



# **Ascendis Pharma Growth Disorders A/S**

c/o Ascendis Pharma A/S, Tuborg Boulevard 12

DK- 2900 Hellerup

Central Business Registration No. 32 32 36 77

## **Annual Report 2023**

(January 1 - December 31)

Adopted at the Annual General Meeting of the Company on March 20, 2024

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Michael Wolff Jensen  
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 Ascendis Pharma Growth Disorders A/S for the financial year 1 January - 31 December 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 December 2023 of the Company and of the results of the Company operations for 2023.

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

Hellerup, March 20, 2024

### **Executive Board**

Jan Møller Mikkelsen  
CEO

### **Board of Directors**

Michael Wolff Jensen  
Chairman

Jan Møller Mikkelsen

Anni Lotte Kirstine Pedersen

# Independent Auditor's Report

To the Shareholder of Ascendis Pharma Growth Disorders A/S

## Opinion

We have audited the financial statements of Ascendis Pharma Growth Disorder A/S for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

## Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity 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.

## 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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.

## Independent Auditor's Report

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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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.

Copenhagen, March 20, 2024

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No 33 96 35 56

Lars Hansen  
State Authorised Public Accountant  
Identification No (MNE) mne24828

## Company Information

<b>The Company</b>	Ascendis Pharma Growth Disorders A/S c/o Ascendis Pharma A/S Tuborg Boulevard 12 DK-2900 Hellerup  CVR No: 32 32 36 77 Financial period: 1 January - 31 December Municipality of reg. office: Gentofte
<b>Board of Directors</b>	Michael Wolff Jensen, Chairman Jan Møller Mikkelsen Anni Lotte Kirstine Pedersen
<b>Executive Board</b>	Jan Møller Mikkelsen
<b>Auditors</b>	Deloitte Statsautoriseret Revisionspartnerselskab Weidekampsgade 6 DK-2300 Copenhagen S

## Income Statement 1 January - 31 December

	Note	2023	2022
		EUR	
<b>Gross profit/(loss)</b>		<b>(114,185,673)</b>	<b>(57,035,666)</b>
Administrative expenses		(30,019)	(116,462)
<b>Operating profit/(loss)</b>		<b>(114,215,692)</b>	<b>(57,152,128)</b>
<b>Profit/(loss) before financial income and expenses</b>		<b>(114,215,692)</b>	<b>(57,152,128)</b>
Financial income	4	78,552	313
Financial expenses	4	(6,259,165)	(4,305,042)
<b>Profit/(loss) before tax</b>		<b>(120,396,305)</b>	<b>(61,456,857)</b>
Tax on profit/(loss) for the year		172,871	75,685
<b>Net profit/(loss) for the year</b>		<b>(120,223,434)</b>	<b>(61,381,172)</b>
<b>Distribution of profit/(loss)</b>			
Proposed distribution of profit/(loss)			
Retained earnings		(120,223,434)	(61,381,172)
		<b>(120,223,434)</b>	<b>(61,381,172)</b>

## Balance Sheet 31 December

### Assets

	Note	2023	2022
		EUR	
Capital interests		8,439,087	8,439,087
<b>Financial assets</b>		<b>8,439,087</b>	<b>8,439,087</b>
<b>Non-current assets</b>		<b>8,439,087</b>	<b>8,439,087</b>
Trade receivables		180,270	39,613
Other receivables		—	5,129,227
Prepayments		30,901	—
<b>Receivables</b>		<b>211,171</b>	<b>5,168,840</b>
<b>Cash at bank and in hand</b>		<b>12,971,496</b>	<b>7,448</b>
<b>Currents assets</b>		<b>13,182,667</b>	<b>5,176,288</b>
<b>Assets</b>		<b>21,621,754</b>	<b>13,615,375</b>



## Balance Sheet 31 December

### Liabilities and equity

	Note	2023	2022
EUR			
Share capital		67,021	67,021
Reserve for unpaid share capital and share premium		(50,266)	(50,266)
Retained earnings		(322,063,151)	(201,839,714)
<b>Equity</b>		<b>(322,046,396)</b>	<b>(201,822,959)</b>
Payable to group enterprises		343,661,192	215,432,417
<b>Long-term liabilities</b>		<b>343,661,192</b>	<b>215,432,417</b>
Accounts payables		6,958	5,917
<b>Short-term liabilities</b>		<b>6,958</b>	<b>5,917</b>
<b>Liabilities</b>		<b>343,668,150</b>	<b>215,438,334</b>
<b>Liabilities and equity</b>		<b>21,621,754</b>	<b>13,615,375</b>
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## Notes to the Financial Statements

### 1. Going concern

The Company realised a loss for the year and lost its share capital. To support the Company, the parent company Ascendis Pharma A/S has confirmed the technical and financial support that it has committed and will further commit to the Company for the period until 30 June 2025.

Ascendis Pharma A/S undertakes to make all reasonable technical efforts to support the Company to conduct all pre-clinical, manufacturing, clinical and regulatory activities with its product candidates for the period until 30 June 2025. Ascendis Pharma A/S undertakes to provide the Company with the necessary funds to ensure that the Company can conduct its activities for the period in compliance with The Danish Company Regulation and to ensure that the Company can meet its financial obligations as they fall due during the period until 30 June 2025.

### 2. Main activity

Ascendis Pharma Growth Disorders A/S is a wholly owned subsidiary in the Ascendis Pharma Group which is applying its innovative TransCon technologies to build a leading, fully integrated global biopharmaceutical company and to develop a pipeline of product candidates with potential best-in-class profiles to address significant unmet medical needs.

The Ascendis Pharma Group has created a portfolio of product candidates by utilizing its TransCon technologies with clinically validated parent drugs. The primary focus of Ascendis Pharma Growth Disorders A/S is activities directed towards development of improved products within growth disorders.

## Notes to the Financial Statements

### 3. Staff

	2023	2022
<b>Average number of employees</b>	—	—

### 4. Financial income and expenses

<b>Financial income</b>	2023	2022
	EUR	
Interest income	11,286	—
Exchange gains	67,266	313
<b>Total financial income</b>	<b>78,552</b>	<b>313</b>

<b>Financial expenses</b>	2023	2022
	EUR	
Interest paid to group enterprises	6,259,165	4,302,445
Interest expenses	—	2,597
<b>Total financial expenses</b>	<b>6,259,165</b>	<b>4,305,042</b>

### 5. Contingent liabilities and other financial obligations

The Danish group companies of Ascendis Pharma A/S are jointly and severally liable for tax on the Danish group's jointly taxed income.

The Danish group companies of Ascendis Pharma A/S are jointly registered for VAT purposes, and the Danish group is jointly liable for the payment thereof.

### 6. Consolidated financial statements

The Company is owned by and included in the Group Annual Report of the Parent Company Ascendis Pharma A/S.

Name	Place of registered office
Ascendis Pharma A/S	Copenhagen, Denmark

## Notes to the Financial Statements

### 7. Accounting policies

The Annual Report of Ascendis Pharma Growth Disorders A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year. The Financial Statements for 2023 are presented in Euro.

#### Recognition and measurement

Revenues are recognised in the income statement as earned. 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.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

#### Translation policies

Transactions in foreign currencies are measured at the exchange rate at the date of the transaction.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rate at the balance sheet date.

Exchange rate differences between the exchange rate at the date of the transaction and the exchange rate on either the payment date or the balance sheet date are recognized in the income statement as financial income or expenses.

Tangible and intangible assets, inventory and other non-monetary assets acquired in foreign currencies are measured at historical exchange rates.

## Notes to the Financial Statements

### 7. Accounting policies (Continued)

#### Income Statement

##### Revenue

Revenue is recognised when it is probable that future economic benefits will flow to the Company and the benefits can be measured reliably. Recognition moreover requires that all material risks and rewards of the ownership of the rights and services related to arrangements have been transferred to the buyer.

Earnings from multiple-element arrangements where the individual elements of the arrangements cannot be separated are recognised over the term of the arrangement. Where not all of these risks and rewards have been transferred, revenue is recognised as deferred income until all elements of the arrangement have been delivered.

Revenue is recognised exclusive of VAT, indirect taxes and net of discounts relating to sales and is measured at the fair value of the determined consideration.

##### Research and development costs

Research and development costs comprises expenses incurred to develop the Company's products and to deliver the services under the Company's collaboration agreements. Research and development costs are recognised in the income statement as incurred.

##### Gross profit/(loss)

With reference to section 32 of the Danish Financial Statements Act, revenue has not been disclosed in the Annual Report.

##### Administrative expenses

Administrative expenses comprise expenses for management and other administration services.

##### 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/(loss) for the year is recognised in the income statement.

The Company is jointly taxed with Danish group enterprises. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

## Notes to the Financial Statements

### 7. Accounting policies (Continued)

#### Balance Sheet

##### Intangible assets

Intangible assets comprise acquired intellectual property rights.

Cost of acquired intellectual property rights comprises the cost of acquisition and expenses directly related to the acquisition.

Amortisation of intellectual property rights is based on cost reduced by any expected residual value after the end of the useful life. Amortisation is calculated on a straight-line basis over the expected useful lives of the assets, which are up to 5 years.

Intangible assets are written down to the lower of recoverable amount and the carrying amount.

Development projects regarding products and processes that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated, and where it is the intention to manufacture, market or use the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred.

Due to the risk associated with drug development, future income from development projects cannot be determined with sufficient certainty until the development activities have been completed and the necessary marketing approvals have been obtained. Accordingly, no internally generated intangible assets are recognized.

##### Impairment of fixed assets

The carrying amount of intangible assets and investments in capital interests measured at cost are reviewed on an annual basis to determine whether there is any indication of impairment.

If the carrying amount exceed recoverable amount, the asset is written down to its recoverable amount, as an impairment loss through the income statement.

##### Financial assets

Financial assets consist of investments in capital interests measured at cost.

##### Receivables

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provision for impaired receivables are recognized through the income statement.

## **Notes to the Financial Statements**

### **7. Accounting policies (Continued)**

#### **Cash and cash equivalents**

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

#### **Liabilities**

Payables are measured at amortised cost.