

Delivery Fertility DK II ApS

Kongens Nytorv 28, 1050 København K

CVR no. 41 50 27 89

**Annual report for the period
1 April 2022 to 31 March 2023**

Adopted at the annual general meeting on 16 October
2023

Svitlana Babak
chairman



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Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of Delivery Fertility DK II ApS for the financial year 1 April 2022 - 31 March 2023.

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

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 March 2023 and of the results of the company's operations for the financial year 1 April 2022 - 31 March 2023.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 16 October 2023

Executive board

Jacob Lyster Dethlefsen

Supervisory board

Erik Martin Fagerlund
chairman

Jacob Lyster Dethlefsen

Svitlana Babak

Independent auditor's report

To the Shareholder of Delivery Fertility DK II ApS

Opinion

We have audited the financial statements of Delivery Fertility DK II ApS for the financial year 1 April 2022 - 31 March 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.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 March 2023 and of the results of the company's operations for the financial year 1 April 2022 - 31 March 2023 in accordance with the Danish Financial Statements Act.

Basis for Opinion

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' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We refer to note 1 in the financial statements, which states that the company has tight liquidity and that positive results need to be generated in the remaining part of the budget period until March 31, 2024, and that the budget assumptions for the period contain a certain degree of uncertainty. This, combined with the results for the year, indicates that the Company's ability to remain a going concern is associated with uncertainty. We have not modified our opinion in respect of this matter.

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 the 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.

Independent auditor's report

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.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism 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.

Independent auditor's report

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.

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 Act. We did not identify any material misstatement of management's review.

Odense, 16 October 2023

Baker Tilly Denmark
Godkendt Revisionspartnerselskab
CVR no. 35 25 76 91

Christoffer Pedersen
State Authorised Public Accountant
MNE no. mne36180

Company details

| | |
|-------------------|--|
| The company | Delivery Fertility DK II ApS Kongens Nytorv 28 1050 København K CVR no.: 41 50 27 89 Reporting period: 1 April 2022 - 31 March 2023 Incorporated: 6 July 2020 Domicile: Copenhagen |
| Supervisory board | Erik Martin Fagerlund, chairman Jacob Lyster Dethlefsen Svitlana Babak |
| Executive board | Jacob Lyster Dethlefsen |
| Auditors | Baker Tilly Denmark Godkendt Revisionspartnerselskab Hjallesevej 126 5230 Odense M |

Management's review

Business review

The purpose of the company as a holding company is to directly or indirectly own shares or other financial instruments in companies that conduct business.

Financial review

The company's income statement for the year ended 31 March 2023 shows a loss of DKK 54.658.761, and the balance sheet at 31 March 2023 shows negative equity of DKK 28.374.998.

Financing

The company's equity is negative and indicates a need for liquidity support in the financial year 2023/24 refer to note 1.

Significant 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.

Income statement 1 April - 31 March

| | Note | 2022/23 DKK | 2021/22 DKK |
|---|------|--------------------|-------------------|
| Gross profit | 3 | -131.374 | -77.014 |
| Impairment of current assets | | -46.094.868 | 0 |
| Profit/loss before net financials | | -46.226.242 | -77.014 |
| Financial income | 4 | 1.533.010 | 475.069 |
| Impairment losses on investments | | -8.591.100 | -6.449.000 |
| Financial costs | 5 | -1.313.792 | -325.539 |
| Profit/loss before tax | | -54.598.124 | -6.376.484 |
| Tax on profit/loss for the year | 6 | -60.637 | 15.953 |
| Profit/loss for the year | | -54.658.761 | -6.360.531 |
| Recommended appropriation of profit/loss | | | |
| Retained earnings | | -54.658.761 | -6.360.531 |
| | | -54.658.761 | -6.360.531 |

Balance sheet 31 March

| | Note | 2023 DKK | 2022 DKK |
|---|------|------------------|-------------------|
| Assets | | | |
| Investments in subsidiaries | 7 | 0 | 8.591.000 |
| Receivables from subsidiaries | | 4.830.250 | 49.504.491 |
| Fixed asset investments | | 4.830.250 | 58.095.491 |
| Total non-current assets | | 4.830.250 | 58.095.491 |
| Receivables from subsidiaries | | 0 | 2.500.000 |
| Joint taxation contributions receivable | | 49.104 | 0 |
| Receivables | | 49.104 | 2.500.000 |
| Cash at bank and in hand | | 328.237 | 83.765 |
| Total current assets | | 377.341 | 2.583.765 |
| Total assets | | 5.207.591 | 60.679.256 |

Balance sheet 31 March

| | Note | 2023 | 2022 |
|---|------|--------------------|-------------------|
| | | DKK | DKK |
| Equity and liabilities | | | |
| Share capital | | 1.000.000 | 1.000.000 |
| Retained earnings | | -29.374.998 | 25.283.763 |
| Equity | | -28.374.998 | 26.283.763 |
| Payables to group companies | | 0 | 31.316.575 |
| Total non-current liabilities | | 0 | 31.316.575 |
| Payables to group companies | | 33.459.218 | 2.889.447 |
| Joint taxation contributions payable | | 91.872 | 38.475 |
| Other payables | | 31.499 | 150.996 |
| Total current liabilities | | 33.582.589 | 3.078.918 |
| Total liabilities | | 33.582.589 | 34.395.493 |
| Total equity and liabilities | | 5.207.591 | 60.679.256 |
| Uncertainty about the continued operation (going concern) | 1 | | |
| Special items | 3 | | |
| Contingent liabilities | 8 | | |
| Mortgages and collateral | 9 | | |

Statement of changes in equity

| | Share capital | Retained earnings | Total |
|------------------------------|------------------|----------------------|--------------------|
| | DKK | DKK | DKK |
| Equity at 1 April | 1.000.000 | 25.283.763 | 26.283.763 |
| Net profit/loss for the year | 0 | -54.658.761 | -54.658.761 |
| Equity at 31 March | 1.000.000 | -29.374.998 | -28.374.998 |

Notes

1 Uncertainty about the continued operation (going concern)

The company has in the financial year 2022/23 performed worse than expected. This is due to a lower volume of treatments than expected and due to misalignment between the cost base and the volumes of treatments. The costs base has been adjusted in the financial year 2023/24, which is expected to contribute to the improvement of the earnings.

The activities on the clinics were expected to go up in the financial year 2023/24, but due to the personnel situation the ability to conduct treatments has been constrained by capacity, and hereby the activity from April 2023 to September 2023 are realized lower than in the initial budget for the year.

Due to the financial situation and the results generated in the last years, the company is dependent on a positive cashflow. The management assesses that the company has sufficient liquidity for the upcoming fiscal year. This assessment is based on the assumption that the company will not significantly deviate from the budget for the period from October 2023 to March 2024 and that the joint taxation contribution will be paid. The company is significantly funded through intra-group reconciliations. The company has received confirmation from intra-group companies that the internal debt as of September 30, 2023, will not be required to be repaid in the coming year.

Based on expectations for the future, the management presents the annual report on the assumption of a going concern and believes that sufficient liquidity can be achieved if the activity does not significantly deviate from the budget.

2 Staff costs

Average number of employees

| | <u>2022/23</u> | <u>2021/22</u> |
|--|----------------|----------------|
| | DKK | DKK |
| | <u>1</u> | <u>1</u> |

Notes

3 Special items

Special items include significant revenues and expenses of a special nature compared to the company's income-generating operational activities, such as substantial one-time amounts that, in management's assessment, are not part of the company's primary operations.

As mentioned in the management report, this year's results are affected by factors that deviate from what management considers as part of the primary operations.

Special items are accounted for on the following lines in the income statement:

| | | |
|--|-------------------|----------|
| Impairment of current assets | 46.094.868 | 0 |
| Impairment losses on investments (Impairment losses on financial assets) | 8.591.000 | 0 |
| | <u>54.685.868</u> | <u>0</u> |

| | |
|---------|---------|
| 2022/23 | 2021/22 |
| DKK | DKK |

4 Financial income

| | | |
|-------------------------------------|------------------|----------------|
| Interest received from subsidiaries | 1.520.727 | 475.069 |
| Other financial income | 12.283 | 0 |
| | <u>1.533.010</u> | <u>475.069</u> |

5 Financial costs

| | | |
|------------------------------------|------------------|----------------|
| Financial expenses, group entities | 1.313.792 | 325.454 |
| Other financial costs | 0 | 85 |
| | <u>1.313.792</u> | <u>325.539</u> |

Notes

6 Tax on profit/loss for the year

| | | |
|---|---------------|----------------|
| Current tax for the year | 58.721 | -15.953 |
| Adjustment of tax concerning previous years | 1.916 | 0 |
| | <u>60.637</u> | <u>-15.953</u> |

Notes

| | 2023 DKK | 2022 DKK |
|--------------------------------------|-------------|------------------|
| 7 Investments in subsidiaries | | |
| Cost at 1 April | 15.040.000 | 15.040.000 |
| Cost at 31 March | 15.040.000 | 15.040.000 |
| Revaluations at 1 April | -6.449.000 | 0 |
| Impairment losses | -8.591.000 | -6.449.000 |
| Revaluations at 31 March | -15.040.000 | -6.449.000 |
| Carrying amount at 31 March | 0 | 8.591.000 |

Investments in subsidiaries are specified as follows:

| Name | Registered office | Ownership interest | Equity | Profit/loss for the year |
|---------------------------|-------------------|--------------------|-------------|--------------------------|
| TFP Danfert Fertility ApS | Frederiksberg | 100% | -45.683.617 | -54.685.968 |

8 Contingent liabilities

The company is jointly taxed with Impilo ApS (management company), and jointly and severally liable with other jointly taxed entities for payment of income taxes as well as for payment of withholding taxes on dividends, interest and royalties.

9 Mortgages and collateral

The company has no mortgages and collateral.

Accounting policies

The annual report of Delivery Fertility DK II ApS for 2022/23 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to reporting class B entities, as well as provisions applying to reporting class C entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2022/23 is presented in DKK

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 amortisation, depreciation and impairment losses, 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 the asset 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 the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

Gross profit reflects an aggregation of other external expenses.

Other external expenses

Other external expenses include expenses related to administration etc.

Accounting policies

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses and allowances under the Danish Tax Prepayment Scheme, etc.

Impairment of financial assets

Write-down of financial assets includes impairments of financial fixed assets to a lower recoverable value.

Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation.

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits.

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Investments in subsidiaries

Investment in subsidiaries are measured at cost. If cost exceeds the recoverable amount, a write-down is made to this lower value.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

Cash and cash equivalents

Cash and cash equivalents comprise deposits at banks.

Accounting policies

Equity

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Income tax and deferred tax

The company and all its Danish group entities are taxed on a joint basis. The current income tax charge is allocated between the jointly taxed entities relative to their taxable income. Tax losses are allocated based on the full absorption method. The jointly taxed entities are eligible for the Danish Tax Prepayment Scheme.

Joint taxation contributions payable and receivable are recognised in the balance sheet as 'Joint taxation contributions receivable' or 'Joint taxation contributions payable'.

Liabilities

Liabilities, which include payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.