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Kystvejen 29
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CVR no. 20 22 26 70

TEITUR TROPHICS APS

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

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2022

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 24 March 2023**

Simon Mølgaard Jensen

CVR NO. 41 05 84 39

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COMPANY DETAILS

Company	Teitur Trophics ApS c/o Simon Mølgaard Jensen, Hjortshøjvanger 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 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 Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022.

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, 24 March 2023

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 2022 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, 24 March 2023

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 2022 shows a loss of 5,534 DKK ('000) and the company's balance sheet per 31 December 2022 shows an equity of -16,949 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 952 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	2022 DKK	2021 DKK
GROSS LOSS		-3.694.585	-6.987.879
Staff costs.....	1	-1.735.066	-1.946.130
Depreciation, amortisation and impairment losses.....		-6.666	-6.666
OPERATING LOSS		-5.436.317	-8.940.675
Other financial income.....		4.234	6.542
Other financial expenses.....		-1.054.205	-804.001
LOSS BEFORE TAX		-6.486.288	-9.738.134
Tax on profit/loss for the year.....	2	952.112	1.675.946
LOSS FOR THE YEAR		-5.534.176	-8.062.188
PROPOSED DISTRIBUTION OF PROFIT			
Retained earnings.....		-5.534.176	-8.062.188
TOTAL		-5.534.176	-8.062.188

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2022 DKK	2021 DKK
Other plant, machinery tools and equipment.....		6.667	13.333
Property, plant and equipment.....	3	6.667	13.333
NON-CURRENT ASSETS.....		6.667	13.333
Other receivables.....		199.238	152.096
Corporation tax receivable.....		952.112	1.675.946
Prepayments.....		45.956	39.076
Receivables.....		1.197.306	1.867.118
Cash and cash equivalents.....		3.904.555	7.194.321
CURRENT ASSETS.....		5.101.861	9.061.439
ASSETS.....		5.108.528	9.074.772
EQUITY AND LIABILITIES			
Share capital.....		40.000	40.000
Retained earnings.....		-16.988.846	-11.454.670
EQUITY.....		-16.948.846	-11.414.670
Convertible and interest-bearing debt instruments.....		20.756.053	19.746.974
Non-current liabilities.....	4	20.756.053	19.746.974
Trade payables.....		1.244.356	620.479
Other liabilities.....		56.965	121.989
Current liabilities.....		1.301.321	742.468
LIABILITIES.....		22.057.374	20.489.442
EQUITY AND LIABILITIES.....		5.108.528	9.074.772
Contingencies etc.	5		
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EQUITY

	Share capital	Retained earnings	Total
Equity at 1 January 2022.....	40.000	-11.454.670	-11.414.670
Proposed profit allocation.....		-5.534.176	-5.534.176
Equity at 31 December 2022.....	40.000	-16.988.846	-16.948.846

NOTES

	2022 DKK	2021 DKK	Note
Staff costs			1
Average number of employees	2	3	
Wages and salaries.....	1.511.626	1.763.591	
Pensions.....	188.124	139.500	
Social security costs.....	17.792	27.459	
Other staff costs.....	17.524	15.580	
	1.735.066	1.946.130	
Tax on profit/loss for the year			2
Calculated tax on taxable income of the year.....	-952.112	-1.675.946	
	-952.112	-1.675.946	
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.			
Property, plant and equipment		Other plant, machinery tools and equipment	3
Cost at 1 January 2022.....		19.999	
Cost at 31 December 2022.....		19.999	
Depreciation and impairment losses at 1 January 2022.....		6.666	
Depreciation for the year.....		6.666	
Depreciation and impairment losses at 31 December 2022.....		13.332	
Carrying amount at 31 December 2022.....		6.667	
Long-term liabilities			4
	31/12 2022 total liabilities	Repayment next year	Debt outstanding after 5 years
Convertible and interest-bearing debt instruments.....	20.756.053	0	0 19.746.974
	20.756.053	0	0 19.746.974

The Company has entered into a convertible loan of a carrying amount of DKK ('000) 20,756 at 31 December 2022. 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 10,211 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 2023. The total liability in the lease period is 70 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) 20,756 at 31 December 2022. 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 2022 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:

	Useful life	Residual value
Other plant, fixtures and equipment.....	3 years	0%

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.