

ANNUAL REPORT

2023



Maigaard Fertilitetsklinik A/S

Jens Baggesens Vej 88H
DK-8200 Aarhus N
CVR-no. 41 49 59 36

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

John Salmansen Kirk
Chairman of the meeting

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Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of Maigaard Fertilitetsklinik A/S for the financial year 1 January - 31 December 2023.

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 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023.

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.

Aarhus N, 23 May 2024

Managing Director

John Salmansen Kirk

Board of directors

Yasmine Marie Abou Adal
chairman

John Salmansen Kirk

Mads Riiskjær Pedersen

Jonathan David Smidt

Fares Al-Haffar

Independent auditor's report on extended review

To the Shareholder of Maigaard Fertilitetsklinik A/S

Opinion

We have performed an extended review of the financial statements of Maigaard Fertilitetsklinik A/S for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

Based on the work performed, in our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review 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 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 extended review of the Financial Statements

Our responsibility is to express an opinion on the financial statements. This requires that we plan and perform procedures in order to obtain limited assurance for our opinion on the financial statements and in addition perform specifically required supplementary procedures to obtain further assurance for our opinion.

Independent auditor's report on extended review

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the financial statements.

Statement on the Management's Review

Management is responsible for the Management's Review.

Our opinion on the financial statements does not cover the Management's Review, and we do not express any form of assurance opinion thereon.

In connection with our extended review of the financial statements, our responsibility is to read the Management's Review and, in doing so, consider whether the Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in the Management's Review.

Copenhagen, 23 May 2024

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State Authorized Public Accounting Firm
Company reg. no. 44 28 23 80

Sten Peters
State Authorised Public Accountant
mne11675

Company information

The company

Maigaard Fertilitetsklinik A/S
Jens Baggesens Vej 88H
8200 Aarhus N

Company reg. no. 41 49 59 36

Financial year: 1 January - 31 December

Board of directors

Yasmine Marie Abou Adal, chairman
John Salmansen Kirk
Mads Riiskjær Pedersen
Jonathan David Smidt
Fares Al-Haffar

Managing Director

John Salmansen Kirk

Auditors

Powered-By
Statsautoriseret Revisionspartnerselskab
Kay Fiskers Plads 9-11
2300 København S

Management's review

Description of key activities of the company

The primary activity of the company involves operating fertility clinics that offer a wide range of assisted reproduction treatments, as well as fertility preservation services.

Development in activities and financial matters

Where clinical excellence meets personalised care.

For over 25 years, Maigaard has been paving the way in the field of assisted reproduction in Denmark. With state-of-the art clinics in Aarhus and Odense, Maigaard offers patients highly personalised fertility care and a comprehensive range of treatments, delivered within a warm and welcoming environment.

We are thrilled to announce that 2023 has once again proven to be a year of growth for Maigaard, and we are humbled by the increasing number of patients who choose to entrust their dreams to our clinics. Despite the challenges faced by other private fertility clinics in 2023, Maigaard has continued to grow, evolve, and thrive, reaffirming our commitment to excellence in care and unwavering compassion for those on their journey to parenthood.

In an industry where each individual's story is unique and deeply personal, our mission remains steadfast: to provide outstanding care and support to every individual and couple who entrust us with their dreams of starting or expanding their families. We understand the emotional rollercoaster that accompanies the fertility journey, and we are dedicated to walking alongside our patients with empathy, understanding, and expertise every step of the way.

Our growth is a testament to the trust and confidence placed in us by our patients, partners, and the broader community. It reflects the tireless dedication of our exceptional team of professionals, whose commitment to excellence and innovation continues to drive our clinic forward. From our experienced fertility specialists to our compassionate support staff, each member of our team plays a vital role in delivering the highest standard of care and support to our patients.

As we look to the future, we remain deeply committed to advancing the field of reproductive medicine, embracing cutting-edge technologies, and implementing best practices to continue enhancing success rates and improving outcomes for our patients. Our ongoing investment in innovation, technology, and research ensures that we remain at the forefront of fertility care, offering our patients access to the latest advancements and treatments available.

At Maigaard, we recognize that our success is measured not only by the number of pregnancies achieved but by the lives we touch and the families we help to create. We are honored to be a part of each patient's journey, and we are privileged to witness the joy and hope that come with the realization of their dreams.

Thank you for your continued support as we strive to make a meaningful difference in the lives of our patients. Together, we will continue to build on our success, uphold our commitment to outstanding care and compassion, and empower individuals and couples to achieve their dreams of parenthood.

Management's review

Events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Accounting policies

The annual report for Maigaard Fertilitetsklinik A/S 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.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, write-downs for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, 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 operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including salary reimbursements received.

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

Accounting policies

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 ect.

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.

Statement of financial position

Intangible assets

Goodwill

Acquired goodwill is measured at cost less accumulated amortisation. Given that it is impossible to make a reliable estimate of the useful life, the amortisation period is set at 10 years.

Property, plant, and equipment

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.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Leasehold improvements	2-10 years
Other fixtures and fittings, tools and equipment	2-10 years

Accounting policies

Leasehold improvements

Leasehold improvements are measured at cost less accrued depreciations. Depreciation is done on a straightline basis over the estimated useful life of the asset, which is set at 5 years.

Investments

Other financial instruments

Financial instruments recognised under non-current assets comprise unlisted financial instruments measured at cost.

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

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.

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.

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.

Receivables

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

Prepayments

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents

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

Accounting policies

Equity

Reserve for development costs

The reserve for development costs comprises recognised development costs less related deferred tax liabilities.

The reserve cannot be used as dividends or for covering losses.

The reserve is reduced or dissolved if the recognised development costs are amortised or abandoned. This is done by direct transfer to the distributable reserves of the equity.

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 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.

Prepayments received from customers

Prepayments from customers constitute contracts for treatment courses. Patients thus have the opportunity to sign a contract for three attempts at achieving pregnancy. If the patient becomes pregnant before all three attempts are used, the remainder of the contract is void. The provision is calculated based on the entered contracts but adjusted for expected pregnancies.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Gross profit	25.270.433	24.219.745
1 Staff costs	-18.100.516	-17.502.826
Depreciation and impairment of non-current assets	-3.446.136	-3.404.441
Operating profit	3.723.781	3.312.478
Other financial income	21.140	10.023
Other financial expenses	-544.672	-496.898
Pre-tax net profit or loss	3.200.249	2.825.603
2 Tax on net profit or loss for the year	-726.000	-637.000
Net profit or loss for the year	2.474.249	2.188.603
Proposed distribution of net profit:		
Transferred to retained earnings	2.474.249	2.188.603
Total allocations and transfers	2.474.249	2.188.603

Balance sheet at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Non-current assets		
3 Completed development projects, including patents and similar rights arising from development projects	318.692	0
4 Goodwill	14.845.965	17.101.048
Total intangible assets	<u>15.164.657</u>	<u>17.101.048</u>
5 Other fixtures, fittings, tools and equipment	4.560.808	4.675.569
6 Leasehold improvements	988.267	847.203
Total property, plant, and equipment	<u>5.549.075</u>	<u>5.522.772</u>
7 Other financial investments	2.000	2.000
8 Deposits	768.682	696.517
Total investments	<u>770.682</u>	<u>698.517</u>
Total non-current assets	<u>21.484.414</u>	<u>23.322.337</u>
Current assets		
Raw materials and consumables	781.606	791.172
Total inventories	<u>781.606</u>	<u>791.172</u>
Trade receivables	594.531	887.437
Receivables from group enterprises	93.750	0
Other receivables	1.246.261	238.248
9 Receivables from owners and management	913.929	0
Prepayments	204.252	296.305
Total receivables	<u>3.052.723</u>	<u>1.421.990</u>
Cash and cash equivalents	39.713	110.014
Total current assets	<u>3.874.042</u>	<u>2.323.176</u>
Total assets	<u>25.358.456</u>	<u>25.645.513</u>

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		2023	2022
<u>Note</u>		<u> </u>	<u> </u>
Equity			
Contributed capital		5.100.000	5.100.000
Reserve for development costs		248.580	0
Retained earnings		4.617.838	2.392.169
Total equity		<u>9.966.418</u>	<u>7.492.169</u>
Provisions			
Provisions for deferred tax		1.466.000	740.000
Total provisions		<u>1.466.000</u>	<u>740.000</u>
Liabilities other than provisions			
10 Bank loans		5.855.111	7.557.117
Total long term liabilities other than provisions		<u>5.855.111</u>	<u>7.557.117</u>
Current portion of long term liabilities		0	2.500.000
Prepayments received from customers		4.798.494	5.586.422
Trade payables		1.098.390	490.063
Other payables		2.174.043	1.279.742
Total short term liabilities other than provisions		<u>8.070.927</u>	<u>9.856.227</u>
Total liabilities other than provisions		<u>13.926.038</u>	<u>17.413.344</u>
Total equity and liabilities		<u>25.358.456</u>	<u>25.645.513</u>

11 Contingencies

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Reserve for development costs	Retained earnings	Total
Equity 1 January 2022	5.100.000	0	2.392.169	7.492.169
Retained earnings for the year	0	0	2.474.249	2.474.249
Transferred from retained earnings	0	248.580	-248.580	0
	5.100.000	248.580	4.617.838	9.966.418

Notes

All amounts in DKK.

	<u>2023</u>	<u>2022</u>
1. Staff costs		
Salaries and wages	15.096.661	14.499.327
Pension costs	2.195.001	2.214.733
Other staff costs	808.854	788.766
	<u>18.100.516</u>	<u>17.502.826</u>
Average number of employees	<u>25</u>	<u>26</u>
2. Tax on net profit or loss for the year		
Adjustment of deferred tax for the year	<u>726.000</u>	<u>637.000</u>
	<u>726.000</u>	<u>637.000</u>
3. Completed development projects, including patents and similar rights arising from development projects		
Additions during the year	<u>346.104</u>	<u>0</u>
Cost 31 December 2023	<u>346.104</u>	<u>0</u>
Amortisation and depreciation for the year	<u>-27.412</u>	<u>0</u>
Amortisation and write-down 31 December 2023	<u>-27.412</u>	<u>0</u>
Carrying amount, 31 December 2023	<u>318.692</u>	<u>0</u>

Development projects concern continuous development and updating of the website and its functionalities, which are done in active dialogue with users and customers. This increases the likelihood that the platform meets customer needs and thus their willingness to remain customers. Management expects that the company's marketing and sales activities are increased in coming years.

Notes

All amounts in DKK.

	31/12 2023	31/12 2022
4. Goodwill		
Cost 1 January 2023	22.550.832	22.550.832
Cost 31 December 2023	22.550.832	22.550.832
Amortisation and write-down 1 January 2023	-5.449.784	-3.194.701
Amortisation and depreciation for the year	-2.255.083	-2.255.083
Amortisation and write-down 31 December 2023	-7.704.867	-5.449.784
Carrying amount, 31 December 2023	14.845.965	17.101.048
5. Other fixtures, fittings, tools and equipment		
Cost 1 January 2023	6.681.856	6.587.338
Additions during the year	846.526	94.519
Cost 31 December 2023	7.528.382	6.681.857
Amortisation and write-down 1 January 2023	-2.006.288	-1.029.995
Amortisation and depreciation for the year	-961.286	-976.293
Amortisation and write-down 31 December 2023	-2.967.574	-2.006.288
Carrying amount, 31 December 2023	4.560.808	4.675.569
6. Leasehold improvements		
Cost 1 January 2023	1.153.886	944.406
Additions during the year	343.419	209.480
Cost 31 December 2023	1.497.305	1.153.886
Depreciation and write-down 1 January 2023	-306.683	-133.618
Amortisation and depreciation for the year	-202.355	-173.065
Depreciation and write-down 31 December 2023	-509.038	-306.683
Carrying amount, 31 December 2023	988.267	847.203

Notes

All amounts in DKK.

	<u>31/12 2023</u>	<u>31/12 2022</u>
7. Other financial investments		
Cost 1 January 2023	2.000	2.000
Cost 31 December 2023	2.000	2.000
Carrying amount, 31 December 2023	2.000	2.000
8. Deposits		
Cost 1 January 2023	696.517	689.879
Additions during the year	72.165	6.638
Cost 31 December 2023	768.682	696.517
Carrying amount, 31 December 2023	768.682	696.517
9. Receivables from owners and management		
Receivables from owners and management consists of receivables related to		
10. Bank loans		
Total bank loans	5.855.111	10.057.117
Share of amount due within 1 year	0	-2.500.000
	5.855.111	7.557.117
No amount due after 5 years.		
11. Contingencies		
Contingent liabilities		
		DKK in thousands
Total contingent liabilities		<u>941.000</u>

The company has entered into a lease agreements with a notice period of 3-6 months.