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# ***SNIPR Biome ApS***

Lersø Parkallé 44, 5, DK-2100 København Ø

## **Annual Report for 1 January - 31 December 2020**

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CVR No 38 87 12 77

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
12/5 2021

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 2020.

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 2020 of the Company and of the results of the Company operations for 2020.

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, 15 April 2021

## Executive Board

Christian Grøndahl  
CEO

Milan Zdravkovic

## 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 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020 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 2020, 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 disclosures, and whether the Financial Statements represent the underlying transactions and events

# Independent Auditor's Report

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, 15 April 2021

**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: København

### **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  
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 2020 shows a loss of DKK 67,054,619, and at 31 December 2020 the balance sheet of the Company shows equity of DKK 91,067,209.

## 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 2020 of the Company and the results of the activities of the Company for the financial year for 2020 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	2020 DKK	2019 DKK
<b>Gross profit/loss</b>		<b>-38,908,140</b>	<b>-24,638,003</b>
Staff expenses	2	-31,488,888	-15,305,483
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-1,163,520	-725,279
<b>Profit/loss before financial income and expenses</b>		<b>-71,560,548</b>	<b>-40,668,765</b>
Financial income		199,617	52,041
Financial expenses		-796,655	-786,818
<b>Profit/loss before tax</b>		<b>-72,157,586</b>	<b>-41,403,542</b>
Tax on profit/loss for the year	3	5,102,967	5,463,781
<b>Net profit/loss for the year</b>		<b>-67,054,619</b>	<b>-35,939,761</b>

## Distribution of profit

### Proposed distribution of profit

Retained earnings		-67,054,619	-35,939,761
		<b>-67,054,619</b>	<b>-35,939,761</b>

# Balance Sheet 31 December

## Assets

	Note	2020 DKK	2019 DKK
Other fixtures and fittings, tools and equipment		6,563,361	7,218,176
Leasehold improvements		836,611	889,663
<b>Property, plant and equipment</b>		<b>7,399,972</b>	<b>8,107,839</b>
Deposits		815,811	827,754
<b>Fixed asset investments</b>		<b>815,811</b>	<b>827,754</b>
<b>Fixed assets</b>		<b>8,215,783</b>	<b>8,935,593</b>
Receivables from group enterprises		5,085,254	124,721
Other receivables		2,184,000	1,617,393
Corporation tax		5,500,000	9,492,418
Prepayments		919,369	453,350
<b>Receivables</b>		<b>13,688,623</b>	<b>11,687,882</b>
<b>Cash at bank and in hand</b>		<b>87,869,112</b>	<b>52,623,951</b>
<b>Currents assets</b>		<b>101,557,735</b>	<b>64,311,833</b>
<b>Assets</b>		<b>109,773,518</b>	<b>73,247,426</b>

# Balance Sheet 31 December

## Liabilities and equity

	Note	2020 DKK	2019 DKK
Share capital		1,521,450	1,077,006
Retained earnings		89,545,759	67,611,815
<b>Equity</b>		<b>91,067,209</b>	<b>68,688,821</b>
Other payables		1,723,219	476,431
<b>Long-term debt</b>	4	<b>1,723,219</b>	<b>476,431</b>
Trade payables		11,017,361	3,172,667
Payables to group enterprises		0	10,433
Other payables	4	5,965,729	899,074
<b>Short-term debt</b>		<b>16,983,090</b>	<b>4,082,174</b>
<b>Debt</b>		<b>18,706,309</b>	<b>4,558,605</b>
<b>Liabilities and equity</b>		<b>109,773,518</b>	<b>73,247,426</b>
Capital resources	1		
Contingent assets, liabilities and other financial obligations	5		
Accounting Policies	6		

## Statement of Changes in Equity

	Share capital	Share premium	Retained	Total
	DKK	account	earnings	DKK
	DKK	DKK	DKK	DKK
Incorporation at 1 January	1,077,006	0	67,611,814	68,688,820
Exchange adjustments	0	103,800	0	103,800
Cash capital increase	444,444	88,884,764	0	89,329,208
Net profit/loss for the year	0	0	-67,054,619	-67,054,619
Transfer from share premium account	0	-88,988,564	88,988,564	0
<b>Equity at 31 December</b>	<b>1,521,450</b>	<b>0</b>	<b>89,545,759</b>	<b>91,067,209</b>

# Notes to the Financial Statements

## 1 Capital resources

As of 31 December the Company has net current assets of DKK 79,886. The planned investments in further research and development activities for 2021 exceeds this amount. A tranche payment in the second half of 2021 is conditional on the achievement of qualitative objectives agreed with the investors. In case that the tranche payment is not received as planned the Company will need liquidity to repay the creditors. It is Management's expectation that the payment will be received. Therefore the annual report is prepared on the going concern assumption.

	<u>2020</u> DKK	<u>2019</u> DKK
<b>2 Staff expenses</b>		
Wages and salaries	27,131,873	13,582,143
Pensions	2,363,016	961,655
Other social security expenses	173,549	109,606
Other staff expenses	1,820,450	652,079
	<u><b>31,488,888</b></u>	<u><b>15,305,483</b></u>
 <b>Average number of employees</b>	 <u><b>26</b></u>	 <u><b>23</b></u>

## 3 Tax on profit/loss for the year

Current tax for the year	-5,102,967	-5,499,902
Adjustment of deferred tax concerning previous years	<u>0</u>	<u>36,121</u>
	<u><b>-5,102,967</b></u>	<u><b>-5,463,781</b></u>

## 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:

### Other payables

After 5 years	1,723,219	476,431
Long-term part	<u>1,723,219</u>	<u>476,431</u>
Other short-term payables	5,965,729	899,074
	<u><b>7,688,948</b></u>	<u><b>1,375,505</b></u>

## Notes to the Financial Statements

	<u>2020</u> DKK	<u>2019</u> DKK
<b>5 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	<u>780,650</u>	<u>650,000</u>
	<u><b>780,650</b></u>	<u><b>650,000</b></u>
There are no security and contingent liabilities at 31 December 2020.		

# Notes to the Financial Statements

## 6 Accounting Policies

The Annual Report of SNIPR Biome ApS for 2020 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 2020 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

## 6 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

## 6 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.

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

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.

### 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.

### 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.

# Notes to the Financial Statements

## 6 Accounting Policies (continued)

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.