

atSpiro ApS

Maskinvej 5, 2860 Søborg
CVR no. 40 79 70 84

Annual report for the financial year 01.04.21 - 31.03.22

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 30.09.22

Toke Faurby
Dirigent

Company information etc.	3
Statement by the Executive Board and Board of Directors on the annual report	4
Independent auditor's report	5 - 7
Management's review	8
Income statement	9
Balance sheet	10 - 11
Statement of changes in equity	12
Notes	13 - 20

The company

atSpiro ApS
Maskinvej 5
2860 Søborg
Registered office: Gladsaxe Kommune
CVR no.: 40 79 70 84
Financial year: 01.04 - 31.03

Executive Board

Toke Faurby
Christian Emil Ege-Johansen
Frederik Riddersholm Petersen
Stanislav Ondrus

Board of Directors

Henning Lysdal
Henning Ellesgaard
Henning Ralf Stennicke
Steen Kristensen
Toke Faurby

Auditors

Beierholm
Statsautoriseret Revisionspartnerselskab

Statement by the Executive Board and Board of Directors on the annual report

We have on this day presented the annual report for the financial year 01.04.21 - 31.03.22 for atSpiro ApS.

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

In our opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31.03.22 and of the results of the company's activities for the financial year 01.04.21 - 31.03.22.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Soeborg, Copenhagen, September 27, 2022

Executive Board

Toke Faurby

Christian Emil Ege-
Johansen

Frederik Riddersholm
Petersen

Stanislav Ondrus

Board of Directors

Henning Lysdal
Chairman

Henning Ellesgaard

Henning Ralf Stennicke

Steen Kristensen

Toke Faurby

To the capital owner of atSpiro ApS**Opinion**

We have audited the financial statements of atSpiro ApS for the financial year 01.04.21 - 31.03.22, which comprise the income statement, balance sheet, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

In our opinion the financial statements give a true and fair view of the company's assets, liabilities and financial position at 31.03.22 and of the results of the company's operations for the financial year 01.04.21 - 31.03.22 in accordance with the the Danish Financial Statements Act (Årsregnskabsloven).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing 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.

Statement regarding the 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, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Acts. We did not identify any material misstatement of management's review.

Management's responsibility for the financial statements

The Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore the Management is responsible for the internal control as the 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.

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 International Standards on Auditing 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 International Standards on Auditing and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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.

Soeborg, Copenhagen, September 27, 2022

Beierholm

Statsautoriseret Revisionspartnerselskab
CVR no. 32 89 54 68

Carsten Collin

State Authorized Public Accountant
MNE-no. mne9406

Primary activities

The company is developing technologies for advancing research and process development through shaken fermentations and cell cultivations

Development in activities and financial affairs

The income statement for the period 01.04.21 - 31.03.22 shows a profit/loss of DKK -1,487,187 against DKK -332,458 for the period 01.04.20 - 31.03.21. The balance sheet shows equity of DKK -728,062.

Information on going concern

The company's equity is per 31 March 2022 negative. The company's equity is expected to be re-established through own earnings in the coming years. The company's liquidity means that the company can carry out the planned activities in the financial year 2022/23.

It can also be stated that, in accordance with the business plan, the company plans to carry out a capital increase during 2023.

Research and development activities

During 2021-2022 atSpiro has continued the development and maturation of the Shake-Reactor platform and related technologies. The primary focus has been on developing and proving the reliability, life time, and persistent quality of the technology and production process, through thorough validation and testing. The development efforts have lead to several improvements in the reliability, usability, and overall functionality of the Shake-Reactor, expanding its filed of use and what markets can be addressed

Income statement

Note		2021/22 DKK	2020/21 DKK
	Gross result	-685,105	86,885
2	Staff costs	-959,943	-528,127
	Loss before depreciation, amortisation, write-downs and impairment losses	-1,645,048	-441,242
	Depreciation and impairments losses of property, plant and equipment	-77,274	-16,653
	Operating loss	-1,722,322	-457,895
	Financial income	1,184	0
	Financial expenses	-168,229	-41,480
	Loss before tax	-1,889,367	-499,375
	Tax on loss for the year	402,180	166,917
	Loss for the year	-1,487,187	-332,458
	Proposed appropriation account		
	Retained earnings	-1,487,187	-332,458
	Total	-1,487,187	-332,458

ASSETS		31.03.22	31.03.21
		DKK	DKK
Note			
	Prepayments for intangible assets	11,156,339	11,156,339
	Total intangible assets	11,156,339	11,156,339
	Other fixtures and fittings, tools and equipment	370,326	151,231
	Total property, plant and equipment	370,326	151,231
	Total non-current assets	11,526,665	11,307,570
	Raw materials and consumables	94,950	49,261
	Total inventories	94,950	49,261
	Income tax receivable	375,884	196,504
	Other receivables	64,899	62,003
	Total receivables	440,783	258,507
	Cash	1,679,703	3,327,036
	Total current assets	2,215,436	3,634,804
	Total assets	13,742,101	14,942,374

EQUITY AND LIABILITIES		31.03.22	31.03.21
Note		DKK	DKK
	Share capital	45,615	45,615
	Share premium	1,044,390	1,044,390
	Retained earnings	-1,818,067	-330,880
	Total equity	-728,062	759,125
	Provisions for deferred tax	0	29,587
	Total provisions	0	29,587
3	Payables to other credit institutions	3,175,076	3,025,076
3	Trade payables	11,006,020	11,007,204
3	Other payables	0	8,102
	Total long-term payables	14,181,096	14,040,382
	Trade payables	114,348	47,500
	Other payables	174,719	65,780
	Total short-term payables	289,067	113,280
	Total payables	14,470,163	14,153,662
	Total equity and liabilities	13,742,101	14,942,374

4 Contingent liabilities

Statement of changes in equity

Figures in DKK	Share capital	Share premium	Retained earnings	Total equity
Statement of changes in equity for 01.04.21 - 31.03.22				
Balance as at 01.04.21	45,615	1,044,390	-330,880	759,125
Net profit/loss for the year	0	0	-1,487,187	-1,487,187
Balance as at 31.03.22	45,615	1,044,390	-1,818,067	-728,062

1. Information as regards going concern

The company's equity is per 31 March 2022 negative. The company's equity is expected to be re-established through own earnings in the coming years. The company's liquidity means that the company can carry out the planned activities in the financial year 2022/23.

2. Staff costs

Wages and salaries	921,295	516,477
Other social security costs	33,379	9,294
Other staff costs	5,269	2,356
Total	959,943	528,127
Average number of employees during the year	4	2

3. Long-term payables

Figures in DKK	Outstanding debt after 5 years	Total payables at 31.03.22	Total payables at 31.03.21
Payables to credit institutions	0	3,175,076	3,025,076
Trade payables	5,120,000	11,006,020	11,007,204
Other payables	0	0	8,102
Total	5,120,000	14,181,096	14,040,382

4. Contingent liabilities

Other contingent liabilities

In connection with the acquisition of license and patent rights as well as the conclusion of a financing agreement, the company has assumed an obligation to pay a bonus to the seller of the above license and patent rights and / or the financing company.

Bonus must be paid if the company or its shareholders carry out a divestment of a significant shareholding in the company, including listing, divestment of activity, etc. Bonus is calculated on the basis of the company's market value at the time when divestment, etc. being implemented

5. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for a higher reporting class.

The accounting policies have been applied consistently with previous years.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

CURRENCY

The annual report is presented in Danish kroner (DKK).

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets, inventories and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

5. Accounting policies - continued -

GRANTS

Grants are recognised when there is reasonable certainty that the grant conditions have been met and that the grant will be received.

Grants to cover expenses incurred are recognised on a proportionate basis in the income statement over the period in which the expenses eligible for grants are expensed. Grants are recognised under other operating income.

Grants received for the production or construction of assets are recognised as deferred income under payables. For depreciable assets, the grant is recognised as the asset is depreciated.

INCOME STATEMENT

Gross result

Gross result comprises revenue, other operating income and raw materials and consumables and other external expenses.

Revenue

Income from the sale of goods is recognised in the income statement if delivery has taken place and the risk has passed to the buyer before the end of the financial year and where the selling price can be determined reliably and is expected to be paid. Revenue is measured at fair value and is determined exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

Other operating income

Other operating income comprises income of a secondary nature in relation to the enterprise's activities, including rental income, negative goodwill and gains on the sale of intangible assets and property, plant and equipment.

5. Accounting policies - continued -

Costs of raw materials and consumables

Costs of raw materials and consumables comprise raw materials and consumables used for the year as well as any changes in inventories, including any inventory wastage.

Write-downs of inventories of raw materials and consumables are also recognised under raw materials and consumables to the extent that these do not exceed normal write-downs.

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

Staff costs

Staff costs comprise wages and salaries as well as other staff-related costs.

Depreciation and impairment losses

The depreciation of property, plant and equipment aim at systematic depreciation over the expected useful lives of the assets. Assets are depreciated according to the straight-line method based on the following expected useful lives and residual values:

	Useful Residual life, value, year per cent
Other plant, fixtures and fittings, tools and equipment	5

The basis of depreciation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of depreciation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

Property, plant and equipment are impaired in accordance with the accounting policies referred to in the 'Impairment losses on fixed assets' section.

5. Accounting policies - continued -

Other net financials

Interest income and interest expenses, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in other net financials.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

BALANCE SHEET

Intangible assets

Prepayments for intangible assets

Prepayments for intangible assets comprise payments to suppliers.

Gains or losses on the disposal of intangible assets are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal.

Property, plant and equipment

Property, plant and equipment comprise other fixtures and fittings, tools and equipment.

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the 'Depreciation and impairment losses' section.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

5. Accounting policies - continued -

Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

Inventories

Inventories are measured at cost calculated according to the FIFO-method. Inventories are written down to the lower of cost and net realisable value.

The cost of raw materials and consumables as well as goods for resale is determined as purchase prices plus expenses resulting directly from the purchase.

The net realisable value of inventories is determined as the selling price less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and the expected development in the selling price.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

5. Accounting policies - continued -

Cash

Cash includes deposits in bank account.

Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

Payables

Long-term payables are measured at cost at the time of contracting such liabilities (raising of the loan). The payables are subsequently measured at amortised cost where capital losses and loan expenses are recognised in the income statement as a financial expense over the term of the payable on the basis of the calculated effective interest rate in force at the time of contracting the liability.

Short-term payables are measured at amortised cost, normally corresponding to the nominal value of such payables.