atSpiro ApS

C/O Alfa Laval, Maskinvej 5, 2860 Søborg

Company reg. no. 40 79 70 84

Annual report

1 April 2023 - 31 March 2024

The annual report was submitted and approved by the general meeting on the 23 August 2024.

Toke Faurby
Chairman of the meeting

Contents

Notes:
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Board of Directors and the Executive Board have approved the annual report of atSpiro ApS for the financial year 1 April 2023 - 31 March 2024.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 March 2024 and of the results of the Company's operations for the financial year 1 April 2023 – 31 March 2024.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Søborg, 23 August 2024

Executive board

Toke Faurby

Christian Emil Ege-Johansen

Frederik Riddersholm Petersen

Stanislav Ondrus

Board of directors

Henning Lysdal

Henning Ellesgaard

Steen Kristensen

Henning Ralf Stennicke

Tue Rasmussen

Independent auditor's report

To the Shareholders of atSpiro ApS

Opinion

We have audited the financial statements of atSpiro ApS for the financial year 1 April 2023 - 31 March 2024, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 March 2024, and of the results of the Company's operations for the financial year 1 April 2023 - 31 March 2024 in accordance with the Danish Financial Statements Act.

Basis for conclusion

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.

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.

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.

Independent auditor's report

As part of an audit conducted in accordance with ISAs 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.

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 auditor's report

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 Statement Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 23 August 2024

Redmark
Godkendt Revisionspartnerselskab
Company reg. no. 29 44 27 89

Darnell Vagnild
State Authorised Public Accountant
mne32116

Company information

The company	atSpiro ApS C/O Alfa Laval Maskinvej 5 2860 Søborg	
	Company reg. no.	40 79 70 84
	Established:	10 September 2019
	Financial year:	1 April - 31 March
Board of directors	Henning Lysdal Henning Ellesgaard Steen Kristensen Henning Ralf Stennicke Tue Rasmussen	
Executive board	Toke Faurby Christian Emil Ege-Johansen Frederik Riddersholm Petersen Stanislav Ondrus	
Auditors	Redmark Godkendt Revisionspartnerselskab Dirch Passers Allé 76 2000 Frederiksberg	

Management´s review

Description of key activities of the company

Like previous years, the activities consist of developing technologies for advancing research and process development through shaken fermentations and cell cultivations.

Development in activities and financial matters

The gross profit for the year totals DKK 1.000.129 against DKK -330.029 last year. Income or loss from ordinary activities after tax totals DKK -72.367 against DKK -1.687.461 last year. Management considers the net profit or loss for the year unsatisfactory.

Uncertainties relating to going concern

The continued operation depends on future cash flows. The company's management has prepared budgets that show a positive result in the coming year, and a positive cash flow. If sales unexpectedly do not meet the budget, the management is of the opinion, that it is possible to decrease spendings and thereby still be cash flow positive for a certain extent. Additionally, the company's current assets exceed its short-term liabilities, why management believes the company can continue its operations until March 31 2025.

Income statement 1 April - 31 March

All amounts in DKK.

Note		2023/24	2022/23
	Gross profit	**1.000.129**	**-330.029**
2	Staff costs	-626.915	-830.363
	Depreciation, amortisation, and impairment	-650.667	-650.667
	Operating profit	**-277.453**	**-1.811.059**
	Other financial income	5.080	0
	Other financial expenses	-313.647	-120.054
	Pre-tax net profit or loss	**-586.020**	**-1.931.113**
	Tax on net profit or loss for the year	513.653	243.652
	Net profit or loss for the year	**-72.367**	**-1.687.461**
	Proposed distribution of net profit:		
	Allocated from retained earnings	-72.367	-1.687.461
	Total allocations and transfers	**-72.367**	**-1.687.461**

Balance sheet at 31 March

All amounts in DKK.

Note	Assets	2024	2023
	Non-current assets		
3	Acquired concessions, patents, licenses, trademarks, and similar rights	10.040.705	10.598.522
	Total intangible assets	10.040.705	10.598.522
4	Other fixtures, fittings, tools and equipment	184.626	277.476
	Total property, plant, and equipment	184.626	277.476
	Total non-current assets	**10.225.331**	**10.875.998**
	Current assets		
	Raw materials and consumables	191.399	201.504
	Prepayments for goods	105.061	0
	Total inventories	296.460	201.504
	Trade receivables	629.617	310.541
	Deferred tax assets	683.416	0
	Income tax receivables	0	330.394
	Other receivables	105.543	27.302
	Total receivables	1.418.576	668.237
	Cash and cash equivalents	529.771	319.427
	Total current assets	**2.244.807**	**1.189.168**
	Total assets	**12.470.138**	**12.065.166**

Balance sheet at 31 March

All amounts in DKK.

Note	Equity and liabilities	2024	2023
	Equity		
	Contributed capital	45.615	45.615
	Share premium	1.044.390	1.044.390
	Retained earnings	-3.577.895	-3.505.528
	Total equity	**-2.487.890**	**-2.415.523**
	Liabilities other than provisions		
5	Other payables	14.538.449	14.296.121
	Total long term liabilities other than provisions	14.538.449	14.296.121
	Current portion of long term liabilities	53.833	0
	Trade payables	179.480	158.784
	Other payables	186.266	25.784
	Total short term liabilities other than provisions	419.579	184.568
	Total liabilities other than provisions	**14.958.028**	**14.480.689**
	Total equity and liabilities	**12.470.138**	**12.065.166**

1 Uncertainties relating to going concern

6 Charges and security

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Share premium	Retained earnings	Total
Equity 1 April 2023	45.615	1.044.390	-3.505.528	-2.415.523
Retained earnings for the year	0	0	-72.367	-72.367
	45.615	**1.044.390**	**-3.577.895**	**-2.487.890**

Notes

All amounts in DKK.

1. Uncertainties relating to going concern

The continued operation depends on future cash flows. The company's management has prepared budgets that show a positive result in the coming year, and a positive cash flow. If sales unexpectedly do not meet the budget, the management is of the opinion, that it is possible to decrease spendings and thereby still be cash flow positive for a certain extent. Additionally, the company's current assets exceed its short-term liabilities, why management believes the company can continue its operations until March 31 2025.

		2023/24	2022/23
2.	**Staff costs**		
	Salaries and wages	602.223	785.384
	Other costs for social security	24.692	44.979
		626.915	**830.363**
	Average number of employees	3	5
3.	**Acquired concessions, patents, licenses, trademarks, and similar rights**		
	Cost 1 April 2023	11.156.339	11.156.339
	Cost 31 March 2024	**11.156.339**	**11.156.339**
	Amortisation and write-down 1 April 2023	-557.817	0
	Amortisation and depreciation for the year	-557.817	-557.817
	Amortisation and write-down 31 March 2024	**-1.115.634**	**-557.817**
	Carrying amount, 31 March 2024	**10.040.705**	**10.598.522**

Notes

All amounts in DKK.

		31/3 2024	31/3 2023
4.	**Other fixtures, fittings, tools and equipment**		
	Cost 1 April 2023	464.253	464.253
	Cost 31 March 2024	**464.253**	**464.253**
	Depreciation and write-down 1 April 2023	-186.777	-93.927
	Amortisation and depreciation for the year	-92.850	-92.850
	Depreciation and write-down 31 March 2024	**-279.627**	**-186.777**
	Carrying amount, 31 March 2024	**184.626**	**277.476**

		31/3 2024	31/3 2023
5.	**Other payables**		
	Total other payables	14.592.282	14.296.121
	Share of amount due within 1 year	-53.833	0
		14.538.449	**14.296.121**
	Share of liabilities due after 5 years	10.952.187	14.296.121

6. Charges and security

The company has no charges or securities as of 31 December 2024.

Accounting policies

The annual report for atSpiro ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other external expenses comprise expenses incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Depreciation, amortisation, and write-down for impairment

Depreciation, amortisation, and write-down for impairment comprise depreciation on, amortisation of, and write-down for impairment of intangible and tangible assets, respectively.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Accounting policies

Statement of financial position

Intangible assets

Development projects, patents, and licences

Development costs and internally generated rights are recognised in the income statement as costs in the acquisition year.

Patents and licenses are measured at cost less accrued amortisation. Patents are amortised on a straightline basis over the remaining patent period and licenses are amortised over the contract period, however, for a maximum of 20 years.

Profit and loss from the sale of development projects, patents, and licenses are measured as the difference between the sales price less sales costs and the carrying amount at the time of sale. Profit or loss are recognised in the income statement as other operating income or other operating expenses, respectively.

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-5 years	0-20 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Accounting policies

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

As regards self-constructed assets, the cost comprises direct costs for materials, components, deliveries from subsuppliers, payroll costs, and borrowing costs from specific and general borrowing concerning the construction of each individual asset.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. write-down for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Inventories

Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

Costs of manufactured goods and work in progress comprise the cost of raw materials, consumables, direct wages, and indirect production costs. Indirect production costs comprise indirect materials and wages, maintenance and depreciation of machinery, factory buildings, and equipment used in the production process, and costs for factory administration and factory management. Borrowing expenses are not recognised in cost.

The net realisable value for inventories is recognised as the estimated selling price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

Accounting policies

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Equity

Share premium

Share premium comprises premium payments made in connection with the issue of shares. Costs incurred for carrying through an issue are deducted from the premium.

The premium reserve can be used for dividend, for issuing bonus shares, and for covering losses.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.