



## **Pincer Biotech ApS**

Inge Lehmanns Gade 10  
8000 Aarhus C  
CVR No. 40497978

## **Annual report 2022**

The Annual General Meeting adopted the  
annual report on 19.05.2023

---

**Claus Hansen**

Chairman of the General Meeting

# Contents

Entity details	2
Statement by Management	3
Independent auditor's compilation report	4
Management commentary	5
Income statement for 2022	6
Balance sheet at 31.12.2022	7
Statement of changes in equity for 2022	9
Notes	10
Accounting policies	12

# Entity details

## Entity

Pincer Biotech ApS  
Inge Lehmanns Gade 10  
8000 Aarhus C

Business Registration No.: 40497978  
Registered office: Aarhus  
Financial year: 01.01.2022 - 31.12.2022

## Executive Board

Charlotte Dyring, CEO  
Claus Hansen

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab  
City Tower, Værkmestergade 2  
8000 Aarhus C

# Statement by Management

The Executive Board has today considered and approved the annual report of Pincer Biotech ApS for the financial year 01.01.2022 - 31.12.2022.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We consider the preconditions for not auditing the financial statements for the financial year 01.01.2022 - 31.12.2022 as complied with.

We recommend the annual report for adoption at the Annual General Meeting.

Aarhus, 19.05.2023

## Executive Board

**Charlotte Dyring**  
CEO

**Claus Hansen**

# Independent auditor's compilation report

## To Management of Pincer Biotech ApS

We have compiled the financial statements of Pincer Biotech ApS for the financial year 01.01.2022 - 31.12.2022 based on the Entity's bookkeeping records and other information Management has provided.

These financial statements comprise the income statement, balance sheet, statement of changes in equity, notes and accounting policies.

We performed this compilation engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist Management in the preparation and presentation of these financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Public Accountants Act and FSR – Danish Auditors' Code of Conduct for professional accountants, including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile the financial statements are Management's responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the disclosures Management provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion about whether the financial statements have been prepared in accordance with the Danish Financial Statements Act.

Aarhus, 19.05.2023

## **Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

## **Jens Lauridsen**

State Authorised Public Accountant  
Identification No (MNE) mne34323

# Management commentary

## Primary activities

The Company's objective is to design patentable compounds with effect against multi-resistant persisters based on anti-persister efficacy of small molecule fragments.

## Description of material changes in activities and finances

Pincer Biotech has in co-operation with Aarhus University initiated a strategic discovery projects on a discovered number of such anti-persister activity by small molecules belonging to a few structural clusters and further promising candidates have been selected. The compound has been tested again during 2022 with unclear results and data, so we are still in the discovery process of identifying and qualifying our lead candidate

The company's cash resources are deemed sufficient to continue operations and development and the plan for 2023 is to test further new and existing compounds and to take some of the already identified one step further in the development process.

The company has lost more than 50% of the company's contributed capital, and is thus covered by the capital loss rules. The management expects the company's contributed capital to be restored via future earnings and/or capital increases.

Based on the company's cash and liquidity situation and a structure with limited fixed cost Management have presented the annual report on the basis of going concern.

## Research and development activities

The Company has decided to capitalise development costs as it is Management's opinion that the relating future amortization burden can be encompassed in future financial benefits. For more details, see note 6 to the financial statements.

## Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

# Income statement for 2022

	Notes	2022 DKK	2021 DKK
<b>Gross profit/loss</b>	2	<b>(406,800)</b>	<b>(184,706)</b>
Staff costs	3	(69,408)	(37,821)
<b>Operating profit/loss</b>		<b>(476,208)</b>	<b>(222,527)</b>
Other financial expenses		(113,616)	(89,925)
<b>Profit/loss before tax</b>		<b>(589,824)</b>	<b>(312,452)</b>
Tax on profit/loss for the year	4	180,500	59,449
<b>Profit/loss for the year</b>		<b>(409,324)</b>	<b>(253,003)</b>
<b>Proposed distribution of profit and loss</b>			
Retained earnings		(409,324)	(253,003)
<b>Proposed distribution of profit and loss</b>		<b>(409,324)</b>	<b>(253,003)</b>

# Balance sheet at 31.12.2022

## Assets

	Notes	2022 DKK	2021 DKK
Development projects in progress	6	1,250,576	395,120
<b>Intangible assets</b>	5	<b>1,250,576</b>	<b>395,120</b>
Deposits		3,225	0
<b>Financial assets</b>	7	<b>3,225</b>	<b>0</b>
<b>Fixed assets</b>		<b>1,253,801</b>	<b>395,120</b>
Other receivables		104,569	11,938
Income tax receivable	8	180,500	29,449
Prepayments		860	0
<b>Receivables</b>		<b>285,929</b>	<b>41,387</b>
<b>Cash</b>		<b>484,115</b>	<b>1,877,236</b>
<b>Current assets</b>		<b>770,044</b>	<b>1,918,623</b>
<b>Assets</b>		<b>2,023,845</b>	<b>2,313,743</b>



**Equity and liabilities**

	<b>Notes</b>	<b>2022 DKK</b>	<b>2021 DKK</b>
Contributed capital		64,328	64,328
Reserve for development expenditure		975,449	308,193
Retained earnings		(1,012,362)	64,218
<b>Equity</b>		<b>27,415</b>	<b>436,739</b>
Debt to other credit institutions		1,966,381	1,864,614
<b>Non-current liabilities other than provisions</b>	<b>9</b>	<b>1,966,381</b>	<b>1,864,614</b>
Trade payables		13,549	12,390
Other payables		16,500	0
<b>Current liabilities other than provisions</b>		<b>30,049</b>	<b>12,390</b>
<b>Liabilities other than provisions</b>		<b>1,996,430</b>	<b>1,877,004</b>
<b>Equity and liabilities</b>		<b>2,023,845</b>	<b>2,313,743</b>

Going concern

1

# Statement of changes in equity for 2022

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	64,328	308,193	64,218	436,739
Transfer to reserves	0	667,256	(667,256)	0
Profit/loss for the year	0	0	(409,324)	(409,324)
<b>Equity end of year</b>	<b>64,328</b>	<b>975,449</b>	<b>(1,012,362)</b>	<b>27,415</b>

# Notes

## 1 Going concern

Based on the company's cash and liquidity situation and a structure with limited fixed cost we can continue the development process in 2023.

## 2 Gross profit/loss

Herein included "Own work capitalised" regarding development projects, which amounts to DKK 826k in 2022 and DKK 171k in 2021.

## 3 Staff costs

	2022 DKK	2021 DKK
Wages and salaries	66,750	37,000
Other staff costs	2,658	821
	<b>69,408</b>	<b>37,821</b>
Average number of full-time employees	<b>0</b>	<b>0</b>

The Company has no full-time employees, who receive remuneration.

## 4 Tax on profit/loss for the year

	2022 DKK	2021 DKK
Current tax	(180,500)	(29,449)
Change in deferred tax	0	(30,000)
	<b>(180,500)</b>	<b>(59,449)</b>

Current tax relates to tax credit for research and development expenses at the applicable tax rate under the Danish Corporation Tax. Act. See also note 8.

## 5 Intangible assets

	Development projects in progress DKK
Cost beginning of year	395,120
Additions	855,456
<b>Cost end of year</b>	<b>1,250,576</b>
<b>Carrying amount end of year</b>	<b>1,250,576</b>

## 6 Development projects

The Company designs patentable compounds with effect against multi-resistant persisters based on anti-

persistency efficacy of small molecule fragments.

In connection to the preparation of the financial statements Management have considered whether indications for impairment exist. This assessment is based on current expectations and require Management to exercise professional judgment. Management have concluded that no impairment loss should be recognized.

## 7 Financial assets

	<b>Deposits DKK</b>
Additions	3,225
<b>Cost end of year</b>	<b>3,225</b>
<b>Carrying amount end of year</b>	<b>3,225</b>

## 8 Tax receivable

The outstanding corporate tax receivable included in the balance sheet relates to the use of the tax credit scheme under section 8X of the Danish Tax Assessment Act, whereby the company receives payment for the tax value of losses resulting from research and development expenses. Based on the review of the criteria for using the scheme, it is management's clear understanding that the company is eligible to use the scheme, and the recognition has been made based on this assessment. There is a risk that the Danish Tax Authority may determine that the conditions for using the scheme have not been met. If so, subsequent financial years will be negatively affected by the reduction of the outstanding corporate tax receivable through "Tax for the year" in the income statement.

## 9 Non-current liabilities other than provisions

	<b>Due after more than 12 months 2022 DKK</b>	<b>Outstanding after 5 years 2022 DKK</b>
Debt to other credit institutions	1,966,381	164,392
	<b>1,966,381</b>	<b>164,392</b>

# Accounting policies

## Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year, but with a few reclassifications in the presentation of the annual report in the comparative figures.

## Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Income statement

### Gross profit or loss

Gross profit or loss comprises revenue, external expenses, and own work capitalised.

### Own work capitalised

Own work capitalised comprises staff costs and other costs incurred in the financial year and recognised in cost for proprietary intangible assets.

### Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including administrations costs, etc.

### Staff costs

Staff costs comprise other personal costs for entity staff.

### Other financial expenses

Other financial expenses comprise interest expenses, net capital or exchange losses on securities, payables and transactions in foreign currencies etc.

**Tax on profit/loss for the year**

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

**Balance sheet****Intellectual property rights etc.**

Intellectual property rights etc comprise development projects in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

**Receivables**

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

**Tax payable or receivable**

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

**Prepayments**

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

**Cash**

Cash comprises bank deposits.

**Other financial liabilities**

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.