

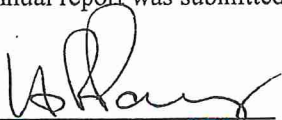
BioPhero ApS
Diplomvej 378 st., 2800 Kongens Lyngby

Company reg. no. 38 10 93 40

Annual report

1 July 2018 - 30 June 2019

The annual report was submitted and approved by the general meeting on the 12 November 2019.



Hadyn St Pierre Parry
Chairman of the meeting

Notes to users of the English version of this document:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points remain unchanged from the Danish version of the document. This means that for instance DKK 146.940 is the same as the English amount of DKK 146,940, and that 23,5 % is the same as the English 23.5 %.

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Management's report

The board of directors and the executive board have today presented the annual report of BioPhero ApS for the financial year 1 July 2018 to 30 June 2019.

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

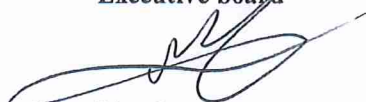
We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 30 June 2019 and of the company's results of its activities in the financial year 1 July 2018 to 30 June 2019.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Kongens Lyngby, 12 November 2019

Executive board



Irina Borodina



Kristian Bitsch Ebbensgaard

Board of directors



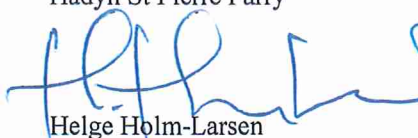
Hadyn St Pierre Parry



Michael James Lee



Irina Borodina



Helge Holm-Larsen



Thomas Grotkjær

Independent auditor's report

To the shareholdersshareholders of BioPhero ApS

Opinion

We have audited the annual accounts of BioPhero ApS for the financial year 1 July 2018 to 30 June 2019, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 30 June 2019 and of the results of the company's operations for the financial year 1 July 2018 to 30 June 2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts.

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

Independent auditor's report

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the internal control that we identify during our audit.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

Independent auditor's report

Furthermore, it is our responsibility to consider whether the management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Frederiksberg, 12 November 2019

Revisionshuset Tal & Tanker

Statsautoriseret revisionspartnerselskab
Company reg. no. 37 31 56 64



Mikkel Thomsen
State Authorised Public Accountant
mne34535

Company data

The company

BioPhero ApS
Diplomvej 378 st.
2800 Kongens Lyngby

Company reg. no. 38 10 93 40
Established: 4 October 2016
Domicile: Lyngby-Taarbæk
Financial year: 1 July - 30 June

Board of directors

Hadyn St Pierre Parry
Michael James Lee
Irina Borodina
Helge Holm-Larsen
Thomas Grotkjær

Executive board

Irina Borodina
Kristian Bitsch Ebbensgaard

Auditors

Revisionshuset Tal & Tanker, Statsautoriseret revisionspartnerselskab
Roskildevej 37A, 3. sal
2000 Frederiksberg

Management's review

The principal activities of the company

Like previous years, the principal activities are development of biotechnology products.

Development in activities and financial matters

The gross profit for the year is DKK 1.655.278 against DKK 1.618.547 last year. The results from ordinary activities after tax are DKK -4.721.556 against DKK 0 last year. The management consider the results as expected.

Accounting policies used

The annual report for BioPhero ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises.

The annual report has been prepared in accordance with accounting practice last year and is presented in Danish kroner (DKK).

The profit and loss account

Gross profit

The gross profit comprises the net turnover, changes in inventories of finished goods and work in progress, work performed for own purposes and capitalised, other operating income, and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Costs of sales includes costs for the purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income comprise accounting items of secondary nature in proportion to the principal activities of the enterprise, including gains on disposal of intangible and tangible fixed assets.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Accounting policies used

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The balance sheet

Tangible fixed assets

Other tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the book value, the amortisation discontinues.

If the amortisation period or the residual value is changed, the effect on amortisation will in the future be recognised as a change in the accounting estimates.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life and the residual value of the individual assets:

	<i>Useful life</i>	<i>Residual value</i>
<i>Technical plants and machinery</i>	<i>5-10 years</i>	<i>0-20 %</i>
<i>Other plants, operating assets, fixtures and furniture</i>	<i>3-5 years</i>	<i>0-20 %</i>

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or losses are recognised in the profit and loss account as other operating income or other operating expenses.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Available funds

Available funds comprise cash at bank.

Accounting policies used

Equity

Share premium

Share premium comprises amounts paid as premium in connection with the issue of shares. Costs in connection with a carried through issue are deducted in the premium. The premium reserve may be utilised as dividend, issue of bonus shares, and for payment of losses.

Liabilities

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.

Accrued expenses and deferred income

Received payments concerning income during the following years are recognised under accrued expenses and deferred income.

Profit and loss account 1 July - 30 June

All amounts in DKK.

<u>Note</u>	<u>2018/19</u>	<u>2017/18</u>
Gross profit	1.655.278	1.618.547
1 Staff costs	-5.819.665	-1.517.437
Depreciation and writedown relating to tangible fixed assets	<u>-501.705</u>	<u>-100.853</u>
Operating profit	-4.666.092	257
Other financial income	0	56
2 Other financial costs	<u>-55.464</u>	<u>-313</u>
Results before tax	-4.721.556	0
3 Tax on ordinary results	<u>0</u>	<u>0</u>
Results for the year	<u>-4.721.556</u>	<u>0</u>
 Proposed distribution of the results:		
Allocated from results brought forward	<u>-4.721.556</u>	<u>0</u>
Distribution in total	<u>-4.721.556</u>	<u>0</u>

Balance sheet 30 June

All amounts in DKK.

<u>Note</u>	<u>2019</u>	<u>2018</u>
Assets		
Fixed assets		
Other plants, operating assets, and fixtures and furniture	1.818.007	1.865.641
Tangible fixed assets in total	<u>1.818.007</u>	<u>1.865.641</u>
Fixed assets in total	<u>1.818.007</u>	<u>1.865.641</u>
Current assets		
Other debtors	370.885	484.063
Debtors in total	<u>370.885</u>	<u>484.063</u>
Available funds	10.684.496	6.072.065
Current assets in total	<u>11.055.381</u>	<u>6.556.128</u>
Assets in total	<u>12.873.388</u>	<u>8.421.769</u>

Balance sheet 30 June

All amounts in DKK.

<u>Note</u>	<u>2019</u>	<u>2018</u>
Equity and liabilities		
Equity		
4	92.819	62.779
5	11.144.960	3.791.569
6	-936.629	-6.642
Equity in total	<u>10.301.150</u>	<u>3.847.706</u>
Liabilities		
Trade creditors	39.697	68.656
Other debts	1.078.767	121.973
Accrued expenses and deferred income	1.453.774	4.383.434
Short-term liabilities in total	<u>2.572.238</u>	<u>4.574.063</u>
Liabilities in total	<u>2.572.238</u>	<u>4.574.063</u>
Equity and liabilities in total	<u>12.873.388</u>	<u>8.421.769</u>

7 Contingencies

Notes

All amounts in DKK.

	<u>2018/19</u>	<u>2017/18</u>
1. Staff costs		
Salaries and wages	5.353.683	1.403.290
Pension costs	403.615	102.474
Other costs for social security	22.762	11.673
Other staff costs	39.605	0
	<u>5.819.665</u>	<u>1.517.437</u>
Average number of employees	<u>10</u>	<u>3</u>
2. Other financial costs		
Other financial costs	<u>55.464</u>	<u>313</u>
	<u>55.464</u>	<u>313</u>
3. Tax on ordinary results		
Tax of the results for the year, parent company	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
4. Contributed capital		
Contributed capital 1 July 2018	62.779	50.000
Cash capital increase	<u>30.040</u>	<u>12.779</u>
	<u>92.819</u>	<u>62.779</u>
5. Share premium account		
Share premium account 1 July 2018	3.791.569	0
Share premium account for the year	11.144.960	3.791.569
Transferred to results brought forward	<u>-3.791.569</u>	<u>0</u>
	<u>11.144.960</u>	<u>3.791.569</u>

Notes

All amounts in DKK.

	<u>30/6 2019</u>	<u>30/6 2018</u>
6. Results brought forward		
Results brought forward 1 July 2018	-6.642	-6.642
Profit or loss for the year brought forward	-4.721.556	0
Share premium account 1 July 2018	<u>3.791.569</u>	<u>0</u>
	<u>-936.629</u>	<u>-6.642</u>

7. Contingencies

Contingent assets

The company has a deferred tax asset of t.DKK 1.034 which is not recognized in the annual report for 2018-19 as there is uncertainty associated with its future use.

Contingent liabilities

Joint taxation

BioPhero ApS has withdrawn from joint taxation as of September 11th 2018, as from the time of withdrawal from the joint taxation, the company is not liable for any tax claims against the other jointly taxed companies.