

“Description of Share Capital and Certain Corporate Matters—Comparison of Danish Corporate Law and our Articles of Association and Delaware Corporate Law” in the Company’s prospectus, filed with the SEC on July 19, 2019 are incorporated herein by reference.

**C. Material Contracts**

Except as otherwise disclosed in this Annual Report on Form 20-F (including the Exhibits), we are not currently party to any material contract, other than contracts entered into in the ordinary course of business.

**D. Exchange Controls**

There are no governmental laws, decrees, or regulations in Denmark (including, but not limited to, foreign exchange controls) that restrict the export or import of capital, or that affect the remittance of dividends, interest or other payments to non-resident holders of the shares or the ADSs (please see below under “Item 10.E–Taxation” in respect of Danish withholding tax on dividends). There are no limitations on the right of non-resident or foreign owners to hold or vote the shares or the ADSs imposed by the laws of Denmark or the Articles of Association of the Company solely due to the fact that such holders are non-residents or foreign owners.

**E. Taxation**

**Payment of Taxes**

Holders will be responsible for any taxes or other governmental charges payable, or which become payable, on their ADSs or on the deposited securities represented by any of their ADSs. The depositary may refuse to register or transfer their ADSs or allow holders to withdraw the deposited securities represented by their ADSs until such taxes or other charges are paid. It may apply payments owed to holders or sell deposited securities represented by their ADSs to pay any taxes owed and holders will remain liable for any deficiency. If the depositary sells deposited securities, it will, if appropriate, reduce the number of ADSs to reflect the sale and pay to holders any net proceeds, or send to holders any property, remaining after it has paid the taxes. Holders agree to indemnify us, the depositary, the custodian and each of our and their respective agents, directors, employees and affiliates for, and hold each of them harmless from, any claims with respect to taxes (including applicable interest and penalties thereon) arising from any refund of taxes, reduced rate of withholding at source or other tax benefit obtained for holders. Holders’ obligations under this paragraph shall survive any transfer of ADRs, any surrender of ADRs and withdrawal of deposited securities or the termination of the deposit agreement.

## Material U.S. Federal Income Tax Considerations

### General

The following discussion is a summary of the material U.S. federal income tax consequences relating to the acquisition, ownership and disposition of the ADSs. This summary does not purport to be a comprehensive description of all of the U.S. federal income tax considerations that may be relevant to a particular person's decision to acquire the ADSs. This discussion is based on the U.S. Internal Revenue Code of 1986, as amended, or the Code, and U.S. Treasury regulations promulgated thereunder ("**Treasury Regulations**"), as well as judicial and administrative interpretations thereof as in effect as of the date of this Annual Report on Form 20-F. All of the foregoing authorities are subject to change, which change could apply retroactively and could affect the tax consequences described below, and there can be no assurance that the U.S. Internal Revenue Service ("**IRS**"), or U.S. courts will agree with the tax consequences described in this summary. The Company undertakes no obligation to publicly update or otherwise revise this summary whether as a result of new Treasury Regulations, Code sections, judicial and administrative interpretations or otherwise.

This summary applies only to U.S. Holders (as defined below) that hold the ADSs as capital assets within the meaning of Section 1221 of the Code (generally, property held for investment). This summary does not address any U.S. federal estate and gift tax, alternative minimum tax or Medicare tax on net investment income consequences, or any U.S. state or local or non-U.S. tax consequences. This summary also does not address the tax considerations that may be relevant to certain types of investors subject to special treatment under U.S. federal income tax laws, such as:

- banks and other financial institutions;
- insurance companies;
- regulated investment companies or real estate investment trusts;
- dealers or traders in securities or currencies that use a mark-to-market method of accounting;
- broker-dealers;
- tax exempt organizations, retirement plans, individual retirement accounts and other tax deferred accounts;
- persons holding the ADSs as part of a straddle, hedging, conversion or integrated transaction for U.S. federal income tax purposes;
- U.S. expatriates;
- U.S. Holders whose functional currency is not the U.S. dollar;
- any entity or arrangement classified as a partnership for U.S. federal income tax purposes or investors therein;
- persons who own or are deemed to own, directly or constructively, 10% or more of the total combined voting power of all classes of the Company's voting stock or 10% or more of the total value of shares of all classes of the Company's stock;
- persons subject to special tax accounting rules as a result of any item of gross income with respect to the ADSs being taken into account in an applicable financial statement;
- persons who acquire ADSs pursuant to the exercise of an employee stock option or otherwise as compensation; or
- persons holding the ADSs in connection with a trade or business conducted outside the United States

THE SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. PROSPECTIVE INVESTORS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE APPLICATION OF THE U.S. FEDERAL TAX RULES TO THEIR PARTICULAR CIRCUMSTANCES AS WELL AS THE STATE, LOCAL, NON-U.S. AND OTHER TAX CONSEQUENCES TO THEM OF THE ACQUISITION, OWNERSHIP AND DISPOSITION OF THE ADSs.

As used in this discussion, the term “U.S. Holder” means a beneficial owner of the ADSs that is for U.S. federal income tax purposes:

- a citizen or individual resident of the United States;
- a corporation (or other entity treated as a corporation) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust that (1) is subject to the primary supervision of a court within the United States and the control of one or more U.S. persons for all substantial decisions of the trust or (2) has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

The U.S. federal income tax treatment of a partner in an entity or arrangement treated as a partnership for U.S. federal income tax purposes that holds ADSs generally will depend on the status of the partner and the activities of the partnership. Partnerships considering an investment in the ADSs and partners in such partnerships should consult their tax advisors regarding the specific U.S. federal income tax consequences to them of the acquisition, ownership and disposition of the ADSs.

The discussion below assumes that the representations contained in the deposit agreement and any related agreement are true and that the obligations in such agreements will be complied with in accordance with their terms.

#### **ADSs**

For U.S. federal income tax purposes, U.S. Holders of ADSs generally will be treated as the beneficial owners of the underlying shares represented by the ADSs and an exchange of ADSs for the underlying shares generally will not be subject to U.S. federal income tax.

The U.S. Treasury Department and the IRS have expressed concerns that U.S. Holders of ADSs may be claiming foreign tax credits in situations where an intermediary in the chain of ownership between the holder of an ADS and the issuer of the security underlying the ADS has taken actions that are inconsistent with the U.S. Holder of the ADS being treated as the beneficial owner of the underlying security. Such actions (for example, a pre-release of an ADS by a depository) also may be inconsistent with the claiming of the reduced rate of tax applicable to certain dividends received by non-corporate U.S. Holders of ADSs, including individual U.S. Holders. Accordingly, the availability of foreign tax credits or the reduced U.S. federal income tax rate for “qualified dividend income,” each discussed below, could be affected by actions taken by intermediaries in the chain of ownership between the holder of an ADS and the Company, if as a result of such actions the U.S. Holder of an ADS is not properly treated as the beneficial owner of the underlying share.

#### **Dividends and Other Distributions**

Subject to the PFIC rules discussed below, the gross amount of any distribution made by the Company to a U.S. Holder with respect to the ADSs (including the amount of any taxes withheld therefrom) generally will be included in such holder’s gross income as non-U.S. source dividend income in the year actually or constructively received by the depository, but only to the extent that the distribution is paid out of the Company’s current or accumulated earnings and profits (as determined under U.S. federal income tax principles). As a non-U.S. company, the Company does not maintain calculations of its earnings and profits under U.S. federal income tax principles. Therefore, it is expected that any distributions generally will be reported to U.S. Holders as dividends. Any dividends that the Company pays will not be eligible for the dividends-received deduction allowed to qualifying corporations under Section 243 of the Code.

With respect to certain non-corporate U.S. Holders, including individual U.S. Holders, dividends paid on the ADSs may be eligible to be taxed at favorable rates applicable to “qualified dividend income,” provided that (1) the ADSs are readily tradable on an established securities market in the United States, (2) the Company is not a PFIC (as discussed

below) with respect to the relevant U.S. Holder for either its taxable year in which the dividend is paid or the preceding taxable year and (3) certain minimum holding period and other requirements are met.

Under a published IRS Notice, common or ordinary shares, or ADSs representing such shares, are considered to be readily tradable on an established securities market in the United States if they are listed on the Nasdaq Global Select Market. Our ADSs are readily tradable on the Nasdaq Global Select Market. However, based on existing guidance, it is unclear whether the shares will be considered to be readily tradable on an established securities market in the United States, because only the ADSs, and not the underlying shares, are listed on a securities market in the United States. U.S. Holders should consult their tax advisors regarding the availability of the favorable rate applicable to qualified dividend income for any dividends the Company pays with respect to the ADSs.

The amount of any distribution paid in Danish kroner will be included in a U.S. Holder's income in an amount equal to the U.S. dollar value of such Danish kroner calculated by reference to the exchange rate in effect on the date the distribution is actually or constructively received by the depository, regardless of whether the payment is in fact converted into U.S. dollars at that time. If the distribution is converted into U.S. dollars on the date of receipt, a U.S. Holder generally should not be required to recognize foreign currency gain or loss in respect of the distribution. A U.S. Holder may have foreign currency gain or loss if the distribution is converted into, or exchanged for, U.S. dollars after the date of receipt.

Any dividends the Company pays to U.S. Holders generally will constitute non-U.S. source "passive category" income for U.S. foreign tax credit limitation purposes. If any Danish taxes are withheld with respect to dividends paid to a U.S. Holder with respect to the ADSs, subject to certain conditions and limitations provided in the Code and the applicable Treasury Regulations (including a minimum holding period requirement), such taxes may be treated as non-U.S. taxes eligible for credit against such U.S. Holder's U.S. federal income tax liability (to the extent not exceeding the withholding rate applicable to the U.S. Holder). In lieu of claiming a foreign tax credit, U.S. Holders may, at their election, deduct non-U.S. taxes, including any Danish taxes withheld from dividends on the ADSs, in computing their taxable income, subject to generally applicable limitations under U.S. federal income tax law. An election to deduct non-U.S. taxes instead of claiming foreign tax credits applies to all non-U.S. taxes paid or accrued in the taxable year. If a refund of the tax withheld is available under the laws of Denmark or under an applicable income tax treaty, the amount of tax withheld that is refundable will not be eligible for such credit against a U.S. Holder's U.S. federal income tax liability (and will not be eligible for the deduction against U.S. federal taxable income). If the dividends constitute qualified dividend income as discussed above, the amount of the dividend taken into account for purposes of calculating the U.S. foreign tax credit limitation generally will be limited to the gross amount of the dividend, multiplied by the reduced rate applicable to the qualified dividend income, divided by the highest rate of tax normally applicable to dividends.

The rules relating to the determination of the U.S. foreign tax credit and the deduction of non-U.S. taxes are complex, and U.S. Holders should consult their tax advisors to determine whether and to what extent a credit or deduction may be available in their particular circumstances.

#### ***Taxable Dispositions of the ADSs***

Subject to the PFIC rules discussed below, a U.S. Holder generally will recognize taxable gain or loss on any sale, exchange or other taxable disposition of an ADS in an amount equal to the difference between the sum of the fair market value of any property and the amount of cash received in such disposition and the holder's tax basis in the ADS. The U.S. Holder's tax basis in the ADSs generally will equal the cost of the ADSs to the U.S. Holder. The gain or loss generally will be capital gain or loss, and generally will be a long term capital gain or loss if the U.S. Holder has held the ADS for more than one year at the time of disposition. For certain non-corporate taxpayers (including individuals), long term capital gains are subject to tax at favorable rates. The deductibility of capital losses is subject to limitations.

Any gain or loss that a U.S. Holder recognizes on a sale or other taxable disposition of an ADS generally will be treated as U.S. source income or loss for U.S. foreign tax credit limitation purposes. U.S. Holders should consult their

tax advisors regarding the proper treatment of any gain or loss in their particular circumstances, including the effects of any applicable income tax treaties.

#### **Passive Foreign Investment Company Considerations**

Based on the current and anticipated value of our assets and the nature and composition of the Company's income and assets, the Company does not expect to be a PFIC for our current taxable year ending December 31, 2021, or in the foreseeable future. However, the determination of PFIC status is based on an annual determination that cannot be made until the close of a taxable year, involves extensive factual investigation, including ascertaining the fair market value of all of our assets on a quarterly basis and the active or passive character of each item of income that we earn, and is subject to uncertainty in several respects. Changes in the nature or composition of our income or assets, the structure of our operation or the value of our assets may cause us to become a PFIC. The determination of the value of our assets may depend in part upon the value of our goodwill not reflected on our balance sheet (which may depend upon the market value of the ADSs from time to time, which may be volatile). Accordingly, we cannot assure you that we will not be a PFIC for our current taxable year ending December 31, 2021, or for any future taxable year. If we are a PFIC for any year during which a U.S. Holder holds the ADSs, we generally would continue to be treated as a PFIC with respect to that U.S. Holder for all succeeding years during which the U.S. Holder holds the ADSs, even if we ceased to meet the threshold requirements for PFIC status in any particular year, unless the U.S. Holder has made a "deemed sale" election under the PFIC Rules when we cease to be a PFIC.

A non-U.S. corporation such as the Company will be treated as a PFIC for U.S. federal income tax purposes for any taxable year if, applying applicable look-through rules, either:

- at least 75% of its gross income for such year is "passive income" for purposes of the PFIC rules; or
- at least 50% of the value of its assets (generally, determined based on a quarterly average) during such year is attributable to assets that produce or are held for the production of passive income.

For this purpose, passive income generally includes dividends, interest, royalties and rents other than certain royalties and rents derived in the active conduct of a trade or business and not derived from a related person. The Company will be treated as owning a proportionate share of the assets and earning a proportionate share of the income of any other corporation in which we own, directly or indirectly, more than 25% by value of the stock.

For purposes of the income test, we believe that we are engaged in an active trade or business of discovering and developing antibody therapeutics and that the royalties and milestone payments we receive from unrelated parties should be treated as derived in the active conduct of a trade or business and not characterized as passive income. However, we have no assurance that these anticipated milestone payments and royalties will be paid when expected. If any such payments are delayed or not received then, depending on the amount of passive income we receive from other sources, the relative percentage of our income that is passive could increase and potentially cause us to be classified as a PFIC. There can be no assurances that we will not be classified as a PFIC for the current taxable year or for any future taxable year.

If we were a PFIC for any taxable year during which a U.S. Holder holds ADSs, then, unless such U.S. Holder makes a "mark-to-market" election (as discussed below), such U.S. Holder generally would be subject to special adverse tax rules with respect to any "excess distribution" that it receives from the Company and any gain that it recognizes from a sale or other disposition, including, in certain circumstances, a pledge, of ADSs. For this purpose, distributions that a U.S. Holder receives in a taxable year that are greater than 125% of the average annual distributions that it received during the shorter of the three preceding taxable years or its holding period for the ADSs will be treated as an excess distribution. Under these rules:

- the excess distribution or recognized gain would be allocated ratably over the U.S. Holder's holding period for the ADSs;

- the amount of the excess distribution or recognized gain allocated to the taxable year of distribution or gain, and to any taxable years in the U.S. Holder's holding period prior to the first taxable year in which the Company was treated as a PFIC, would be treated as ordinary income; and
- the amount of the excess distribution or recognized gain allocated to each other taxable year would be subject to the highest tax rate in effect for individuals or corporations, as applicable, for each such year and the resulting tax will be subject to the interest charge generally applicable to underpayments of tax.

If the Company were a PFIC for any taxable year during which a U.S. Holder holds ADSs and any of our non-U.S. subsidiaries or other corporate entities in which we own equity interests is also a PFIC, the U.S. Holder would be treated as owning a proportionate amount (by value) of the shares of each such non-U.S. entity classified as a PFIC, each such entity referred to as a lower-tier PFIC, for purposes of the application of these rules. U.S. Holders should consult their own tax advisor regarding the application of the PFIC rules to any of the Company's lower-tier PFICs.

If the Company were a PFIC for any taxable year during which a U.S. Holder holds ADSs, then in lieu of being subject to the tax and interest-charge rules discussed above, the U.S. Holder may make an election to include gain on the ADSs as ordinary income under a mark-to-market method, provided that our ADSs constitute "marketable stock." Marketable stock is stock that is regularly traded on a qualified exchange or other market, as defined in applicable Treasury Regulations. The Company expects that the ADSs, but not our shares, will be listed on the Nasdaq Global Select Market, which is a qualified exchange or other market for these purposes.

Consequently, if the ADSs are listed on the Nasdaq Global Select Market and are regularly traded, we expect that the mark-to-market election would be available to U.S. Holders of ADSs if the Company were to become a PFIC, but no assurances are given in this regard.

Because a mark-to-market election cannot be made for any lower-tier PFICs that the Company may own (unless the shares in such lower-tier PFIC are themselves treated as marketable stock), if the Company were a PFIC for any taxable year, a U.S. Holder that makes the mark-to-market election may continue to be subject to the tax and interest charges under the general PFIC rules with respect to such U.S. Holder's indirect interest in any investments held by the Company that are treated as an equity interest in a PFIC for U.S. federal income tax purposes.

In certain circumstances, a shareholder in a PFIC may avoid the adverse tax and interest-charge regime described above by making a "qualified electing fund" election to include in income its share of the corporation's income on a current basis. However, a U.S. Holder may make a qualified electing fund election with respect to the ADSs only if the Company agrees to furnish such U.S. Holder annually with a PFIC annual information statement as specified in the applicable Treasury Regulations. There is no assurance that we will provide such information that would enable a U.S. Holder to make a qualified electing fund election.

If a U.S. Holder owns ADSs during any year in which the Company is a PFIC, such U.S. Holder (including, potentially, indirect holders) generally will be required to file an IRS Form 8621 with such holder's U.S. federal income tax return for that year. U.S. Holders should consult their own tax advisors regarding the application of the PFIC rules to their ownership of the ADSs.

#### ***Information Reporting and Backup Withholding***

Dividend payments with respect to the ADSs and proceeds from a sale, exchange, redemption or other taxable disposition of the ADSs made within the United States or through certain U.S. related financial intermediaries may be subject to information reporting to the IRS and possible U.S. backup withholding. Backup withholding will not apply, however, to a U.S. Holder that furnishes a correct taxpayer identification number and makes any other required certification on IRS Form W-9 or that is otherwise exempt from backup withholding. U.S. Holders of the ADSs should consult their tax advisors regarding the application of the U.S. information reporting and backup withholding rules.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against such U.S. Holder's U.S. federal income tax liability, and such holder may obtain a refund of any excess amounts withheld under the backup withholding rules by filing an appropriate claim for refund with the IRS and furnishing any required information in a timely manner.

Certain U.S. Holders may be required to comply with certain reporting requirements relating to the ADSs, including filing IRS Form 8938, with respect to the holding of certain foreign financial assets, including stock of foreign issuers (such as the Company), either directly or through certain foreign financial institutions, if the aggregate value of all such assets exceeds U.S. \$50,000 on the last day of the tax year or U.S. \$75,000 at any time during the tax year. U.S. Holders who fail to report the required information could be subject to substantial penalties. U.S. Holders should consult their own tax advisors regarding the application of these rules to their ownership of the ADSs.

THE DISCUSSION ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE IMPORTANT TO YOU. PROSPECTIVE INVESTORS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE APPLICATION OF THE U.S. FEDERAL TAX RULES TO THEIR PARTICULAR CIRCUMSTANCES AS WELL AS THE STATE, LOCAL, NON-U.S. AND OTHER TAX CONSEQUENCES TO THEM OF THE ACQUISITION, OWNERSHIP AND DISPOSITION OF THE ADSs.

#### **Material Danish Income Tax Considerations**

*The following is a summary of material Danish tax considerations relating to the ownership and disposition of ADSs. The summary is for general information purposes only and does not constitute exhaustive tax or legal advice.*

*It is noted specifically that the summary does not address all possible tax consequences relating to the ownership and disposition of ADSs. The summary does accordingly not apply to investors to whom special tax rules apply, and, therefore, may not be relevant, for example, to investors subject to the Danish Tax on Pension Yields Act (i.e., pension savings), professional investors, certain institutional investors, insurance companies, pension companies, banks, stockbrokers and investors with tax liability on return on pension investments. The summary does further not apply to non-Danish tax resident investors that carry on business activities in Denmark through a permanent establishment, or to non-Danish tax resident investors, who are resident in jurisdictions, which are considered non-cooperative tax jurisdictions by the EU.*

*In the context of the following section, "companies" mean entities that are treated as separate taxable entities under domestic tax laws of their jurisdiction of incorporation.*

*The summary is based solely on the tax laws of Denmark in effect on the date of this Annual Report on Form 20-F. Danish tax laws may be subject to change, potentially with retroactive effect.*

**Potential investors in the ADSs are advised to consult their tax advisors regarding the applicable tax consequences of ownership and disposition of the ADSs based on their particular circumstances.**

#### **Tax Treatment of ADSs Under Danish Tax Law**

It is currently not clear under Danish tax legislation or case law how ADSs are to be treated for Danish tax purposes. Recent public guidance from the Danish tax authorities indicate that the ADSs may not be treated as shares for Danish tax purposes, and that the ADS holder may not be treated as the direct owner of the shares underlying the ADSs and accordingly not as the shareholder for Danish tax purposes. Thus, according to recent communications from the Danish tax authorities, the Danish tax authorities are of the opinion that, in general, the depository bank - and not the ADS holder - is the owner of the shares underlying the ADSs, and that the qualification of whether the ADS holder or the depository bank is the holder of the underlying shares for Danish tax purposes depend on an assessment of the specific ADS program, with the main emphasis on the allocation of the administrative rights attached to the shares, in particular the voting rights. Furthermore, the Danish tax authorities are of the opinion that the ADS holder cannot be

regarded as holders of the underlying shares for Danish tax purposes to the extent the number of ADS certificates held by the ADS holder represents a fraction of a share.

While it therefore is highly uncertain whether the ADS holder in respect of the ADSs is treated as the direct owner of the shares underlying the ADSs and accordingly as the shareholder for Danish domestic tax law purposes, the below summary assumes that the ADS holder for Danish tax purposes is treated as the direct owner of the shares underlying the ADSs, but if this is not the case, then this will impact the Danish tax treatment of the holders of the ADSs including the respect of the taxation of dividends.

#### ***Danish Tax Resident Individuals***

##### ***Sale of Shares***

Capital gains from the sale of shares realized by Danish tax resident individuals are taxed as share income at a rate of 27% on the first DKK 57,200 (for cohabiting spouses, a total of DKK 114,400) and at a rate of 42% on share income exceeding DKK 57,200 (for cohabiting spouses over DKK 114,400) (all 2022 amounts and thresholds). The threshold is subject to annual adjustments and include all share income included in the calculation (*i.e.*, all capital gains on shares and dividends derived by the individual or cohabiting spouses, respectively).

Gains and losses on the sale of shares are calculated as the difference between the purchase price and the sales price. The purchase price is based on the average purchase price paid for the shares in the company (*i.e.*, not the purchase price paid for each share).

Losses on the sale of listed shares can only be offset against other share income deriving from listed shares (*i.e.*, dividends and capital gains on the sale of listed shares) and subject to the Danish tax authorities having received certain information concerning the ownership of the shares in due time. Unused losses will automatically be offset against a cohabiting spouse's share income deriving from listed shares and any additional losses can be carried forward and offset against future share income deriving from listed shares.

##### ***Dividends***

It is highly uncertain if the actual distribution of dividends to the ADS holder are considered dividends for Danish tax purposes. However, if dividends paid to Danish tax resident individuals who are holders of ADSs are treated as dividends for Danish tax purposes, then such dividends are included in the individual's share income and taxed as such, as outlined above. Dividends paid to Danish tax resident individuals are generally subject to withholding tax at the rate of 27%.

#### ***Non-Danish Tax Resident Individuals***

##### ***Sale of Shares***

Non-Danish tax resident individuals, including individuals tax resident in the United States, are generally not taxed in Denmark on gains realized on the sale of shares, subject to certain anti-avoidance rules (see below).

##### ***Dividends***

Dividends paid on the shares underlying the ADSs to non-Danish tax resident individuals, including individuals tax resident in the United States, are generally subject to withholding tax at the rate of 27%. No additional tax will be imposed.



It is highly uncertain if the ADS holder is considered the holder of the shares underlying the ADSs. If the ADS holder is considered to be the owner of the shares underlying the ADSs for Danish tax purposes and is the beneficial owner of the dividends paid on the shares, then the ADS holder may in certain circumstances seek a refund of tax withheld on dividends paid on the shares.

In the event this is the case, and the ADS holder is tax resident in a state with which Denmark has entered into a tax treaty and is entitled to benefits under such tax treaty, the ADS holder may seek a refund from the Danish Tax Agency of the tax withheld in excess of the applicable treaty rate (Danish tax treaties typically provide for a 15% tax rate). Denmark has entered into tax treaties with approximately 80 countries, including the United States and almost all EU member states. The treaty between Denmark and the United States generally provides for a 15% tax rate.

Similarly, in the event the ADS holder for Danish tax purposes is considered the owner of the underlying shares and the beneficial owner of the dividends paid on the shares, Danish domestic tax law provides for a 15% tax rate, if the ADS holder holds less than 10% of the nominal share capital in the company and is tax resident in a state that is obligated to exchange information with Denmark under a tax treaty or an international agreement, convention or other administrative agreement on assistance in tax matters. If the ADS holder is tax resident outside the EU, it is an additional requirement for application of the 15% tax rate that the ADS holder together with related shareholders holds less than 10% of the share capital of the company.

If the depositary bank is considered the owner of the shares underlying the ADSs for Danish tax purposes, then the depositary bank may potentially in certain circumstances seek a refund of tax withheld on dividends paid on the shares.

Any reduced tax rate according to an applicable tax treaty and/or Danish domestic tax law will not affect the withholding rate (27%). In order to receive a refund (from 27% to e.g., 15%), the shareholder must make a claim for such refund through certain certification procedures.

As a general rule, the refund shall be paid within six months following the Danish Tax Agency's receipt of the refund claim. If the refund is paid later than six months after the receipt of the claim, interest will in general be calculated on the amount of refund. The rate per month will be 0.4% plus a premium fixed annually. The six-month deadline is suspended by the Danish Tax Agency, if the Tax Agency is unable to determine whether the taxpayer is entitled to a refund based on the taxpayer's affairs. If the deadline is suspended accordingly, computation of interest is also suspended.

The Danish Tax Agency has published guidance on the documentation necessary for processing refund claims. The guidance is available in English from the Danish tax authorities' website, <https://skat.dk>. The information on, or information that can be accessed through, such website is not part of and should not be incorporated by reference into this Annual Report on Form 20-F. We have included such website address as an inactive textual reference only.

#### ***Danish Tax Resident Companies***

##### ***Sale of Shares***

For the purpose of taxation of sales of shares made by corporate shareholders (and dividends received by corporate shareholders, see below), a distinction is made between:

**"Subsidiary Shares,"** which are generally defined as shares owned by a shareholder holding at least 10% of the share capital of the issuing company;

**"Group Shares,"** which are generally defined as shares in a company in which the shareholder of the company and the issuing company are subject to Danish joint taxation or satisfy the requirements for international joint taxation under Danish law;

**"Tax-Exempt Portfolio Shares,"** which are generally defined as unlisted shares owned by a shareholder holding less than 10% of the share capital of the issuing company; and

**"Taxable Portfolio Shares,"** which are defined as shares that do not qualify as Subsidiary Shares, Group Shares or Tax-Exempt Portfolio Shares.

Gains and losses on disposal of Subsidiary Shares, Group Shares and Tax-Exempt Portfolio Shares realized by Danish tax resident companies are generally not included in the taxable income of the shareholder, subject to certain anti-avoidance rules (see below).

Capital gains on listed Taxable Portfolio Shares are taxable at the general corporate tax rate of 22% and losses on such shares are generally deductible. Gains and losses on listed Taxable Portfolio Shares are taxed under the mark-to-market principle irrespective of realization.

#### *Dividends*

It is highly uncertain if the actual distribution of dividends to the ADS holder are considered dividends for Danish tax purposes. However, if dividends paid to Danish tax resident companies who are holders of ADSs are treated as dividends for Danish tax purposes, then the following should apply:

Dividends received on Subsidiary Shares and Group Shares are generally tax-exempt, subject to certain anti-avoidance rules (see below).

Dividends received on Taxable Portfolio Shares are taxable at the general corporate tax rate of 22% and tax is generally withheld similarly at 22%.

#### **Non-Danish Tax Resident Companies**

##### *Sale of Shares*

Non-Danish tax resident companies, including companies tax resident in the United States, are generally not taxed in Denmark on gains realized on the sale of shares, subject to certain anti-avoidance rules (see below).

##### *Dividends*

Dividends paid on the shares underlying the ADSs to non-Danish tax resident companies, including companies tax resident in the United States, are generally subject to withholding tax at the rate of 27%.

It is highly uncertain if the ADS holder is considered the holder of the shares underlying the ADSs. If the ADS holder is considered to be the owner of the shares underlying the ADSs for Danish tax purposes and is the beneficial owner of the dividends paid on the shares, then the ADS holder may in certain circumstances benefit from certain exemptions from withholding tax on dividends or seek a refund of tax withheld on dividends paid on the shares.

If the ADS holder for Danish tax purposes is considered the holder of the shares underlying the ADSs and is considered the beneficial owner of dividends paid on the shares, then the following exemptions apply if the shares held by the ADS holder qualify as Subsidiary Shares or Group Shares: dividends received on Subsidiary Shares are exempt from Danish withholding tax provided that taxation shall be waived or reduced under the Parent-Subsidiary Directive (2011/96/EU) or under an applicable tax treaty. Similarly, dividends received on Group Shares, which are not Subsidiary Shares, are exempt from Danish withholding tax if the shareholder is resident in the EU or the EEA and provided that taxation shall be waived or reduced under the Parent-Subsidiary Directive (2011/96/EU) or under an applicable tax treaty had the shares been Subsidiary Shares.

In other cases, dividends will generally be subject to tax at a rate of 22% effective for dividends distributed. However, the withholding rate is 27%, meaning that foreign corporate shareholders receiving taxable dividends distributed from Danish companies generally will be able to ask for a refund of at least 5% of the total dividend.

Further, if the ADS holder for Danish tax purposes is considered the holder of the shares underlying the ADSs, is considered the beneficial owner of dividends paid on the shares and is tax resident in a state with which Denmark has entered into a tax treaty and is entitled to the benefits under such tax treaty, the ADS holder may seek a refund from the Danish Tax Agency of the tax withheld in excess of the applicable treaty rate (Danish tax treaties typically provide for a 15% tax rate). Denmark has entered into tax treaties with approximately 80 countries, including the United States and almost all EU member states. The treaty between Denmark and the United States generally provides for a 15% tax rate.

Similarly, in the event the ADS holder for Danish tax purposes is considered the owner of the underlying shares and the beneficial owner of the dividends paid on the shares, Danish domestic tax law provides for an applicable 15% tax rate, if the ADS holder holds less than 10% of the share capital in the company and is tax resident in a state that is obligated to exchange information with Denmark under a tax treaty or an international agreement, convention or other administrative agreement on assistance in tax matters. If the ADS holder is tax resident outside the EU, it is an additional requirement for eligibility for the 15% tax rate that the ADS holder together with related shareholders holds less than 10% of the nominal share capital of the company.

If the depositary bank is considered the owner of the shares underlying the ADSs for Danish tax purposes, then the depositary bank may potentially in certain circumstances seek a refund of tax withheld on dividends paid on the shares.

Any reduced tax rate according to an applicable tax treaty (and/or the 15% tax rate provided for under Danish domestic tax law) will not affect the withholding rate (27%). In order to receive a refund (from 27% to e.g., 15%), the shareholder must make a claim for such refund through certain certification procedures.

As a general rule, the refund shall be paid within six months following the Danish Tax Agency's receipt of the refund claim. If the refund is paid later than six months after the receipt of the claim, interest will be calculated on the amount of refund. The rate per month will be 0.4% plus a premium fixed annually. The six-month deadline can be suspended by the Danish Tax Agency, if the Tax Agency is unable to determine whether the taxpayer is entitled to a refund based on the taxpayer's affairs. If the deadline is suspended accordingly, computation of interest is also suspended.

The Danish Tax Agency has published guidance on the documentation necessary for processing refund claims. The guidance is available in English from the Danish tax authorities' website, <https://skat.dk>. The information on, or information that can be accessed through, such website is not part of and should not be incorporated by reference into this Annual Report on Form 20-F. We have included such website address as an inactive textual reference only.

#### **Danish Anti-Avoidance Rules**

The below summary of Danish anti-avoidance rules is not exhaustive.

Payments may be subject to Danish withholding tax irrespective of the above, if the shareholder is not the beneficial owner of the shares and dividend (e.g., if the shareholder reassigns the payments to a person or entity not itself entitled to the above exemptions).

Further, Danish law has certain general anti-avoidance rules ("GAAR"), which focus on substance over form. Under these rules the Danish tax authorities can set aside a setup, which, having been put into place for the main purpose or one of the main purposes of obtaining a tax advantage that defeats the object or purpose of the applicable tax law, is not genuine having regard to all relevant facts and circumstances. Subject to the conditions of the GAAR an investor might be denied the benefits of the Parent-Subsidiary Directive (2011/96/EU) or a tax treaty, and Danish withholding tax of 27% will in such cases be levied.