUTORY INFORMATION**

Owkin UK Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The company's business address is: Aviation House, 125 Kingsway, Holborn, London, WC2B 6NH.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The ultimate parent company, Owkin Inc, will continue to provide any financial support which may be necessary in order that the company can meet its liabilities, as they fall due, for the foreseeable future, and in any event for a period in excess of 12 months from the date of the audit report signing. As a result of this commitment the directors have continued to adopt the going concern basis in preparing these financial statements.

**Related party exemption**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover relates to costs recharged to group members and is recognised when the costs have been incurred.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - 33% on cost

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 December 2020**

**2. ACCOUNTING POLICIES - continued**

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Financial instruments**

Basic Financial Instruments, as covered by Section 11 of FRS 102, are measured at amortised cost. The company does not have any Other Financial Instruments, as covered by Section 12 of FRS 102.

**Share-based payments**

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions is measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 6 (2019 - 3 ) .

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 December 2020**

**4. TANGIBLE FIXED ASSETS**

	Plant and machinery etc £
<b>COST</b>	
At 1 January 2020	3,226
Additions	<u>1,995</u>
At 31 December 2020	<u>5,221</u>
<b>DEPRECIATION</b>	
At 1 January 2020	638
Charge for year	<u>1,754</u>
At 31 December 2020	<u>2,392</u>
<b>NET BOOK VALUE</b>	
At 31 December 2020	<u>2,829</u>
At 31 December 2019	<u>2,588</u>

**5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.20 £	31.12.19 £
Amounts owed by group undertakings	28,224	-
Other debtors	<u>12,058</u>	<u>59,539</u>
	<u>40,282</u>	<u>59,539</u>

**6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.20 £	31.12.19 £
Trade creditors	2,235	50,069
Amounts owed to group undertakings	34,613	72,614
Taxation and social security	16,367	20,066
Other creditors & accruals	<u>72,189</u>	<u>13,190</u>
	<u>125,404</u>	<u>155,939</u>

**7. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.12.20 £	31.12.19 £
Within one year	<u>-</u>	<u>27,063</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 December 2020**

**8. CALLED UP SHARE CAPITAL**

Allotted and issued:				
Number:	Class:	Nominal value:	31.12.20	31.12.19
			£	£
1	Ordinary	£1	<u>1</u>	<u>1</u>

**9. RESERVES**

	Retained earnings £	Other reserves £	Totals £
At 1 January 2020	904	-	904
Deficit for the year	(26,572)		(26,572)
Share option charge	-	81,153	81,153
At 31 December 2020	<u>(25,668)</u>	<u>81,153</u>	<u>55,485</u>

Other reserves relates to equity recognised in respect of share options issued to employees (as detailed in note 12) and therefore are non-distributable reserves.

**10. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

Amy Smith (Senior Statutory Auditor)  
for and on behalf of Oury Clark Chartered Accountants

We would like to draw your attention to the following statement contained within our audit report as included within the full financial statements:-

**"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 a Report of the Auditors 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."

**11. ULTIMATE PARENT COMPANY**

The ultimate parent company is Owkin, Inc., a company incorporate in the USA. Its registered office is 831 Broadway, Unit 3R, New York, NY. Consolidated accounts are prepared but are not publicly available.



**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2020**

**12. SHARE-BASED PAYMENT TRANSACTIONS**

At the year end the company has equity settled share based payment options with its employees under two share option plans.

The equity offered is that of the ultimate parent company Owkin, Inc. The option becomes exercisable as to 25% of the total number of shares subject to the option on the first anniversary of the vesting commencement date and as to 1/48th of the total number of shares subject to the option on each monthly anniversary thereafter, so that all of the shares subject to the option are fully vested and exercisable on the fourth anniversary of the vesting commencement date, subject to the participant not ceasing to be an employee throughout each such vesting date. Vesting shall cease immediately upon the participant ceasing to be an employee.

An expense of £81,253 has been recognised as an employee cost which has been transferred to Other reserves. This charge includes options which have been cancelled and exercised during the year.

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