
Stimuliver ApS

Ole Maaløes Vej 3, 3., DK-2200 København N

Annual Report for 13 August 2021 - 31 August 2022

CVR No 42 59 73 33

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
28/2 2023

David Colin Hay
Chairman of the General
Meeting



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Stimuliver ApS for the financial year 13 August 2021 - 31 August 2022.

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 financial position at 31 August 2022 of the Company and of the results of the Company operations for 2021/22.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

København, 28 February 2023

Executive Board

David Colin Hay
CEO

Dagmara Maria Szkolnicka
Executive Officer

Board of Directors

David Colin Hay
Chairman

Dagmara Maria Szkolnicka

Independent Auditor's Report

To the Shareholders of Stimuliver ApS

Report on the Financial Statements

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 August 2022 and of the results of the Company's operations for the financial year 13 August 2021 - 31 August 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Stimuliver ApS for the financial year 13 August 2021 - 31 August 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

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' 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.

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 Financials Statements Act.

Based on the work we have performed, in our view, 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 Management's Review.

Independent Auditor's Report

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.

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.

Independent Auditor's Report

- 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.

Reporting obligations under section 7(2) of the Danish Executive Order on Approved Auditors' Reports

Violation of the provisions of Danish legislation on loans to shareholders and members of Management

Contrary to section 210 of the Danish Companies Act, the Company has granted a loan to one of the shareholders and members of Management of the Company, and Management may be held liable in this respect.

In connection with the payment, the Company has not complied with Danish tax legislation, and Management may be held liable in this respect.

This violation is rectified in the subsequent period.

Hellerup, 28 February 2023

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Nikolaj Erik Johnsen
statsautoriseret revisor
mne35806

Jacob Dannefer
statsautoriseret revisor
mne47886

Company Information

The Company

Stimuliver ApS
Ole Maaløes Vej 3, 3.
DK-2200 København N

CVR No: 42 59 73 33
Financial period: 13 August 2021 - 31 August 2022
Municipality of reg. office: København

Board of Directors

David Colin Hay, Chairman
Dagmara Maria Szkolnicka

Executive Board

David Colin Hay
Dagmara Maria Szkolnicka

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management's Review

Key activities

The company's purpose is to conduct business with therapeutic agents, including the development and manufacture of implantable liver tissue to support failing liver function in humans as well as related business.

Development in the year

The income statement of the Company for 2021/22 shows a loss of DKK 2,524,585, and at 31 August 2022 the balance sheet of the Company shows negative equity of DKK 2,484,585.

Capital resources

The company has lost more than 50% of the company capital and is therefore covered by the capital loss provisions of the Companies Act. At the upcoming general meeting, the management will give an account of the financial situation and present that the company capital is expected to be reestablished in the event of future capital increases.

For information regarding the company's capital resources, please refer to the information in note 1.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement 13 August - 31 August

	<u>Note</u>	<u>2021/22</u> DKK
Gross profit/loss		-917.400
Staff expenses	2	<u>-1.476.232</u>
Profit/loss before financial income and expenses		-2.393.632
Financial income	3	1.786
Financial expenses	4	<u>-132.739</u>
Profit/loss before tax		-2.524.585
Tax on profit/loss for the year		<u>0</u>
Net profit/loss for the year		<u>-2.524.585</u>

Distribution of profit

Proposed distribution of profit

Retained earnings		<u>-2.524.585</u>
		<u>-2.524.585</u>

Balance Sheet 31 August

Assets

	<u>Note</u>	<u>2021/22</u> DKK
Other receivables		81.905
Receivable from shareholders and Management	5	41.932
Prepayments		<u>115.255</u>
Receivables		<u>239.092</u>
Cash at bank and in hand		<u>1.542.847</u>
Currents assets		<u>1.781.939</u>
Assets		<u>1.781.939</u>

Balance Sheet 31 August

Liabilities and equity

	<u>Note</u>	<u>2021/22</u> DKK
Share capital		40.000
Retained earnings		<u>-2.524.585</u>
Equity		<u>-2.484.585</u>
Convertible and profit-yielding instruments of debt		<u>4.107.836</u>
Long-term debt	6	<u>4.107.836</u>
Other payables		<u>158.688</u>
Short-term debt		<u>158.688</u>
Debt		<u>4.266.524</u>
Liabilities and equity		<u>1.781.939</u>
Going concern	1	
Accounting Policies	7	

Statement of Changes in Equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 13 August	0	0	0
Cash payment concerning formation of entity	40.000	0	40.000
Net profit/loss for the year	0	-2.524.585	-2.524.585
Equity at 31 August	40.000	-2.524.585	-2.484.585

Notes to the Financial Statements

1 Going concern

The company has lost more than half of its capital and the equity is negative with DKK 2.484.585.

The company has received additional loans in 2022/23, it is therefore management's assessment that the annual report can be presented on a going concern basis.

2 Staff expenses

Wages and salaries	1.436.044
Other social security expenses	16.798
Other staff expenses	23.390
	<u>1.476.232</u>

Average number of employees	<u>3</u>
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3 Financial income

Other financial income	<u>1.786</u>
	<u>1.786</u>

4 Financial expenses

Other financial expenses	<u>132.739</u>
	<u>132.739</u>

5 Receivable from shareholders and Management

	<u>Management</u>
	DKK
Receivables on the balance sheet date	<u>41.932</u>
Interest for the year	<u>893</u>
The loan is due for immediate payment and currently bears interest of	<u>9,55%</u>

Notes to the Financial Statements

6 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

Convertible and profit-yielding instruments of debt

Between 1 and 5 years	4.107.836
Long-term part	<u>4.107.836</u>
Within 1 year	<u>0</u>
	<u>4.107.836</u>

Notes to the Financial Statements

7 Accounting Policies

The Annual Report of Stimuliver ApS for 2021/22 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The Financial Statements for 2021/22 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset 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 out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income Statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of

Notes to the Financial Statements

7 Accounting Policies (continued)

discounts relating to sales.

Other external expenses

Other external expenses comprise expenses for premises, sales and distribution as well as office expenses, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income, cost of sales and other external expenses.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Balance Sheet

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Notes to the Financial Statements

7 Accounting Policies (continued)

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Loans are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.