

# Ossiform ApS

Oslogade 1, 5000 Odense C  
CVR no. 38 83 85 12

## Annual report for 2021

Årsrapporten er godkendt på den  
ordinære generalforsamling, d. 03.03.22

Martin Lavesen  
Dirigent



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**The company**

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Ossiform ApS  
Oslogade 1  
5000 Odense C  
Registered office: Odense  
CVR no.: 38 83 85 12  
Financial year: 01.01 - 31.12

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**Executive Board**

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Thea Olesen

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**Board of Directors**

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Mette-Marie Sonne Harild, chairman  
Martin Lavesen  
Martin Bonde Jensen  
Henrik Busch-Larsen

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**Auditors**

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Beierholm  
Statsautoriseret Revisionspartnerselskab

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

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We have on this day presented the annual report for the financial year 01.01.21 - 31.12.21 for Ossiform ApS.

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

In our opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31.12.21 and of the results of the company's activities for the financial year 01.01.21 - 31.12.21.

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.

Odense, February 21, 2022

### Executive Board

Thea Olesen

### Board of Directors

Mette-Marie Sonne Harild  
Chairman

Martin Lavesen

Martin Bonde Jensen

Henrik Busch-Larsen

**To the capital owner of Ossiform ApS****Opinion**

We have audited the financial statements of Ossiform ApS for the financial year 01.01.21 - 31.12.21, which comprise the income statement, balance sheet, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

In our opinion the financial statements give a true and fair view of the company's assets, liabilities and financial position at 31.12.21 and of the results of the company's operations for the financial year 01.01.21 - 31.12.21 in accordance with the the Danish Financial Statements Act (Årsregnskabsloven).

**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 "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.

**Material uncertainty regarding going concern**

Without modifying our opinion, we refer to note 1 in which the management states the conditions for the company continuing as a going concern and thus sets out the reasons why the company's financial statements have been presented on a going concern assumption. We agree with the management as to the description of uncertainties and the choice of accounting policies.

**Statement regarding the 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, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Acts. We did not identify any material misstatement of management's review.

### **Management's responsibility for the financial statements**

The Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore the Management is responsible for the internal control as the 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 International Standards on Auditing 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 International Standards on Auditing 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.

Soeborg, Copenhagen, February 21, 2022

**Beierholm**

Statsautoriseret Revisionspartnerselskab  
CVR no. 32 89 54 68

Lasse Rosenborg Petersen  
State Authorized Public Accountant  
MNE-no. mne42896

**Primary activities**

Ossiform is a Danish MedTech company founded on a proprietary technology to 3D print patient-fitted, natural, degradable bone implants that regrow into living bone. This enables faster ingrowth of bone tissue and results in fewer complications. The technology can also be used for 3D printed implants with additives, such as antibiotics or other drugs, and even in industries outside healthcare. The first research products have been launched, the P3D Scaffolds, bringing natural bone environments into laboratories.

The short way of describing the business; [We Print Bone™](#)

**Development in activities and financial affairs**

The income statement for the period shows a loss of T.DKK 7,385 and the balance sheet as of December 31, 2021 shows equity of T.DKK 9,975. Management considers the result to be in line with expectations.

Among key achievements in 2021, is moving to new facilities where the full production for the first P3D Bone implants have been set up, the quality assurance system is fully implemented, and the first products produced. These first implants are made for testing; Safety-, tox-, biocompatibility- and packaging studies have been initiated according to the outcome of the pre-sub meeting held with the FDA in March.

Several studies are running with the P3D Scaffolds and the first US distributor and supplier partnership agreement for the Scaffolds has been signed.

Patents protecting the essential part of the innovation to 3D print the P3D Bone have been granted in China and Japan in addition to the former obtained projection in the EU and in the USA.

An Advisory Board has been established to give guidance on clinical use, to connect to KOLs and is contributing to building capabilities to deliver on the market access strategy. Furthermore, the Board of Directors has been strengthened by appointing Mette-Marie Harild, former VP of Medtronic, as Chairman.

The company was recognized as the best Global HealthTech Startup in 2021.

Entering the new year 2022 the company changed its name to Ossiform - We Print Bone™. The new name and brand echoes the company's endeavor to supply bone implant products that resemble real bone with wide-ranging benefits for patients and healthcare providers.



*Significant uncertainty as regards going concern*

The Company's liquidity budget shows a need for additional cash to fund the operations from July 2022. The management of the Ossiform group (the holding company Ossiform Limited and the 100% owned daughter company Ossiform ApS) has entered into agreement with Westhill Capital in London regarding the imminent funding round B. The management expects that the company will be secured new capital in Spring 2022 and thus presents the financial statements under the going concern assumption.

**Outlook**

In 2022 resources are directed to where they can be most effective to obtain market authorization, with a focus on finalizing the testing of the P3D Bone and filing the application for regulatory approval to the FDA and in addition setting up a full-scale production line for the patient specific P3D Bone, implementing the selected software, RA/OA, preparing for an FDA submission and laying out a US market entry plan. Furthermore, time and resources will be dedicated to commercializing the P3D Scaffolds as well as finalizing the second part of a project to develop 3D printed bone stimulating implants. The organization will grow accordingly. In light of the after-effects of COVID-19 scheduled plans and activities might be affected during 2022, mainly due to material shortage and delivery problems, and so far this have had an impact on the ongoing performance and safety tests, that are delayed several months.

**Subsequent events**

No events, that would influence the evaluation of this annual report, have occurred after the end of the financial year.

## Income statement

Note		2021 DKK	2020 DKK
	<b>Gross loss</b>	<b>-3,915,544</b>	<b>-1,652,501</b>
2	Staff costs	-3,880,519	-2,668,302
	<b>Loss before depreciation, amortisation, write-downs and impairment losses</b>	<b>-7,796,063</b>	<b>-4,320,803</b>
	Depreciation and impairments losses of property, plant and equipment	-415,395	-2,172
	<b>Operating loss</b>	<b>-8,211,458</b>	<b>-4,322,975</b>
	Financial income	1,095	152
3	Financial expenses	-14,520	-44,772
	<b>Loss before tax</b>	<b>-8,224,883</b>	<b>-4,367,595</b>
	Tax on loss for the year	839,400	254,091
	<b>Loss for the year</b>	<b>-7,385,483</b>	<b>-4,113,504</b>
<b>Proposed appropriation account</b>			
	Retained earnings	-7,385,483	-4,113,504
	<b>Total</b>	<b>-7,385,483</b>	<b>-4,113,504</b>

<b>ASSETS</b>		31.12.21	31.12.20
		DKK	DKK
Note			
	Leasehold improvements	244,587	131,592
	Plant and machinery	1,828,512	69,599
	Property, plant and equipment under construction	1,288,658	1,432,757
	<b>Total property, plant and equipment</b>	<b>3,361,757</b>	<b>1,633,948</b>
	Deposits	100,110	104,830
	<b>Total investments</b>	<b>100,110</b>	<b>104,830</b>
	<b>Total non-current assets</b>	<b>3,461,867</b>	<b>1,738,778</b>
	Receivables from group enterprises	176,355	15,650
	Income tax receivable	1,093,491	254,091
	Other receivables	5,510,471	5,359,318
	Prepayments	220,879	187,743
	<b>Total receivables</b>	<b>7,001,196</b>	<b>5,816,802</b>
	<b>Cash</b>	<b>225,437</b>	<b>4,474,744</b>
	<b>Total current assets</b>	<b>7,226,633</b>	<b>10,291,546</b>
	<b>Total assets</b>	<b>10,688,500</b>	<b>12,030,324</b>

<b>EQUITY AND LIABILITIES</b>		31.12.21	31.12.20
		DKK	DKK
Note			
	Share capital	110,000	100,000
	Retained earnings	9,864,948	11,260,431
	<b>Total equity</b>	<b>9,974,948</b>	<b>11,360,431</b>
	Trade payables	358,369	241,694
	Other payables	355,183	428,199
	<b>Total short-term payables</b>	<b>713,552</b>	<b>669,893</b>
	<b>Total payables</b>	<b>713,552</b>	<b>669,893</b>
	<b>Total equity and liabilities</b>	<b>10,688,500</b>	<b>12,030,324</b>

**Statement of changes in equity**

Figures in DKK	Share capital	Retained earnings
Statement of changes in equity for 01.01.21 - 31.12.21		
Balance as at 01.01.21	100,000	11,260,431
Capital increase	10,000	5,990,000
Net profit/loss for the year	0	-7,385,483
Balance as at 31.12.21	110,000	9,864,948

### 1. Significant uncertainty as regards going concern

The Company's liquidity budget shows a need for additional cash to fund the operations from July 2022. The management of the Ossiform group (the holding company Ossiform Limited and the 100% owned daughter company Ossiform ApS) has entered into agreement with Westhill Capital in London regarding the imminent funding round B. The management expects that the company will be secured new capital in Spring 2022 and thus presents the financial statements under the going concern assumption.

	2021 DKK	2020 DKK
<b>2. Staff costs</b>		
Wages and salaries	3,728,510	2,607,835
Other social security costs	23,762	14,106
Other staff costs	128,247	46,361
<b>Total</b>	<b>3,880,519</b>	<b>2,668,302</b>
Average number of employees during the year	6	3

### 3. Financial expenses

Interest, group enterprises	0	27,684
Other interest expenses	13,397	16,840
Foreign exchange losses	1,123	248
<b>Other financial expenses total</b>	<b>14,520</b>	<b>17,088</b>
<b>Total</b>	<b>14,520</b>	<b>44,772</b>

## 4. 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 and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

**4. Accounting policies** - continued -**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.



**4. Accounting policies** - continued -**INCOME STATEMENT****Gross loss**

Gross loss comprises revenue, other operating income and raw materials and consumables and other external expenses.

**Revenue**

Income from the sale of services is recognised in the income statement as delivery takes place (delivery method). Revenue is measured at the selling value of the agreed consideration exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

**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.

**Costs of raw materials and consumables**

Costs of raw materials and consumables comprise raw materials and consumables used for the year as well as any changes in inventories, including any inventory wastage.

Write-downs of inventories of raw materials and consumables are also recognised under raw materials and consumables to the extent that these do not exceed normal write-downs.

**Other external expenses**

Other external expenses comprise production costs, selling costs, cost of premises and administrative expenses

**Staff costs**

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

#### 4. Accounting policies - continued -

##### Depreciation and impairment losses

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

	Useful lives, years	Residual value, per cent
Leasehold improvements	5	0
Plant and machinery	3-5	0

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

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.

#### 4. Accounting policies - continued -

##### **BALANCE SHEET**

##### **Property, plant and equipment**

Property, plant and equipment comprise leasehold improvements og plant and machinery.

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 and impairment losses' section.

##### *Property, plant and equipment under construction*

Property, plant and equipment under construction are measured at cost. Costs incurred on property, plant and equipment under construction are transferred to the relevant asset category when the asset is ready for use.

##### *Gains and losses on the disposal of property, plant and equipment*

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.

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.

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.

#### 4. Accounting policies - continued -

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.

#### 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.

#### Cash

Cash includes deposits in bank accounts as well as operating cash.

#### 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.

**4. Accounting policies** - continued -

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**

Short-term payables are measured at amortised cost, normally corresponding to the nominal value of such payables.