
SNIPR Biome ApS

Lersø Parkallé 44, 5, DK-2100 København Ø

Annual Report for 1 January - 31 December 2019

CVR No 38 87 12 77

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
13/5 2020

Christian Grøndahl
Chairman of the General
Meeting



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of SNIPR Biome ApS for the financial year 1 January - 31 December 2019.

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 2019 of the Company and of the results of the Company operations for 2019.

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

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 13 May 2020

Executive Board

Christian Grøndahl
CEO

Board of Directors

Christian Ellebæk Elling
Chairman

Joachim Günter Rothe

Jørgen Ulrik Vejlsgaard

Morten Otto Alexander Sommer

Regina Hodits

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 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019 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 2019, 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' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 Financials 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 misstate-

Independent Auditor's Report

ment, 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 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

Independent Auditor's Report

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, 13 May 2020

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Martin Lunden
statsautoriseret revisor
mne32209

Simon Vinberg Andersen
statsautoriseret revisor
mne35458

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: København

Board of Directors

Christian Ellebæk Elling, Chairman
Joachim Günter Rothe
Jørgen Ulrik Vejlsgaard
Morten Otto Alexander Sommer
Regina Hodits

Executive Board

Christian Grøndahl

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management's Review

Financial Statements of SNIPR Biome ApS for 2019 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 Annual Report has been prepared under the same accounting policies as last year.

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 2019 shows a loss of DKK 35,939,761, and at 31 December 2019 the balance sheet of the Company shows equity of DKK 68,688,821.

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 2019 of the Company and the results of the activities of the Company for the financial year for 2019 have not been affected by any unusual events.

Subsequent events

SNIPR Biome has in March temporarily closed its premises as a response to the unfolding Covid-19 pandemic and employees are working from home. The impact is still too early to assess accurately, however the premises are closed at a minimum to after Easter and could be longer. See also subsequent events disclosures in note 1.

Income Statement 1 January - 31 December

	Note	2019 12 months DKK	2017/18 17 months DKK
Expenses for raw materials and consumables		-2,484,428	-3,869,296
Other external expenses		-22,153,575	-8,360,186
Gross profit/loss		-24,638,003	-12,229,482
Staff expenses	2	-15,305,483	-9,430,892
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	3	-725,279	-164,184
Profit/loss before financial income and expenses		-40,668,765	-21,824,558
Financial income	4	52,041	11,711
Financial expenses	5	-786,818	-1,122,686
Profit/loss before tax		-41,403,542	-22,935,533
Tax on profit/loss for the year	6	5,463,781	4,028,637
Net profit/loss for the year		-35,939,761	-18,906,896

Distribution of profit

Proposed distribution of profit

Retained earnings		-35,939,761	-18,906,896
		-35,939,761	-18,906,896

Balance Sheet 31 December

Assets

Note	2019 12 måneder DKK	2017/18 17 måneder DKK
Other fixtures and fittings, tools and equipment	7,218,176	1,688,491
Leasehold improvements	889,663	624,560
Property, plant and equipment	8,107,839	2,313,051
Deposits	827,754	818,643
Fixed asset investments	827,754	818,643
Fixed assets	8,935,593	3,131,694
Receivables from group enterprises	124,721	2,286,777
Other receivables	1,617,393	1,153,652
Deferred tax asset	0	36,121
Corporation tax	9,492,418	3,992,516
Prepayments	453,350	300,112
Receivables	11,687,882	7,769,178
Cash at bank and in hand	52,623,951	7,685,074
Currents assets	64,311,833	15,454,252
Assets	73,247,426	18,585,946

Balance Sheet 31 December

Liabilities and equity

	Note	2019 12 måneder DKK	2017/18 17 måneder DKK
Share capital		1,077,006	500,000
Retained earnings		67,611,815	-6,766,716
Equity		68,688,821	-6,266,716
Other payables		476,431	0
Long-term debt	7	476,431	0
Trade payables		3,172,667	2,056,512
Payables to group enterprises		10,433	122,538
Payables to owners		0	21,076,615
Other payables	7	899,074	1,596,997
Short-term debt		4,082,174	24,852,662
Debt		4,558,605	24,852,662
Liabilities and equity		73,247,426	18,585,946
Subsequent events	1		
Contingent assets, liabilities and other financial obligations	8		
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Statement of Changes in Equity

	Share capital	Share premium	Retained	Total
	<u>DKK</u>	<u>account</u>	<u>earnings</u>	<u>DKK</u>
	DKK	DKK	DKK	DKK
Incorporation at 1 January	500,000	0	-6,766,716	-6,266,716
Cash capital increase	577,006	110,318,292	0	110,895,298
Net profit/loss for the year	0	0	-35,939,761	-35,939,761
Transfer from share premium account	0	-110,318,292	110,318,292	0
Equity at 31 December	<u>1,077,006</u>	<u>0</u>	<u>67,611,815</u>	<u>68,688,821</u>

Notes to the Financial Statements

1 Subsequent events

The implications of COVID-19 with many governments across the world deciding to close down their countries will have great impact on the global economy. Management considers the implications of COVID-19 a subsequent event occurred after the balance sheet date 31 December 2019, which is therefore a non-adjusting event to the Company.

SNIPR Biome has in March temporarily closed its premises as a response to the unfolding Covid-19 pandemic and employees are working from home. The impact is still too early to assess accurately, however the premises are closed at a minimum to after Easter and could be longer.

	2019 12 months DKK	2017/18 17 months DKK
2 Staff expenses		
Wages and salaries	13,582,143	8,502,246
Pensions	961,655	649,820
Other social security expenses	109,606	67,108
Other staff expenses	652,079	211,718
	15,305,483	9,430,892
Average number of employees	18	11
3 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		
Depreciation of property, plant and equipment	725,279	164,184
	725,279	164,184
4 Financial income		
Exchange gains	52,041	11,711
	52,041	11,711

Notes to the Financial Statements

	2019 12 months <u>DKK</u>	2017/18 17 months <u>DKK</u>
5 Financial expenses		
Other financial expenses	541,007	1,003,239
Exchange loss	245,811	119,447
	<u>786,818</u>	<u>1,122,686</u>
6 Tax on profit/loss for the year		
Current tax for the year	-5,499,902	-3,992,516
Deferred tax for the year	0	-36,121
Adjustment of deferred tax concerning previous years	36,121	0
	<u>-5,463,781</u>	<u>-4,028,637</u>
7 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:		
Other payables		
Between 1 and 5 years	476,431	0
Long-term part	476,431	0
Other short-term payables	899,074	1,596,997
	<u>1,375,505</u>	<u>1,596,997</u>

Notes to the Financial Statements

	2019 12 måneder <u>DKK</u>	2017/18 17 måneder <u>DKK</u>
8 Contingent assets, liabilities and other financial obligations		
Rental and lease obligations		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	650,000	1,561,300
Between 1 and 5 years	<u>0</u>	<u>650,000</u>
	<u>650,000</u>	<u>2,211,300</u>
There are no security and contingent liabilities at 31 December 2019.		

Notes to the Financial Statements

9 Accounting Policies

The Annual Report of SNIPR Biome ApS for 2019 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 Financial Statements for 2019 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.

Notes to the Financial Statements

9 Accounting Policies (continued)

Income Statement

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumed in connection with the company's development and research activities.

Other external expenses

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

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.

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.

The Company is jointly taxed with SNIPR Holdings ApS until 8 March when SNIPR Holdings ApS lost control. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

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

Notes to the Financial Statements

9 Accounting Policies (continued)

when the asset is ready for use.

Interest expenses on loans raised directly for financing the construction of property, plant and equipment are recognised in cost over the period of construction. All indirectly attributable borrowing expenses are recognised in the income statement.

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	years
Leasehold improvements	5	years

Depreciation period and residual value are reassessed annually.

Assets costing less than DKK 13,800 are expensed in the year of acquisition.

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.

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

Fixed asset investments

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.

Notes to the Financial Statements

9 Accounting Policies (continued)

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 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, such as loans from credit institutions, 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.

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.

For convertible loans the equity element is not recognised and the entire loan is recognised as financial debt.

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