

Fida Biosystems ApS

Generatorvej 6,1., 2860 Søborg
CVR no. 34 68 78 70

Annual report for 2023

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 19.06.24

Ole Kring
Dirigent

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The company

Fida Biosystems ApS
Generatorvej 6,1.
2860 Søborg
Registered office: Søborg
CVR no.: 34 68 78 70
Financial year: 01.01 - 31.12

Executive Board

Brian Sørensen

Board of Directors

Ole Kring
Jørgen Schøller
Ole Vorm
Jay Teich

Auditors

Beierholm
Statsautoriseret Revisionspartnerselskab

Statement by the Executive Board and Board of Directors on the annual report

We have on this day presented the annual report for the financial year 01.01.23 - 31.12.23 for Fida Biosystems ApS.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31.12.23 and of the results of the company's activities for the financial year 01.01.23 - 31.12.23.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Soeborg, Copenhagen, June 5, 2024

Executive Board

Brian Sørensen

Board of Directors

Ole Kring
Chairman

Jørgen Schøller

Ole Vorm

Jay Teich

To the capital owners of Fida Biosystems ApS**Opinion**

We have audited the financial statements of Fida Biosystems ApS for the financial year 01.01.23 - 31.12.23, which comprise income statement, balance sheet, statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial statements are 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 31.12.23 and of the results of the company's operations for the financial year 01.01.23 - 31.12.23 in accordance with the Danish Financial Statements Act.

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 ethical 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 the management's review

Management is responsible for the management's review.

Our opinion on the financial statements does not cover the management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, it is our responsibility 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, we conclude that the 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 of the 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 to cease operations, or has 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 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 scepticism 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.

Aarhus, June 5, 2024

Beierholm

Statsautoriseret Revisionspartnerselskab
CVR no. 32 89 54 68

Peter Vinstrup Henriksen
State Authorized Public Accountant
MNE-no. mne33244

Primary activities

The company's activities comprise research and development of point-of-care technologies and related business.

Development in activities and financial affairs

The income statement for the period 01.01.23 - 31.12.23 shows a profit/loss of DKK -12,960,889 against DKK -2,582,770 for the period 01.01.22 - 31.12.22. The balance sheet shows equity of DKK 21,122,511.

Subsequent events

After the balance sheet date, the company has increased the share capital by cash contribution of DKK 18.3 million.

After the capital increase the Company's nominal share capital will amount to DKK 237,759.

Income statement

Note	2023 DKK	2022 DKK
	8,693,719	10,928,992
Gross profit		
1 Staff costs	-17,673,578	-11,866,049
	-8,979,859	-937,057
Loss before depreciation, amortisation, write-downs and impairment losses		
Depreciation, amortisation and impairments losses of intan- gible assets and property, plant and equipment	-4,703,344	-3,117,043
	-13,683,203	-4,054,100
Operating loss		
Financial income	107,406	567,234
Financial expenses	-350,907	-43,193
	-13,926,704	-3,530,059
Loss before tax		
Tax on loss for the year	965,815	947,289
	-12,960,889	-2,582,770
Loss for the year		
Proposed appropriation account		
Retained earnings	-12,960,889	-2,582,770
	-12,960,889	-2,582,770
Total		

ASSETS		31.12.23	31.12.22
		DKK	DKK
Note			
	Completed development projects	12,544,198	16,554,199
	Acquired rights	101,184	161,786
	Development projects in progress	560,152	330,192
2	Total intangible assets	13,205,534	17,046,177
	Leasehold improvements	170,590	237,733
	Other fixtures and fittings, tools and equipment	489,617	725,023
3	Total property, plant and equipment	660,207	962,756
4	Deposits	175,039	175,039
	Total investments	175,039	175,039
	Total non-current assets	14,040,780	18,183,972
	Manufactured goods and goods for resale	5,223,910	4,056,350
	Total inventories	5,223,910	4,056,350
	Trade receivables	11,647,104	10,480,075
	Deferred tax asset	2,700,000	1,734,185
	Prepayments	69,631	238,200
	Total receivables	14,416,735	12,452,460
	Cash	5,112,010	7,067,499
	Total current assets	24,752,655	23,576,309
	Total assets	38,793,435	41,760,281

EQUITY AND LIABILITIES		31.12.23	31.12.22
		DKK	DKK
Note			
	Share capital	221,849	212,874
	Reserve for development costs	10,130,852	13,079,284
	Retained earnings	10,769,810	13,791,242
	Total equity	21,122,511	27,083,400
5	Other payables	5,164,031	288,344
	Total long-term payables	5,164,031	288,344
	Trade payables	2,869,702	3,088,350
	Other payables	1,813,098	1,024,633
	Deferred income	7,824,093	10,275,554
	Total short-term payables	12,506,893	14,388,537
	Total payables	17,670,924	14,676,881
	Total equity and liabilities	38,793,435	41,760,281

6 Contingent liabilities

7 Charges and security

Statement of changes in equity

Figures in DKK	Share capital	Reserve for development costs	Retained earnings
Statement of changes in equity for 01.01.23 - 31.12.23			
Balance as at 01.01.23	212,874	13,079,284	13,791,242
Capital increase	8,975	0	6,991,025
Transfers to/from other reserves	0	-2,948,432	2,948,432
Net profit/loss for the year	0	0	-12,960,889
Balance as at 31.12.23	221,849	10,130,852	10,769,810

	2023 DKK	2022 DKK
1. Staff costs		
Wages and salaries	16,444,065	10,990,749
Pensions	520,798	431,991
Other social security costs	98,050	57,554
Other staff costs	610,665	385,755
Total	17,673,578	11,866,049
Average number of employees during the year	19	17

2. Intangible assets

Figures in DKK	Completed development projects	Acquired rights	Development projects in progress
Cost as at 01.01.23	21,370,774	606,015	330,193
Additions during the year	0	0	560,152
Transfers during the year to/from other items	330,193	0	-330,193
Cost as at 31.12.23	21,700,967	606,015	560,152
Amortisation and impairment losses as at 01.01.23	-4,816,575	-444,229	0
Amortisation during the year	-4,340,194	-60,602	0
Amortisation and impairment losses as at 31.12.23	-9,156,769	-504,831	0
Carrying amount as at 31.12.23	12,544,198	101,184	560,152

The development projects that the company is involved with, relate to the further development of the company's instrument platform based on its patented technology. The platform is to be used in life science research and development related to protein and particle quantification and characterization. In addition to the instrument platform, the projects also involve the development of accompanying kits and consumables. The projects are proceeding as planned. They are expected to contribute positively to future earnings.

3. Property, plant and equipment

Figures in DKK	Leasehold improvements	Other fixtures and fittings, tools and equipment
Cost as at 01.01.23	335,711	1,177,026
Cost as at 31.12.23	335,711	1,177,026
Depreciation and impairment losses as at 01.01.23	-97,978	-452,004
Depreciation during the year	-67,143	-235,405
Depreciation and impairment losses as at 31.12.23	-165,121	-687,409
Carrying amount as at 31.12.23	170,590	489,617

4. Non-current financial assets

Figures in DKK	Deposits
Cost as at 01.01.23	175,039
Cost as at 31.12.23	175,039
Carrying amount as at 31.12.23	175,039

5. Long-term payables

Figures in DKK	Outstanding debt after 5 years	Total payables at 31.12.23	Total payables at 31.12.22
Other payables	1,452,353	5,164,031	288,344
Total	1,452,353	5,164,031	288,344

6. Contingent liabilities

Lease commitments

The company has concluded lease agreements with terms to maturity of 37 months and total lease payments of DKK 1.322k.

Other contingent liabilities

The company has received a subsidy of DKK 605k. The commitment applies to the Business PhD programme. There is doubt as to whether the company is entitled to the amount paid, or whether they must repay part of the subsidy received. Per 31.12.2023 there is recognized dkk 201 as deferred income.

7. Charges and security

The company has issued mortgage deeds registered to the mortgagor in the total amount of DKK 5.000k secured upon goodwill relating to research and development, operating equipment and fixtures with a carrying amount of DKK 13.866k. The mortgage deeds registered to the mortgagor comprise a total of DKK 5.000k provided as security for debt to credit institutions.

8. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for a higher reporting class.

The accounting policies have been applied consistently with previous years.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

CURRENCY

The annual report is presented in Danish kroner (DKK).

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets, inventories and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

8. Accounting policies - continued -

LEASES

Lease payments relating to operating leases are recognised in the income statement on a straight-line basis over the lease term.

GRANTS

Grants are recognised when there is reasonable certainty that the grant conditions have been met and that the grant will be received.

Grants to cover expenses incurred are recognised on a proportionate basis in the income statement over the period in which the expenses eligible for grants are expensed. Grants are recognised under other operating income.

Grants received for the production or construction of assets are recognised as deferred income under payables. For depreciable and amortisable assets, the grant is recognised as the asset is depreciated or amortised.

INCOME STATEMENT

Gross profit

Gross profit comprises revenue, work performed for own account and capitalised, other operating income and cost of sales and other external expenses.

Revenue

Income from the sale of goods is recognised in the income statement if delivery has taken place and the risk has passed to the buyer before the end of the financial year and where the selling price can be determined reliably and is expected to be paid. Revenue is measured at fair value and is determined exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

Work performed for own account and capitalised

Work performed for own account and capitalised comprises cost of sales, wages and salaries and other internal expenses incurred during the year and included in the cost of self-constructed or self-produced intangible assets and property, plant and equipment.

8. Accounting policies - continued -**Other operating income**

Other operating income comprises income of a secondary nature in relation to the enterprise's activities, including rental income, negative goodwill and gains on the sale of intangible assets and property, plant and equipment.

Cost of sales

Cost of sales comprises cost of sales for the year measured at cost plus any changes in inventories, including write-downs to the extent that these do not exceed normal write-downs.

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

Staff costs

Staff costs comprise wages and salaries as well as other staff-related costs.

Depreciation, amortisation and impairment losses

The depreciation and amortisation of intangible assets and property, plant and equipment aim at systematic depreciation and amortisation over the expected useful lives of the assets. Assets are depreciated and amortised according to the straight-line method based on the following expected useful lives and residual values:

	Useful lives, years	Residual value, per cent
Completed development projects	5	0
Acquired rights	10	0
Leasehold improvements	5	0
Other plant, fixtures and fittings, tools and equipment	5	0

The basis of depreciation and amortisation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of depreciation and amortisation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

8. Accounting policies - continued -

Intangible assets and property, plant and equipment are impaired in accordance with the accounting policies referred to in the 'Impairment losses on fixed assets' section.

Other net financials

Interest income and interest expenses, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in other net financials.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

BALANCE SHEET

Intangible assets

Completed development projects and development projects in progress

Development projects are recognised in the balance sheet where the project aims at developing a specific product or a specific process, intended to be produced or used, respectively, by the company in its production process. On initial recognition, development projects are measured at cost. Cost comprises the purchase price plus expenses resulting directly from the purchase, including wages and salaries directly attributable to the development projects until the asset is ready for use. Interest on loans arranged to finance development projects in the development period is not included in the cost. Other development projects and development costs are recognised in the income statement in the year in which they are incurred.

Development projects in progress are transferred to completed development projects when the asset is ready for use.

Development projects are subsequently measured in the balance sheet at cost less accumulated amortisation and impairment losses.

Completed development projects are amortised using the straight-line method based on useful lives, which are stated in the 'Depreciation, amortisation and impairment losses' section.

8. Accounting policies - continued -

Acquired rights

Acquired rights are measured in the balance sheet at cost less accumulated amortisation and impairment losses.

Acquired rights are amortised using the straight-line method based on useful lives, which are stated in the 'Depreciation, amortisation and impairment losses' section.

Gains and losses on the disposal of intangible assets

Gains and losses on the disposal of intangible assets are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal.

Property, plant and equipment

Property, plant and equipment comprise leasehold improvements as well as other fixtures and fittings, tools and equipment.

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the 'Depreciation, amortisation and impairment losses' section.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation and amortisation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

8. Accounting policies - continued -

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

Inventories

Inventories are measured at cost calculated according to the FIFO-method. Inventories are written down to the lower of cost and net realisable value.

The cost of raw materials and consumables as well as goods for resale is determined as purchase prices plus expenses resulting directly from the purchase.

The net realisable value of inventories is determined as the selling price less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and the expected development in the selling price.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Deposits recognised under assets comprise deposits paid to the lessor under leases entered into by the company.

Prepayments

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

8. Accounting policies - continued -

Cash

Cash includes deposits in bank account.

Equity

An amount equivalent to internally generated development costs in the balance sheet is recognised in equity under reserve for development costs. The reserve is measured less deferred tax and reduced by amortisation and impairment losses on the asset. If impairment losses on development costs are subsequently reversed, the reserve will be restored with a corresponding amount. The reserve is dissolved when the development costs are no longer recognized in the balance sheet, and the remaining amount will be transferred to retained earnings.

Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

Payables

Long-term payables are measured at cost at the time of contracting such liabilities (raising of the loan). The payables are subsequently measured at amortised cost where capital losses

8. Accounting policies - continued -

and loan expenses are recognised in the income statement as a financial expense over the term of the payable on the basis of the calculated effective interest rate in force at the time of contracting the liability.

Short-term financial payables are measured at amortised cost, normally corresponding to the nominal value of such payables. Other short-term payables are measured at net realisable value.

Deferred income

Deferred income under liabilities comprises payments received in respect of income in subsequent financial years.