

The Annual Report was presented
and adopted at the Annual General
Meeting of the Company on
29 June 2023

Søren Justesen
Chair

Novo Ventures 1 P/S

Annual Report 2022

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Management's Statement

The Executive Management and Board of Directors have today considered and adopted the Annual Report of Novo Ventures 1 P/S for the financial year 1 January – 31 December 2022.

The Annual Report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the Company's financial position at 31 December 2022 and of the result of the Company's operations for the financial year 1 January - 31 December 2022.

In our opinion, Management's Review includes a true and fair view of the matters included in the Management's Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Hellerup, 29 June 2023

Executive Management

Søren Justesen

Board of Directors

Claus Hansen
Chair

Naveed Iqbal Siddiqi

Søren Justesen

Independent Auditor's Report

To the shareholder of Novo Ventures 1 P/S

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2022, and of the results of the Company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Novo Ventures 1 P/S for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines 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, Management is 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 in preparing the Financial Statements unless Management either intends to liquidate the Company or cease operations, or has no realistic alternative 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 and the additional requirements applicable in Denmark 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.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 29 June 2023

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab
CVR-NR.: 33 77 12 31

Tue Stensgård Sørensen
State Authorised Public Accountant
mne32200

Elife Savas
State Authorised Public Accountant
mne34453

General information about the Company

Company Novo Ventures 1 P/S
Tuborg Havnevej 19
2900 Hellerup
Denmark

Phone: 3527 6500
Date of foundation: 1 July 1996
CVR-no.: 24 25 71 85
Financial year: 1 January - 31 December
Municipality of domicile: Gentofte Kommune

Executive Management Søren Justesen

Board of Directors Claus Hansen
Naveed Iqbal Siddiqi
Søren Justesen

Auditor PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
2900 Hellerup

Management's Review

The main activities of the Company

Novo Ventures 1 P/S is 100% owned by Novo Holdings A/S, Hellerup.

The Company's purpose is to buy and hold shares.

During the year, the Company has made investments in the form of payments to funds in accordance with previously concluded agreements for calling capital from the participants, just as the Company has received distributions during the year.

It is not considered that the Company affects the external environment.

The Company has changed from an A/S to a P/S as of 31 August 2022.

Financial Results

The valuation of the underlying investments has been made with the value reported by the respective portfolio funds. A significant proportion of this is illiquid assets, where the valuation is mainly based on accounting estimates and may thus be subject to a certain degree of uncertainty. Based on the funds' reports and on the basis of the ongoing contacts the Company has with the funds, Management considers the valuation to be fair.

The Company's income statement for 2022 shows a loss of TDKK 143,972, and the Company's balance sheet as of 31 December 2022 shows equity of TDKK 939,225. Management considers the result to be unsatisfactory.

Future results will have to be seen taking into account specific conditions in the individual investments and the general economic development. For the coming financial year, Management expects a positive result of approx. TDKK 10,000.

The comparative figures for 2021 have been restated due to a correction of a mistake. The impact of the restatement on the result before tax for 2021 amounts to TDKK 117,898 and TDKK 91,960 after tax. The increase on total equity amounts to TDKK 91,960 as of 31 December 2021.

Financial support

Novo Holdings A/S will only demand payment of its receivables if the Company has sufficient liquidity for this. This is valid until and including 31 December 2023. Furthermore, Novo Holdings A/S will provide capital on demand, so the Company is fully enabled to fulfill its contractual obligations related to the investments in portfolio companies.

Novo Holdings A/S also guarantees for the payment of the Company's taxes within the joint taxation. This guarantee is valid until and including 31 December 2023.

Events after the balance sheet date

There have been no events after the balance sheet date which would have a significant impact on the assessment of Company's financial position as of 31 December 2022.

Five year summary

TDKK	2022	2021	2020	2019	2018
Gross Result	-97	-69	-117	-66	-61
Financial Income/expenses	-159,917	-23,441	520,534	327,664	-28,497
Result for the year	-143,972	-18,338	405,925	255,526	-22,297
Equity	939,225	1,083,197	921,254	515,329	259,803
Total Assets	2,005,026	2,040,112	2,077,272	1,477,268	1,041,541

Financial ratios

Equity ratio	47%	53%	44%	35%	25%
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Employees	0	0	0	0	0
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For definitions of key figures, please refer to Note 1 – Accounting policies

Income statement for the financial year 1 January - 31 December

TDKK	Note	2022	2021
Other operating costs		-97	-69
Gross result		-97	-69
Result from investments in portfolio companies		-182,423	37,630
Other financial income	4	86,759	784
Other financial expenses	5	-64,253	-61,855
Result before tax		-160,014	-23,510
Tax on net result for the year	6	16,042	5,172
Loss for the year		-143,972	-18,338
Proposed distribution of the result:			
Retained earnings		-143,972	-18,338
		-143,972	-18,338

Balance sheet at 31 December

TDKK	Note	2022	2021
AKTIVER			
Investments in portfolio companies	7	726,028	2,034,940
Intercompany receivables		1,278,887	-
Total non-current assets		2,004,915	2,034,940
Tax receivables		-	5,172
Cash and bank balances		111	-
Total current assets		111	5,172
Total assets		2,005,026	2,040,112
Equity and liabilities			
Share capital		22,415	22,415
Retained earnings		916,810	1,060,782
Total equity		939,225	1,083,197
Tax payables		9,895	-
Intercompany payables		1,055,808	956,844
Trade payables		98	71
Total current liabilities		1,065,801	956,915
Total liabilities		1,065,801	956,915
Total equity and liabilities		2,005,026	2,040,112
Accounting policies	1		
Events after the balance sheet date	2		
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Statement of equity

TDKK	Share capital	Retained earnings	Total
2021			
Equity 1 January	22,415	898,839	921,254
Group contribution 27 October	-	180,281	180,281
Result for the year	-	-110,298	-110,298
Equity 31 December	22,415	968,822	991,237
 Equity 31 December			
2022			
Equity 1 January	22,415	968,822	991,237
Restatement		91,960	91,960
Corrected equity 1 January	22,415	1,060,782	1,083,197
Result for the year	-	-143,972	-143,972
Equity 31 December	22,415	916,810	939,225

Share capital consists of 22,415 shares with a value of DKK 1,000 per share. No shares are assigned special rights.

There has been no changes in the share capital in the last 5 years.

Note 1 – Accounting policies

The Annual Report of Novo Ventures 1 P/S has been prepared in accordance with the requirement of the Danish Financial Statements Act reporting class C. The accounting policies are unchanged compared to last year.

The comparative figures for 2021 have been restated due to a correction of a mistake. The impact of the restatement on the result before tax for 2021 amounts to TDKK 117,898 and TDKK 91,960 after tax. The increase on total equity amounts to TDKK 91,960 as of 31 December 2021.

The Annual Report is presented in TDKK.

Cash flow statement

Pursuant to section 86.4 of the Danish Financial Statements Act the Company does not present a cash flow statement.

Translation of foreign currencies

Foreign currency transactions are translated using the exchange rates prevailing at the transactions dates. Foreign exchange gains and losses, resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities, are recognised in the income statement.

Other operating costs

Other operating costs comprises of operating costs related to the company's activities.

Result of investments in portfolio companies

Result of investments in portfolio companies includes value adjustments and dividends received, is included in the profit and loss in the year the dividend is distributed.

Other financial income

Financial income comprise interest and realised and unrealised foreign currency translations adjustments and other financial income. Interests is included in the profit and loss with the amount related to the current financial year, regardless of due date.

Other financial costs

Financial costs comprise interest and realised and unrealised foreign currency translations adjustments and other financial costs. Interests is included in the profit and loss with the amount related to the current financial year, regardless of due date.

Income taxes

The tax expense for the period comprises current and deferred tax and interests.

The company is jointly taxed with Novo Holdings A/S. The tax for the individual companies is allocated in full on the basis of the expected taxable income.

Current tax on net result for 2022 relates to the financial period 1 January - 31 August 2022 as the Company has changed from being an A/S to a P/S.

Tax and deferred tax

Tax payable/receivable includes tax payable computed based on the expected taxable income for the year.

Deferred tax is measured according to the balance sheet method for all temporary differences between the carrying amount and tax value of assets and liabilities, where the tax value of the assets is calculated based on the planned use of each asset. Deferred tax assets, including the tax value of tax loss carryforwards, are included in the balance sheet at the value at which the asset at which the asset can be expected to be realized, either by off-setting towards the deferred tax liabilities or as net tax assets.

Financial assets

Investments in portfolio companies are recognised at fair value.

Receivables

Receivables are measured at amortized cost.

An impairment loss are recognized if there is objective evidence that a receivable or a group of receivables is impaired.

Financial liabilities

Financial liabilities are stated at amortised cost unless specifically mentioned otherwise.

Note 2 Events after the balance sheet date

There have been no events after the balance sheet date which would have a significant impact on the assessment of Company' financial position as of 31 December 2022.

TDKK **2022** **2021**

Note 3 Number of employees

Average number of employees in the financial year	0	0
The management do not receive remuneration.		

Note 4 Other financial income

Realised and unrealised gain/loss currency	38,504	784
Interest income from group companies	48,255	-
	86,759	784

Note 5 Other financial expenses

Interest expenses to group companies	64,248	61,848
Bank fees	5	7
	64,253	61,855

Note 6 Tax on net result for the year

Current tax net loss for the year	11,668	5,172
Adjustment to prior years	4,374	-
	16,042	5,172

Current tax on net result for 2022 relates to the financial period 1 January - 31 August 2022 as the Company has changed from being an A/S to a P/S.

Note 7 Investments in portfolio companies

Cost at 1 January	1,118,655	1,079,305
Investments during the year	106,808	89,787
Divestments during the year	-676,378	-50,437
Cost at 31 December	549,085	1,118,655
Value adjustments at 1 January	916,285	992,288
Market value adjustments	-209,682	-76,004
Divestments during the year	-529,660	-
Value adjustments at 31 December	176,943	916,285
Carrying amount at 31 December	726,028	2,034,939

TDKK	2022	2021
Note 8 Contingent obligations		
Contractual obligations related to Investments in portfolio companies	<u>377,709</u>	<u>441,960</u>

The Company is jointly taxed with the Danish companies in the Group, which are included in the joint taxation of the parent company, Novo Holdings A/S. The joint taxation also covers withholding taxes in the form of dividend tax, royalty tax and interest tax. The Danish companies are jointly and individually liable for the joint taxation. Any subsequent adjustments to income taxes and withholding taxes may lead to a larger liability.

Note 9 Related Parties and ownership

	<u>Grundlag</u>
Ownership	
Novo Nordisk Fonden, Tuborg Havnevej 19, 2900 Gentofte	Ultimate owner
Novo Holdings A/S, Tuborg Havnevej 19, 2900 Gentofte	Sole Shareholder
Related parties	
Claus Hansen	Board member
Naveed Iqbal Siddiqi	Board member
Søren Justesen	Director, Board member
Transactions	
No transactions have been concluded with the Board of Directions, Management or other related parties.	

Note 10 Financial support

Novo Holdings A/S will only demand payment of its receivables if the Company has sufficient liquidity for this. This is valid until and including 31 December 2023. Furthermore, Novo Holdings A/S will provide capital on demand, so the Company is fully enabled to fulfill its contractual obligations related to the investments in portfolio companies.

Novo Holdings A/S also guarantees for the payment of the Company's taxes within the joint taxation. This guarantee is valid until and including 31 December 2023.