

---

# ***SNIPR Biome ApS***

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

## **Annual Report for 2023**

---

CVR No. 38 87 12 77

The Annual Report was  
presented and adopted  
at the Annual General  
Meeting of the  
company  
on 19/6 2024

Christian Grøndahl  
Chairman of the  
general meeting



# Contents

	<u>Page</u>
<b>Management's Statement and Auditor's Report</b>	
Management's Statement	1
Independent Auditor's Report	2
<b>Management's Review</b>	
Company information	4
Management's Review	5
<b>Financial Statements</b>	
Income Statement 1 January - 31 December	6
Balance sheet 31 December	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 Annual Report of SNIPR Biome ApS for the financial year 1 January - 31 December 2023.

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 2023 of the Company and of the results of the Company operations for 2023.

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, 19 June 2024

## Executive Board

Christian Grøndahl  
CEO

## Board of Directors

Christian Ellebæk Elling  
Chairman

Daniela Begolo

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 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 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 2023, 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.

## Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company is dependent on the successful outcome of the current loan funding round, which indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter

## 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, 19 June 2024

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Martin Lunden  
State Authorised Public Accountant  
mne32209

Mads Blichfeldt Fjord  
State Authorised Public Accountant  
mne46065

## Company information

<b>The Company</b>	SNIPR Biome ApS Lersø Parkallé 44, 5. 2100 København Ø  CVR No: 38 87 12 77 Financial period: 1 January - 31 December Incorporated: 11 August 2017 Financial year: 6th financial year Municipality of reg. office: Copenhagen
<b>Board of Directors</b>	Christian Ellebæk Elling, chairman Daniela Begolo Jørgen Ulrik Vejlsgaard Morten Otto Alexander Sommer Regina Hodits Per Gunnar Falk
<b>Executive Board</b>	Christian Grøndahl
<b>Auditors</b>	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-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 2023 shows a loss of DKK 91,490,961, and at 31 December 2023 the balance sheet of the Company shows a positive equity of DKK 9,371,487.

## Capital resources

Reference is made to note 1 for a detailed description of the Company's capital resources.

## 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 2023 of the Company and the results of the activities of the Company for the financial year for 2023 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	2023 DKK	2022 DKK
<b>Gross loss</b>		<b>-38,171,629</b>	<b>-58,378,224</b>
Staff expenses	2	-50,531,941	-55,808,138
Depreciation and impairment losses of property, plant and equipment		-2,854,030	-2,789,357
<b>Profit/loss before financial income and expenses</b>		<b>-91,557,600</b>	<b>-116,975,719</b>
Income from investments in subsidiaries	3	668,788	37,202
Financial income		668,581	1,980,204
Financial expenses		-6,770,730	-1,160,613
<b>Profit/loss before tax</b>		<b>-96,990,961</b>	<b>-116,118,926</b>
Tax on profit/loss for the year	4	5,500,000	5,500,000
<b>Net profit/loss for the year</b>		<b>-91,490,961</b>	<b>-110,618,926</b>

### Distribution of profit

	2023 DKK	2022 DKK
<b>Proposed distribution of profit</b>		
Reserve for net revaluation under the equity method	668,788	37,202
Retained earnings	-92,159,749	-110,656,128
	<b>-91,490,961</b>	<b>-110,618,926</b>



## Balance sheet 31 December

### Assets

	Note	2023	2022
		DKK	DKK
Other fixtures and fittings, tools and equipment		5,900,940	7,922,565
Leasehold improvements		1,743,836	2,519,419
<b>Property, plant and equipment</b>		<b>7,644,776</b>	<b>10,441,984</b>
Investments in subsidiaries	5	694,128	38,088
Deposits	6	1,850,305	1,850,305
<b>Fixed asset investments</b>		<b>2,544,433</b>	<b>1,888,393</b>
<b>Fixed assets</b>		<b>10,189,209</b>	<b>12,330,377</b>
Trade receivables		145,287	0
Receivables from group enterprises		515,333	581,558
Other receivables		1,147,150	10,010,282
Corporation tax		5,500,000	5,500,000
Prepayments		470,401	2,293,786
<b>Receivables</b>		<b>7,778,171</b>	<b>18,385,626</b>
<b>Cash at bank and in hand</b>		<b>28,059,041</b>	<b>84,133,541</b>
<b>Current assets</b>		<b>35,837,212</b>	<b>102,519,167</b>
<b>Assets</b>		<b>46,026,421</b>	<b>114,849,544</b>

## Balance sheet 31 December

### Liabilities and equity

	Note	2023	2022
		DKK	DKK
Share capital		2,520,697	2,119,032
Share premium account		0	0
Reserve for net revaluation under the equity method		693,235	37,202
Retained earnings		6,157,555	18,055,117
<b>Equity</b>		<b>9,371,487</b>	<b>20,211,351</b>
Other provisions	7	1,031,980	1,031,980
<b>Provisions</b>		<b>1,031,980</b>	<b>1,031,980</b>
Prepayments received from customers		237,360	0
Trade payables		1,881,337	2,535,526
Payables to group enterprises		11,743	496,670
Payables to owners and Management		26,735,483	74,738,984
Deposits		273,409	0
Other payables		6,483,622	15,835,033
<b>Short-term debt</b>		<b>35,622,954</b>	<b>93,606,213</b>
<b>Debt</b>		<b>35,622,954</b>	<b>93,606,213</b>
<b>Liabilities and equity</b>		<b>46,026,421</b>	<b>114,849,544</b>
Going concern	1		
Contingent assets, liabilities and other financial obligations	8		
Accounting Policies	9		

## Statement of changes in equity

	Share capital	Share premium account	Reserve for net revaluation under the equity method	Retained earnings	Total
	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	2,119,032	0	37,202	18,055,117	20,211,351
Exchange adjustments	0	0	-12,755	0	-12,755
Capital increase	401,665	80,262,187	0	0	80,663,852
Net profit/loss for the year	0	0	668,788	-92,159,749	-91,490,961
Transfer from share premium account	0	-80,262,187	0	80,262,187	0
<b>Equity at 31 December</b>	<b>2,520,697</b>	<b>0</b>	<b>693,235</b>	<b>6,157,555</b>	<b>9,371,487</b>

# Notes to the Financial Statements

## 1. Going concern

As of 31 December 2023, the Company has current assets of DKK 35.8 million excluding receivables from group enterprises and short-term liabilities of DKK 35.6 million. The loss for the year amounts to DKK 91.5 million and is a result of the company's investments in research activities which is expected to require further significant investment during 2024.

At the time of the adoption of the Annual Report at the Annual General Meeting, the Company is in negotiations with a third-party lender to obtain a loan of EUR 20 million. The first tranche of gross EUR 6,6m will fund the research activities until March 2025 and subsequent tranches are subject to meeting certain financial and R&D milestones. The Company expects to meet these milestones during 2024-2026. A term sheet for the agreement is signed and closing of the agreement is expected in July 2024. If this financing does not materialize, the Company has runway to end of October 2024 and consequently there is uncertainty in terms of going concern for the Company.

	2023	2022
	DKK	DKK
<b>2. Staff Expenses</b>		
Wages and salaries	46,749,060	49,366,766
Pensions	2,925,853	5,289,574
Other social security expenses	358,478	388,708
Other staff expenses	498,550	763,090
	<b>50,531,941</b>	<b>55,808,138</b>
Average number of employees	<b>43</b>	<b>48</b>

	2023	2022
	DKK	DKK
<b>3. Income from investments in subsidiaries</b>		
Share of profits	668,788	37,202
	<b>668,788</b>	<b>37,202</b>

	2023	2022
	DKK	DKK
<b>4. Income tax expense</b>		
Current tax for the year	-5,500,000	-5,500,000
	<b>-5,500,000</b>	<b>-5,500,000</b>

## Notes to the Financial Statements

	2023	2022
	DKK	DKK
<b>5. Investments in subsidiaries</b>		
Cost at 1 January	886	886
Additions for the year	7	0
Cost at 31 December	<u>893</u>	<u>886</u>
Value adjustments at 1 January	37,202	0
Exchange adjustment	-12,755	0
Net profit/loss for the year	668,788	37,202
Value adjustments at 31 December	<u>693,235</u>	<u>37,202</u>
<b>Carrying amount at 31 December</b>	<b><u>694,128</u></b>	<b><u>38,088</u></b>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Ownership
SNIPR Biome UK Ltd.	UK	886	100%
SNIPR Biome US Inc.	US	7	100%

## 6. Other fixed asset investments

	Deposits
	DKK
Cost at 1 January	1,850,305
Cost at 31 December	<u>1,850,305</u>
<b>Carrying amount at 31 December</b>	<b><u>1,850,305</u></b>

	2023	2022
	DKK	DKK
<b>7. Other provisions</b>		
Other provisions	1,031,980	1,031,980
	<u>1,031,980</u>	<u>1,031,980</u>

Other provisions consist of provision for restoration obligation on leases

## Notes to the Financial Statements

	<u>2023</u>	<u>2022</u>
	DKK	DKK
<b>8. Contingent assets, liabilities and other financial obligations</b>		
<b>Rental and lease obligations</b>		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	2,490,835	2,486,150
Between 1 and 5 years	3,583,791	7,014,990
	<u>6,074,626</u>	<u>9,501,140</u>

There are no security and contingent liabilities at 31 December 2023.

# Notes to the Financial Statements

## 9. Accounting policies

The Annual Report of SNIPR Biome ApS for 2023 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 2023 are presented in DKK.

### Adjustment of comparative figures

Regarding the preparation of the annual accounts, some presentational changes have been made to the comparative figures. The changes have no effect on the income statement or the total equity, but only presentational changes between individual accounting items.

### Consolidated financial statements

With reference to section 110 of the Danish Financial Statements Act, no consolidated financial statements are prepared.

### Recognition and measurement

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. Value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised.

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.

# Notes to the Financial Statements

## Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales 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 revenue, other operating income, expenses for raw materials and consumables and other external expenses.

## 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 rent of property, and other subsidies and grants

## 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	3-10 years
Leasehold improvements	3-10 years



# Notes to the Financial Statements

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.

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.

## **Provisions**

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Other provisions include warranty obligations in respect of repair work within the warranty period of 1-5 years. Provisions are measured and recognised based on experience with guarantee work.

## **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.

# Notes to the Financial Statements

## Financial liabilities

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.

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