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Kystvejen 29
DK-8000 Aarhus C
CVR no. 20 22 26 70

TEITUR TROPHICS APS

C/O SIMON MØLGAARD JENSEN, HJORTSHØJVANGEN 112, 8530 HJORTSHØJ

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2021

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 25 April 2022.**

Simon Mølgaard Jensen

CVR NO. 41 05 84 39

CONTENTS

	Page
Company Details	
Company Details.....	3
Statement and Report	
Management's Statement.....	4
Auditor's report on compilation of financial information.....	5
Management Commentary	
Management Commentary.....	6
Financial Statements 1 January - 31 December	
Income Statement.....	7
Balance Sheet.....	8
Equity.....	9
Notes.....	10-11
Accounting Policies.....	12-13

COMPANY DETAILS

Company	Teitur Trophics ApS c/o Simon Mølgaard Jensen, Hjortshøjvangen 112 8530 Hjortshøj CVR No.: 41 05 84 39 Established: 8 January 2020 Municipality: Aarhus Financial Year: 1 January - 31 December
Board of Directors	Charles Henry Large, chairman Simon Mølgaard Jensen Anders Dalby Mathias Kaas Ollendorff Gregory Davis Jones
Executive Board	Simon Mølgaard Jensen
Auditor	BDO Statsautoriseret revisionsaktieselskab Kystvejen 29 8000 Aarhus C

MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of Teitur Trophics ApS for the financial year 1 January - 31 December 2021.

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 Company's assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

The Board of Directors and Executive Board remain of the opinion that the conditions for opting out of audit have been fulfilled.

We recommend the Annual Report be approved at the Annual General Meeting.

Hjortshøj, 7 April 2022

Executive Board

Simon Mølgaard Jensen

Board of Directors

Charles Henry Large
Chairman

Simon Mølgaard Jensen

Anders Dalby

Mathias Kaas Ollendorff

Gregory Davis Jones

AUDITOR´S REPORT ON COMPILATION OF FINANCIAL INFORMATION

To the Shareholders of Teitur Trophics ApS

We have compiled these Financial Statements of Teitur Trophics ApS for the financial year 1 January - 31 December 2021 based on the Company's accounting records and other information provided by Management.

These Financial Statements comprise income statement, balance sheet, statement of changes in equity, notes and accounting policies.

We performed this compilation engagement in accordance with the International Standard, Compilation Engagements.

We have applied our professional expertise 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 statutory provisions of the Danish Audit Act and International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), including principles of integrity, objectivity, professional behaviour, and due care.

These Financial Statements and the accuracy and completeness of the information used to compile these Financial Statements are Management's responsibility.

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

Aarhus, 7 April 2022

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Morten Trap Olesen
State Authorised Public Accountant
MNE no. mne35625

MANAGEMENT COMMENTARY

Principal activities

The company's purpose is to research, develop, produce and sell biotechnological products and medicinal products.

Development in activities and financial and economic position

The company's income statement for the financial year 2021 shows a loss of 8,062 DKK ('000) and the company's balance sheet per 31 December 2021 shows an equity of -11,415 DKK ('000).

The result is characterized by the fact that the company is in the start-up phase with limited operations and costs for research. The company's financial position complies with management's expectations and is considered satisfactory.

The company has obtained external capital and liquidity, and it is management's expectation that this can cover the company's continued research and re-establish the company's share capital until research activities are completed, and future operation will be able to generate profit.

Regarding to going concern, the company is therefore dependent on continued financing from lenders. However, redemption or conversion of the loan into shares can take place no earlier than the end of 2024.

Tax receivables 1,676 DKK ('000) has been included as the company applies for payment under section 8 of the Tax Assessment Act - the tax credit scheme.

Significant events after the end of the financial year

No events have occurred after the end of the financial year of material importance for the Company's financial position.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2021 DKK	2020 DKK
GROSS LOSS		-6.987.879	-2.395.661
Staff costs.....	1	-1.946.130	-1.328.631
Depreciation, amortisation and impairment losses.....		-6.666	0
OPERATING LOSS		-8.940.675	-3.724.292
Other financial income.....		6.542	1.143
Other financial expenses.....		-804.001	-139.407
LOSS BEFORE TAX		-9.738.134	-3.862.556
Tax on profit/loss for the year.....	2	1.675.946	470.074
LOSS FOR THE YEAR		-8.062.188	-3.392.482
PROPOSED DISTRIBUTION OF PROFIT			
Retained earnings.....		-8.062.188	-3.392.482
TOTAL		-8.062.188	-3.392.482

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2021 DKK	2020 DKK
Other plant, machinery tools and equipment.....		13.333	19.999
Property, plant and equipment.....	3	13.333	19.999
NON-CURRENT ASSETS.....		13.333	19.999
Other receivables.....		152.096	139.839
Corporation tax receivable.....		1.675.946	470.074
Prepayments.....		39.076	28.814
Receivables.....		1.867.118	638.727
Cash and cash equivalents.....		7.194.321	3.916.902
CURRENT ASSETS.....		9.061.439	4.555.629
ASSETS.....		9.074.772	4.575.628
EQUITY AND LIABILITIES			
Share capital.....		40.000	40.000
Retained earnings.....		-11.454.670	-3.392.482
EQUITY.....		-11.414.670	-3.352.482
Convertible and interest-bearing debt instruments.....		19.746.974	7.376.940
Frozen holiday pay.....		0	23.781
Non-current liabilities.....	4	19.746.974	7.400.721
Trade payables.....		620.479	273.279
Other liabilities.....		121.989	254.110
Current liabilities.....		742.468	527.389
LIABILITIES.....		20.489.442	7.928.110
EQUITY AND LIABILITIES.....		9.074.772	4.575.628
Contingencies etc.	5		
Prerequisites for going concern	6		

EQUITY

	Share capital	Retained earnings	Total
Equity at 1 January 2021.....	40.000	-3.392.482	-3.352.482
Proposed profit allocation.....		-8.062.188	-8.062.188
Equity at 31 December 2021.....	40.000	-11.454.670	-11.414.670

NOTES

	2021 DKK	2020 DKK	Note
Staff costs			1
Average number of employees	3	3	
Wages and salaries.....	1.763.591	1.312.431	
Pensions.....	139.500	0	
Social security costs.....	27.459	12.082	
Other staff costs.....	15.580	4.118	
	1.946.130	1.328.631	
Tax on profit/loss for the year			2
Calculated tax on taxable income of the year.....	-1.675.946	-470.074	
	-1.675.946	-470.074	
<p>Calculated tax on taxable income of the year relates to the company's use of the Danish tax credit scheme (Skattekreditordningen) and is the company tax (22%) of the company's qualifying research and development costs.</p>			
Property, plant and equipment			3
		Other plant, machinery tools and equipment	
Cost at 1 January 2021.....		19.999	
Cost at 31 December 2021.....		19.999	
Depreciation for the year.....		6.666	
Depreciation and impairment losses at 31 December 2021.....		6.666	
Carrying amount at 31 December 2021.....		13.333	
Long-term liabilities			4
	31/12 2021 total liabilities	Repayment next year	Debt outstanding after 5 years
			31/12 2020 total liabilities
Convertible and interest-bearing debt instruments.....	19.746.974	0	495.833 7.376.940
Frozen holiday pay.....	0	0	0 23.781
	19.746.974	0	495.833 7.400.721

The Company has entered into a convertible loan of a carrying amount of DKK ('000) 19,747 at 31 December 2021. Conversion into shares on one of three loans must take place at the latest three years after the last tranche has been paid out, and the deadline is therefore expected to be end 2024. Rate shall correspond to the market price pr. share as determined by the Lender and the Company. The conversion rate can in no event be lower than par value of the shares.

NOTES**Note****Contingencies etc.****5****Contingent assets**

The company has unutilised tax losses amounting to 6,751 DKK ('000), which are not recognised due to uncertainty related to future utilization.

Contingent liabilities

The company has signed lease agreements with a non-terminability period which expires at 31 March 2022. The total liability in the lease period is 48 DKK ('000).

Prerequisites for going concern**6**

The company has lost its share capital and has entered into a convertible loan of a carrying amount of DKK ('000) 19,747 at 31 December 2021. Therefore, it is dependent on continuing to receive such financing from lenders. Redemption or conversion of the loan into shares can take place no earlier than the end of 2024.

ACCOUNTING POLICIES

The Annual Report of Teitur Trophics ApS for 2021 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

INCOME STATEMENT

Other operating income

Other operating income includes items of a secondary nature in relation to the Group’s and the Company’s activities, including profit from sale of intangible and tangible fixed assets. In addition, profit from sale of intangible and tangible fixed assets as well as business interruption and conflict compensations are included. Compensations are recognised when the income is deemed to be realisable.

Research and development costs

Research and development costs include laboratory materials, patent costs, clinical studies and other costs relating to the company’s research and development activities.

Other external expenses

Other external expenses include cost of sales, administration etc.

Staff costs

Staff costs comprise wages and salaries, including holiday pay, pensions, and other costs for social security etc., for the company’s employees. Repayments from public authorities are deducted from staff costs.

Financial income and expenses

Financial income and expenses include interest income and expenses, realised and unrealised gains and losses arising from debt and transactions in foreign currencies. Financial income and expenses are recognised in the Income Statement by the amounts that relate to the financial year.

Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

BALANCE SHEET

Tangible fixed assets

Plant, fixtures and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	<i>Useful life</i>	<i>Residual value</i>
<i>Other plant, fixtures and equipment.....</i>	<i>3 years</i>	<i>0%</i>

ACCOUNTING POLICIES

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Impairment of fixed assets

The carrying amount of tangible assets are valued on an annual basis for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the carrying amount.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

Accruals, assets

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the Balance Sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against 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 under the legislation in force on the Balance Sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the term of loan.

Amortised cost for short-term liabilities usually corresponds to the nominal value.