
SNIPR Biome ApS

Lersø Parkallé , 44,5, DK-2100 København Ø

Annual Report for 2021

CVR No. 38 87 12 77

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 16/5 2022

Christian Grøndahl
Chairman of the
general meeting



Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's statement	1
Independent Auditor's report	2
Management's Review	
Company information	4
Management's review	5
Financial Statements	
Income statement 1 January 2021 - 31 December 2021	6
Balance sheet 31 December 2021	7
Statement of changes in equity	9
Notes to the Financial Statements	10

Management's statement

The Executive Board and Board of Directors have today considered and adopted the Financial Statements of SNIPR Biome ApS for the financial year 1 January - 31 December 2021.

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 at 31 December 2021 of the Company and of the results of the Company operations for 2021.

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

We recommend that the Financial Statements be adopted at the Annual General Meeting.

Copenhagen, 27 April 2022

Executive Board

Christian Grøndahl
CEO

Milan Zdravkovic
CMO

Board of Directors

Christian Ellebæk Elling
Chairman

Joachim Günter Rothe

Jørgen Ulrik Vejlsgaard

Morten Otto Alexander Sommer

Regina Hodits

Per Gunnar Falk

Independent Auditor's report

To the shareholders of SNIPR Biome ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of SNIPR Biome ApS for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional 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 Management's Review

Management is responsible for Management's Review.

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

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

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

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

Management's responsibilities for the Financial Statements

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

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's report

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 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.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Hellerup, 27 April 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Martin Lunden
statsautoriseret revisor
mne32209

Mads Blichfeldt Henriksen
statsautoriseret revisor
mne46065

Company information

The Company	SNIPR Biome ApS Lersø Parkallé , 44,5 DK-2100 København Ø CVR No: 38 87 12 77 Financial period: 1 January - 31 December Municipality of reg. office: Copenhagen
Board of Directors	Christian Ellebæk Elling, Chairman Joachim Günter Rothe Jørgen Ulrik Vejlsgaard Morten Otto Alexander Sommer Regina Hodits Per Gunnar Falk
Executive board	Christian Grøndahl Milan Zdravkovic
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900 Hellerup

Management's review

Key activities

The purpose of the company is directly and / or through the holding of shares in other companies, to conduct business with technological development, production and trade, and other companies, which, in the opinion of the Board of Directors, are associated therewith.

Development in the year

The income statement of the Company for 2021 shows a loss of DKK 79,293,903, and at 31 December 2021 the balance sheet of the Company shows positive equity of DKK 71,294,889.

Uncertainty relating to recognition and measurement

Recognition and measurement in the Annual Report have not been subject to any uncertainty.

Unusual events

The financial position at 31 December 2021 of the Company and the results of the activities of the Company for the financial year for 2021 have not been affected by any unusual events.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 1 January - 31 December

	Note	2021 DKK	2020 DKK
Gross loss		-37,776,814	-38,908,139
Staff expenses	2	-45,630,895	-31,488,888
Depreciation and impairment losses of property, plant and equipment		-1,535,191	-1,163,520
Profit/loss before financial income and expenses		-84,942,900	-71,560,547
Financial income		1,083,515	199,617
Financial expenses		-934,518	-796,655
Profit/loss before tax		-84,793,903	-72,157,585
Tax on profit/loss for the year	3	5,500,000	5,102,967
Net profit/loss for the year		-79,293,903	-67,054,618

Distribution of profit

	2021 DKK	2020 DKK
Proposed distribution of profit		
Retained earnings	-79,293,903	-67,054,618
	-79,293,903	-67,054,618

Balance sheet 31 December

Assets

	Note	2021	2020
		DKK	DKK
Other fixtures and fittings, tools and equipment		8,856,510	6,563,361
Leasehold improvements		1,353,818	836,611
Property, plant and equipment		10,210,328	7,399,972
Investments in subsidiaries		886	0
Deposits		1,390,302	815,811
Fixed asset investments		1,391,188	815,811
Fixed assets		11,601,516	8,215,783
Receivables from group enterprises		0	5,085,254
Other receivables		10,944,955	2,184,000
Corporation tax		5,500,000	5,500,000
Prepayments		1,090,511	919,369
Receivables		17,535,466	13,688,623
Cash at bank and in hand		53,563,018	87,869,112
Current assets		71,098,484	101,557,735
Assets		82,700,000	109,773,518

Balance sheet 31 December

Liabilities and equity

	Note	2021	2020
		DKK	DKK
Share capital		1,817,746	1,521,450
Retained earnings		69,477,143	89,545,760
Equity		71,294,889	91,067,210
Other payables		0	1,723,219
Long-term debt	4	0	1,723,219
Trade payables		3,357,726	11,017,361
Other payables	4	8,047,385	5,965,728
Short-term debt		11,405,111	16,983,089
Debt		11,405,111	18,706,308
Liabilities and equity		82,700,000	109,773,518
Going concern	1		
Contingent assets, liabilities and other financial obligations	5		
Accounting Policies	6		

Statement of changes in equity

	Share capital	Share premium account	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	1,521,450	0	89,545,760	91,067,210
Exchange adjustments	0	32,942	0	32,942
Cash capital increase	296,296	59,192,344	0	59,488,640
Net profit/loss for the year	0	0	-79,293,903	-79,293,903
Transfer from share premium account	0	-59,225,286	59,225,286	0
Equity at 31 December	1,817,746	0	69,477,143	71,294,889

Notes to the Financial Statements

1. Going concern

As of 31 December the Company has net current assets of t.DKK 60,655. The planned investments in further research and development activities for 2022 exceeds this amount. A tranche payment via a capital increase of t.DKK 59,600 has been approved on 24 February 2022 as well as a cost reimbursement agreement has been entered allowing the Company to continue the planned research activities during 2022. On this basis the annual report is prepared on the going concern assumption.

	<u>2021</u>	<u>2020</u>
	DKK	DKK
2. Staff Expenses		
Wages and salaries	39,604,001	27,131,873
Pensions	4,309,568	2,363,016
Other social security expenses	303,226	173,549
Other staff expenses	<u>1,414,100</u>	<u>1,820,450</u>
	45,630,895	31,488,888
Average number of employees	<u>39</u>	<u>26</u>

	<u>2021</u>	<u>2020</u>
	DKK	DKK
3. Income tax expense		
Current tax for the year	<u>-5,500,000</u>	<u>-5,102,967</u>
	-5,500,000	-5,102,967

4. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	<u>2021</u>	<u>2020</u>
	DKK	DKK
Other payables		
After 5 years	<u>0</u>	<u>1,723,219</u>
Long-term part	0	1,723,219
Within 1 year	0	0
Other short-term payables	<u>8,047,385</u>	<u>5,965,728</u>
	8,047,385	7,688,947

Notes to the Financial Statements

	<u>2021</u>	<u>2020</u>
	DKK	DKK
5. Contingent assets, liabilities and other financial obligations		
Rental and lease obligations		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	1,584,925	780,650
Between 1 and 5 years	<u>3,485,192</u>	<u>0</u>
	<u>5,070,117</u>	<u>780,650</u>

There are no security and contingent liabilities at 31 December 2021.

Notes to the Financial Statements

6. Accounting policies

The Annual Report of SNIPR Biome ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2021 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income statement

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and as well as office expenses, etc.

Gross loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of other operating income, expenses for raw materials and consumables and other external expenses.

Notes to the Financial Statements

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of property, plant and equipment.

Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of the profit for the year.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Balance sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	5-10 years
Leasehold improvements	5-10 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

Notes to the Financial Statements

If so, the asset is written down to its lower recoverable amount.

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item “Investments in subsidiaries” in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to “Reserve for net revaluation under the equity method” under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Other fixed asset investments

Other fixed asset investments consist of deposits.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Loans are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Notes to the Financial Statements

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

Other debts are measured at amortised cost, substantially corresponding to nominal value.