

# BiOrigin ApS


c/o Cobis, Ole Maaløes Vej 3, 2200 Copenhagen N

CVR no. 38 73 41 64

## Annual report 2022

Approved at the Company's annual general meeting on 1 May 2023

Chair of the meeting:

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## Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of BiOrigin ApS for the financial year 1 January - 31 December 2022.

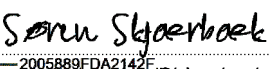
The annual report is prepared in accordance with the Danish Financial Statements Act.

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.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.


We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 24 April 2023  
Executive Board:

DocuSigned by:  
  
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Søren Sylvester Skjærbaek  
CEO

Board of Directors:

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Emmanuelle Coutanceau  
Chairman

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Morten Døssing

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Pieter Jeroen Bakker

## Independent auditor's report

### To the shareholders of BiOrigin ApS

#### Opinion

We have audited the financial statements of BiOrigin ApS for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including 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 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.

#### 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

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.

#### 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 as to 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 the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement 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.

## Independent auditor's report

- ▶ 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 note 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.

## Statement on the Management's review

Management is responsible for the Management's review.

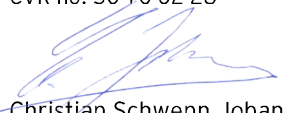
Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the 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 the 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 Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 24 April 2023  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28



Christian Schwenn Johansen  
State Authorised Public Accountant  
mne33234



Rasmus Bloch Jespersen  
State Authorised Public Accountant  
mne35503

## Management's review

### Company details

Name	BiOrigin ApS
Address, Postal code, City	c/o Cobis, Ole Maaløes Vej 3, 2200 Copenhagen N
CVR no.	38 73 41 64
Established	22 June 2017
Registered office	Copenhagen
Financial year	1 January - 31 December
Board of Directors	Emmanuelle Coutanceau, Chairman Morten Døssing Pieter Jeroen Bakker
Executive Board	Søren Sylvester Skjærbæk, CEO
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

## Management's review

### Business review

BiOrigin ApS' primary activity consists of rendering strategic and operational support to the establishment and management of early-stage life sciences companies, primarily within the Novo Seeds portfolio, to help them steer through the critical start-up and subsequent growth phase.

The Company is fully owned by Novo Holdings A/S.

In 2022 BiOrigin expanded the number of Entrepreneurs in Residence in order to accelerate company creation and value creation in the Novo Seeds investment portfolio. Also, BiOrigin Labs was established with the purpose of identifying more compelling technologies and to validate and accelerate new therapeutic concepts.

### Unusual matters having affected the financial statements

#### *Going concern*

The Company's operations and activities are currently loss making and the Company is financed via funds from its shareholder, Novo Holdings A/S, who periodically contributes capital to the Company in the form of capital increases.

Considering the Company's net current assets and funds obtained from the capital increase in March 2023, as discussed below, management assesses that the company can fund its activities as planned at least through 31 December 2023. On this basis the financial statements are prepared on a going concern assumption.

### Financial review

The income statement for 2022 shows a loss of DKK 6,017,830 against a loss of DKK 2,829,711 last year, and the balance sheet at 31 December 2022 shows equity of DKK 10,488,100.

In 2022, the company has completed a capital increase, whereby the share capital has been increased by issuance of 1 share of nominal DKK 1. Net proceeds of DKK 10 million has been received from the capital increase.

### Events after the balance sheet date

In March 2023, the company has completed a capital increase, whereby the share capital has been increased by issuance of 1 share of nominal DKK 1. Net proceeds of DKK 5 million has been received from the capital increase.

No other events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

**Financial statements 1 January - 31 December****Income statement**

Note	DKK	2022	2021
	<b>Revenue</b>	5,849,077	2,026,890
	External expenses	-4,869,930	-1,901,424
	<b>Gross profit</b>	979,147	125,466
4	Staff costs	-8,673,472	-3,692,817
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-8,200	0
	<b>Profit/loss before net financials</b>	-7,702,525	-3,567,351
	Financial income	11,099	646
	Other financial expenses	-21,549	-60,748
	<b>Profit/loss before tax</b>	-7,712,975	-3,627,453
5	Tax for the year	1,695,145	797,742
	<b>Profit/loss for the year</b>	-6,017,830	-2,829,711
	<b>Recommended appropriation of profit/loss</b>		
	Retained earnings/accumulated loss	-6,017,830	-2,829,711
		-6,017,830	-2,829,711



## Financial statements 1 January - 31 December

## Balance sheet

Note	DKK	2022	2021
	<b>ASSETS</b>		
	<b>Fixed assets</b>		
6	<b>Property, plant and equipment</b>		
	Fixtures and fittings, other plant and equipment	769,174	0
		<u>769,174</u>	<u>0</u>
	<b>Investments</b>		
	Deposits, investments	41,520	16,293
		<u>41,520</u>	<u>16,293</u>
	<b>Total fixed assets</b>	<u>810,694</u>	<u>16,293</u>
	<b>Non-fixed assets</b>		
	<b>Receivables</b>		
	Trade receivables	702,024	301,363
	Receivables from group enterprises	898,023	0
	Corporation tax receivable	1,736,097	798,040
	Prepayments	0	7,676
		<u>3,336,144</u>	<u>1,107,079</u>
	<b>Cash</b>	<u>9,393,511</u>	<u>6,645,753</u>
	<b>Total non-fixed assets</b>	<u>12,729,655</u>	<u>7,752,832</u>
	<b>TOTAL ASSETS</b>	<u>13,540,349</u>	<u>7,769,125</u>
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
	Share capital	500,004	500,003
	Retained earnings	9,988,096	6,005,927
	<b>Total equity</b>	<u>10,488,100</u>	<u>6,505,930</u>
	<b>Provisions</b>		
	Deferred tax	40,952	0
	<b>Total provisions</b>	<u>40,952</u>	<u>0</u>
	<b>Liabilities other than provisions</b>		
	<b>Non-current liabilities other than provisions</b>		
	Provision for holiday pay	0	499,519
		<u>0</u>	<u>499,519</u>
	<b>Current liabilities other than provisions</b>		
	Trade payables	1,954,431	346,505
	Other payables	1,056,866	417,171
		<u>3,011,297</u>	<u>763,676</u>
	<b>Total liabilities other than provisions</b>	<u>3,011,297</u>	<u>1,263,195</u>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<u>13,540,349</u>	<u>7,769,125</u>

- 1 Accounting policies
- 2 Financing and going concern assumption
- 3 Events after the balance sheet date
- 7 Contractual obligations and contingencies, etc.
- 8 Related parties

**Financial statements 1 January - 31 December****Statement of changes in equity**

DKK	Share capital	Retained earnings	Total
Equity at 1 January 2021	500,003	8,835,638	9,335,641
Transfer through appropriation of loss	0	-2,829,711	-2,829,711
<b>Equity at 1 January 2022</b>	<b>500,003</b>	<b>6,005,927</b>	<b>6,505,930</b>
Capital increase	1	9,999,999	10,000,000
Transfer through appropriation of loss	0	-6,017,830	-6,017,830
<b>Equity at 31 December 2022</b>	<b>500,004</b>	<b>9,988,096</b>	<b>10,488,100</b>

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of BiOrigin ApS for 2022 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### Reporting currency

The financial statements are presented in Danish kroner (DKK).

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

### Income statement

#### Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the rendering of services is recognised as revenue as the services are rendered. Accordingly, revenue corresponds to the market value of the services rendered during the year (percentage-of-completion method).

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

#### External expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

#### Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

#### Depreciation

The item comprises depreciation of property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Fixtures and fittings, other plant and equipment	5 years
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## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

##### Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

##### Balance sheet

##### Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

##### Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

##### Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received.

**Financial statements 1 January - 31 December****Notes to the financial statements****1 Accounting policies (continued)****Cash**

Cash comprise cash in banks.

**Income taxes**

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

**Other payables**

Other payables and trade payables are measured at net realisable value.

**2 Financing and going concern assumption**

The Company's operations and activities are currently loss making and the Company is financed via funds from its shareholder, Novo Holdings A/S, who periodically contributes capital to the Company in the form of capital increases.

Considering the Company's net current assets and funds obtained from the capital increase in March 2023, as discussed in note 3, management assesses that the company can fund its activities as planned at least through 31 December 2023. On this basis the financial statements are prepared on a going concern assumption.

**3 Events after the balance sheet date**

In March 2023, the company has completed a capital increase, whereby the share capital has been increased by issuance of 1 share of nominal DKK 1. Net proceeds of DKK 5 million has been received from the capital increase.

No other events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

	2022	2021
<b>4 Staff costs</b>		
Wages/salaries	8,026,121	3,546,517
Pensions	576,678	87,500
Other social security costs	20,089	13,632
Other staff costs	50,584	45,168
	<u>8,673,472</u>	<u>3,692,817</u>
Average number of full-time employees	<u>6</u>	<u>3</u>

**Financial statements 1 January - 31 December****Notes to the financial statements**

	DKK	2022	2021
<b>5 Tax for the year</b>			
Estimated tax charge for the year		-1,736,097	-798,040
Deferred tax adjustments in the year		40,952	0
Tax adjustments, prior years		0	298
		<u>-1,695,145</u>	<u>-797,742</u>

**6 Property, plant and equipment**

DKK	Fixtures and fittings, other plant and equipment
Additions	777,374
Cost at 31 December 2022	777,374
Depreciation	8,200
Impairment losses and depreciation at 31 December 2022	8,200
<b>Carrying amount at 31 December 2022</b>	<b>769,174</b>

**7 Contractual obligations and contingencies, etc.**

The Company is jointly taxed with its Parent, Novo Holdings A/S, which acts as the tax administrative body in relation to the joint taxation. The Company is jointly and severally liable with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends.

**Other financial obligations**

Other rent and lease liabilities:

DKK	2022	2021
Rent and lease liabilities	93,419	94,939

**8 Related parties****Information about consolidated financial statements**

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Novo Holdings A/S	Denmark	Tuborg Havnevej 19, 2900 Hellerup