
Stimuliver ApS

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

Annual Report for
1 September 2022 - 31 August 2023

CVR No. 42 59 73 33

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 28/2 2024

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 01 September 2022 - 31 August 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 financial position at 31 August 2023 of the Company and of the results of the Company operations for 2022/23.

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 2024

Executive Board

David Colin Hay
Manager

Dagmara Maria Szkolnicka
Manager

Board of Directors

David Colin Hay

Dagmara Maria Szkolnicka

Independent Auditor's report

To the shareholder of Stimuliver ApS

Opinion

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

We have audited the Financial Statements of Stimuliver ApS for the financial year 1 September 2022 - 31 August 2023, 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 Financial 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.

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.

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.

Hellerup, 28 February 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Jacob Dannefer
State Authorised Public Accountant
mne47886

Company information

The Company	Stimuliver ApS Ole Maaløes Vej 3, 3. DK-2200 København N CVR No: 42 59 73 33 Financial period: 1 September 2022 - 31 August 2023 Municipality of reg. office: København
Board of Directors	David Colin Hay 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 2022/23 shows a loss of DKK 6,431,249, and at 31 August 2023 the balance sheet of the Company shows negative equity of DKK 8,915,834.

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 1 September 2022 - 31 August 2023

	Note	2022/23	2021/22
		DKK	DKK
Gross loss		-2,933,426	-917,400
Staff expenses	2	-3,474,438	-1,476,232
Depreciation and impairment losses of property, plant and equipment		-89,940	0
Profit/loss before financial income and expenses		-6,497,804	-2,393,632
Financial income	3	0	1,786
Financial expenses	4	-941,413	-132,739
Profit/loss before tax		-7,439,217	-2,524,585
Tax on profit/loss for the year		1,007,968	0
Net profit/loss for the year		-6,431,249	-2,524,585

Distribution of profit

	2022/23	2021/22
	DKK	DKK
Proposed distribution of profit		
Retained earnings	-6,431,249	-2,524,585
	-6,431,249	-2,524,585

Balance sheet 31 August 2023

Assets

	Note	2022/23 DKK	2021/22 DKK
Other fixtures and fittings, tools and equipment		193,931	0
Property, plant and equipment	5	<u>193,931</u>	<u>0</u>
Fixed assets		<u>193,931</u>	<u>0</u>
Other receivables		94,223	81,905
Receivable from shareholders and Management		0	41,932
Corporation tax		1,007,968	0
Prepayments		0	115,255
Receivables		<u>1,102,191</u>	<u>239,092</u>
Cash at bank and in hand		<u>9,677,281</u>	<u>1,542,847</u>
Current assets		<u>10,779,472</u>	<u>1,781,939</u>
Assets		<u>10,973,403</u>	<u>1,781,939</u>

Balance sheet 31 August 2023

Liabilities and equity

	Note	2022/23	2021/22
		DKK	DKK
Share capital		40,000	40,000
Retained earnings		-8,955,834	-2,524,585
Equity		-8,915,834	-2,484,585
Convertible and profit-yielding instruments of debt		15,173,428	4,107,836
Long-term debt	6	15,173,428	4,107,836
Convertible and profit-yielding instruments of debt		4,000,000	0
Trade payables		263,072	0
Other payables		452,737	158,688
Short-term debt		4,715,809	158,688
Debt		19,889,237	4,266,524
Liabilities and equity		10,973,403	1,781,939
Going concern	1		
Accounting Policies	7		

Statement of changes in equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 September	40,000	-2,524,585	-2,484,585
Net profit/loss for the year	0	-6,431,249	-6,431,249
Equity at 31 August	40,000	-8,955,834	-8,915,834

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 8.915.834.

The company has received additional 3 MDKK in loans in 2023/24, it is therefore management's assessment that the annual report can be presented on a going concern basis.

	<u>2022/23</u>	<u>2021/22</u>
	DKK	DKK
2. Staff Expenses		
Wages and salaries	3,313,654	1,436,044
Other social security expenses	39,651	16,798
Other staff expenses	<u>121,133</u>	<u>23,390</u>
	<u>3,474,438</u>	<u>1,476,232</u>
Average number of employees	<u>5</u>	<u>3</u>

	<u>2022/23</u>	<u>2021/22</u>
	DKK	DKK
3. Financial income		
Other financial income	<u>0</u>	<u>1,786</u>
	<u>0</u>	<u>1,786</u>

	<u>2022/23</u>	<u>2021/22</u>
	DKK	DKK
4. Financial expenses		
Other financial expenses	<u>941,413</u>	<u>132,739</u>
	<u>941,413</u>	<u>132,739</u>

Notes to the Financial Statements

5. Property, plant and equipment

	Other fixtures and fittings, tools and equipment
	DKK
Cost at 1 September	0
Additions for the year	283,871
Cost at 31 August	<u>283,871</u>
Impairment losses and depreciation at 1 September	0
Depreciation for the year	89,940
Impairment losses and depreciation at 31 August	<u>89,940</u>
Carrying amount at 31 August	<u>193,931</u>

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:

	2022/23	2021/22
	DKK	DKK
Convertible and profit-yielding instruments of debt		
After 5 years	0	0
Between 1 and 5 years	15,173,428	4,107,836
Long-term part	15,173,428	4,107,836
Within 1 year	4,000,000	0
	<u>19,173,428</u>	<u>4,107,836</u>

Notes to the Financial Statements

7. Accounting policies

The Annual Report of Stimuliver ApS for 2022/23 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 2022/23 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, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been 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

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses 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 discounts relating to sales.

Other external expenses

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

Gross 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, expenses for raw materials and consumables and other external expenses.

Notes to the Financial Statements

Staff expenses

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

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise depreciation and impairment of property, plant and equipment.

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, including gains and losses on the sale of property, plant and equipment.

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

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3 years
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The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by depreciation.

If so, the asset is written down to its lower recoverable amount.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Notes to the Financial Statements

Prepayments

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

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.