
GlyProVac ApS

Rørhatten 4, DK-5220 Odense SØ

Annual Report for 1 July 2022 - 30 June 2023

CVR No. 39 72 47 58

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 5/10 2023

Kaj Andersen
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 Financial Statements of GlyProVac ApS for the financial year 1 July 2022 - 30 June 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 30 June 2023 of the Company and of the results of the Company operations for 2022/23.

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

Odense SØ, 5 October 2023

Executive Board

Anders Boysen
Manager

Ann Zahle Andersen
Manager

Board of Directors

Kirsten Winther
Chairman

Allan Rosetzsky

Ann Zahle Andersen

Tommi Petteri Kainu

Willem Adriaan de Jongh

Independent Practitioner's Extended Review Report

To the shareholders of GlyProVac ApS

Conclusion

We have performed an extended review of the Financial Statements of GlyProVac ApS for the financial year 1 July 2022 - 30 June 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

Based on the work performed, in our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 June 2023 and of the results of the Company's operations for the financial year 1 July 2022 - 30 June 2023 in accordance with the Danish Financial Statements Act.

Basis for Conclusion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Practitioner's responsibilities for the extended review 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's responsibility 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.

Practitioner's responsibilities for the extended review of the Financial Statements

Our responsibility is to express a conclusion on the Financial Statements. This requires that we plan and perform procedures to obtain limited assurance in respect of our conclusion on the Financial Statements and, moreover, that we perform supplementary procedures specifically required to obtain additional assurance in respect of our conclusion.

An extended review consists of making inquiries, primarily of Management and others within the enterprise, as appropriate, and applying analytical procedures and the supplementary procedures specifically required as well as assessing the evidence obtained.

An extended review is less in scope than an audit and, consequently, we do not express an audit opinion on the Financial Statements.

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.

Independent Practitioner's Extended Review Report

In connection with our extended review 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 extended review, 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.

Odense M, 5 October 2023

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Brian Petersen

State Authorised Public Accountant

mne33722

Company information

The Company	GlyProVac ApS Rørhatten 4 DK-5220 Odense SØ CVR No: 39 72 47 58 Financial period: 1 July 2022 - 30 June 2023 Incorporated: 3 July 2018 Financial year: 5th financial year Municipality of reg. office: Odense SØ
Board of Directors	Kirsten Winther, chairman Allan Rosetzsky Ann Zahle Andersen Tommi Petteri Kainu Willem Adriaan de Jongh
Executive Board	Anders Boysen Ann Zahle Andersen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Munkebjergvænget 1, 3. og 4. sal DK-5230 Odense M
Bankers	Sydbank

Management's review

Key activities

The company's mission is to develop and commercialise bacterial vaccines.

The main objective of GlyProVac ApS is to use the GlyProVac proprietary platform technology BEMAP to identify and subsequently develop bacterial vaccines, based on novel glycoproteins, which display an increased stimulation of the human immune system.

Development in the year

The income statement of the Company for 2022/23 shows a loss of DKK 2,871,688, and at 30 June 2023 the balance sheet of the Company shows positive equity of DKK 851,577.

The result is as planned.

The GlyProVac vaccine candidates may be incorporated in entirely new vaccines but may also improve current vaccines against bacterial infections. The main candidate of GlyProVac development targets infections by *E. coli*, specifically severe health care associated urinary tract infections.

In the fiscal year 2022/23 the Company has continued its development of vaccine candidate GPV02. The production of GPV02 has been optimized and the GlyProVac laboratory has implemented standard operating procedures ensuring full documentation and traceability in production. Based on this, technology transfer to an external site of production has been initiated. This transfer of GPV02 production represents an important milestone in vaccine development.

In 2022/23 GlyProVac also submitted a GlyProVac fully owned patent application covering GPV02, and production strain.

Capital resources

The company is funded through equity and grants from Danish and European funding bodies. In Q2 2023 the investor circle was expanded in a successful bridge funding round.

The Company will secure further financial resources in the fiscal year 2023/24 in order to continue development activities. This development is as expected for this type of R&D company and therefore the process of securing further funding is a continuous activity.

Note to change in accounting policy

Due to uncertainty regarding the interpretation of criteria for recognition and measurement of the value of the current development project, the management has chosen to change the accounting practice according to which the company's development costs are now recognised as expenses in the income statement. Reference is made to the accounting policies. This change reflects only a prudent change in accounting policy and not a change in the value of ongoing development activities.

Subsequent events

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

Income statement 1 July 2022 - 30 June 2023

	Note	2022/23 DKK	2021/22 DKK
Other operating income	2	1,051,000	990,600
Other external expenses		-1,865,748	-1,964,925
Gross loss		-814,748	-974,325
Staff expenses	3	-2,294,222	-2,181,082
Depreciation and impairment losses of property, plant and equipment		-10,216	0
Profit/loss before financial income and expenses		-3,119,186	-3,155,407
Financial expenses		-276,751	-205,588
Profit/loss before tax		-3,395,937	-3,360,995
Tax on profit/loss for the year	4	524,249	701,465
Net profit/loss for the year		-2,871,688	-2,659,530

Distribution of profit

	2022/23 DKK	2021/22 DKK
Proposed distribution of profit		
Retained earnings	-2,871,688	-2,659,530
	-2,871,688	-2,659,530

Balance sheet 30 June 2023

Assets

	Note	2022/23 DKK	2021/22 DKK
Other fixtures and fittings, tools and equipment		51,077	0
Property, plant and equipment	5	51,077	0
Fixed assets		51,077	0
Other receivables		3,358,294	313,981
Corporation tax		1,226,533	313,181
Corporation tax receivable from group enterprises		0	1,042,491
Receivables		4,584,827	1,669,653
Cash at bank and in hand		877,209	2,102,508
Current assets		5,462,036	3,772,161
Assets		5,513,113	3,772,161

Balance sheet 30 June 2023

Liabilities and equity

	Note	2022/23 DKK	2021/22 DKK
Share capital		130,904	109,225
Retained earnings		720,673	-1,099,169
Equity		851,577	-989,944
Other payables		4,171,427	3,901,169
Long-term debt	6	4,171,427	3,901,169
Trade payables		0	73,544
Payables to group enterprises		2,339	0
Other payables	6	487,770	787,392
Short-term debt		490,109	860,936
Debt		4,661,536	4,762,105
Liabilities and equity		5,513,113	3,772,161
Going concern	1		
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Statement of changes in equity

	Share capital	Share premium account	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 July	109,225	0	4,867,292	4,976,517
Net effect from change of accounting policy	0	0	-5,966,461	-5,966,461
Adjusted equity at 1 July	109,225	0	-1,099,169	-989,944
Cash capital increase	21,679	4,691,530	0	4,713,209
Net profit/loss for the year	0	0	-2,871,688	-2,871,688
Transfer from share premium account	0	-4,691,530	4,691,530	0
Equity at 30 June	130,904	0	720,673	851,577

Notes to the Financial Statements

1. Going concern

The company has in the fiscal year 2022/23 continued its development of a vaccine based on glycoproteins and the results continue to be promising.

The company is still in the development phase and generates no revenue. Continued development towards commercialization is secured in the financial year 2023/24 through financing in the form of; non-diluting funding through grants and private placements from current and new investors.

The company is continuously working to raise capital to be able to maintain operations also after the end of the coming financial year. The management expects to succeed in obtaining the necessary capital.

Therefore, management presents the accounts based on a going concern consideration.

2. Other operating income

	2022/23 DKK	2021/22 DKK
Grants, Innovationsfonden	1,051,000	990,600
	<u>1,051,000</u>	<u>990,600</u>

3. Staff Expenses

	2022/23 DKK	2021/22 DKK
Wages and salaries	1,999,294	1,909,561
Pensions	226,762	223,454
Other social security expenses	60,127	46,320
Other staff expenses	8,039	1,747
	<u>2,294,222</u>	<u>2,181,082</u>
Average number of employees	<u>4</u>	<u>4</u>

4. Income tax expense

	2022/23 DKK	2021/22 DKK
Current tax for the year	-524,249	-701,465
	<u>-524,249</u>	<u>-701,465</u>

Notes to the Financial Statements

5. Property, plant and equipment

	Other fixtures and fittings, tools and equipment
	DKK
Cost at 1 July	0
Additions for the year	61,293
Cost at 30 June	61,293
Impairment losses and depreciation at 1 July	0
Depreciation for the year	10,216
Impairment losses and depreciation at 30 June	10,216
Carrying amount at 30 June	51,077

6. 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:

	2022/23	2021/22
	DKK	DKK
Other payables		
After 5 years	0	0
Between 1 and 5 years	4,171,427	3,901,169
Long-term part	4,171,427	3,901,169
Within 1 year	0	0
Other short-term payables	487,770	787,392
	4,659,197	4,688,561

7. Contingent assets, liabilities and other financial obligations

Contingent liabilities

GlyProVac ApS were in the previous years jointly taxed with other group companies. (Boysen Bio ApS until 6/12 2020, GlycoPharma Holding ApS in the period 7/12 2020 - 28/2 2022).

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Notes to the Financial Statements

8. Accounting policies

The Annual Report of GlyProVac ApS for 2022/23 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 2022/23 are presented in DKK.

Changes in accounting policies

The company has changed accounting policies concerning development project costs.

Development costs were previously recognized in the balance sheet under assets, but this has now changed so that development costs are recognised as expenses in the income statement as incurred. The comparative figures have been adapted to the changed accounting practices.

The change has resulted in an decrease of profit before tax for the current year with TDKK -1.481 (2022: TDKK -2.295) and the year's result after tax TDKK -1.402 (2022: TDKK -2.026). It has also affected the company's fixed assets with TDKK -10.993 (2022: TDKK -8.460), the short-term debt (deferred income) TDKK -2.715 (2022 : TDKK -1.664) and the total balance sheet with TDKK -10.993 (2022: TDKK -8.460). Equity is affected by TDKK -7.369 (2022: TDKK -5.966). The company's cash flow is not affected by the change.

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.

Income statement

Other external expenses

Other external expenses comprise expenses for premises, sales as well as office expenses, etc.

Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees. The item is net of refunds made by public authorities.

Notes to the Financial Statements

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise depreciation and impairment of 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 grant from the innovation fund regarding development activity.

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.

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
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Impairment of fixed assets

The carrying amounts of intangible assets 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.

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.

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.

Notes to the Financial Statements

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

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