

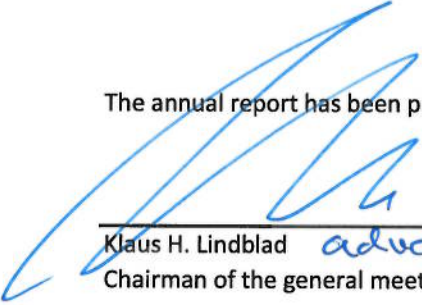
RepoCeuticals

Annual report
for the year ended 31 December 2023

RepoCeuticals A/S

Slotsmarken 12, 1., 2970 Hørsholm, Denmark
Registered number: 36 49 44 33

The annual report has been presented and adopted by the general meeting June 13, 2024.


Klaus H. Lindblad *advokat*
Chairman of the general meeting

Contents

	Page
Company information	2
Management's review	3
Management's report	5
Independent auditor's report	6
Statement of comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Cash flow statement	11
Notes	12

Company information

Executive management	Torsten Bjørn
Board of directors	Søren Nielsen, chairman Troels Peter Troelsen Henrik Bulskov Preben Møllegaard Grundtvig Christian Vinding Thomsen Charlotte Pahl
Registered number	36 49 44 33
Registered office	Slotsmarken 12, 1. th. 2970 Hørsholm Denmark
Independent auditor	Grant Thornton Statsautoriseret Revisionspartnerselskab Stockholmegade 45 2100 København Ø

The Company's principal activities

RepoCeuticals A/S is a clinical-phase pharmaceutical company engaged in the development of new and effective prophylactic and therapeutic uses of natural substances with antioxidative and anti-inflammatory properties.

Through innovative use of existing knowledge, its own experience and the repositioning of drugs, RepoCeuticals seeks to design its clinical development programs under close observance of relevant clinical endpoints, statistical significance of data outcomes and cost effectiveness, thereby creating an attractive benefit/risk profile based on the patient base.

It is RepoCeuticals' ambition to create value through the company's sustaining platform by bringing the clinical programs to a clinical phase II stage with securing IP at which the effect of the drug candidates can be documented with relevant clinical data.

RepoCeuticals is organizationally effective, having adopted an aggressive commercial outsourcing strategy to be as agile as possible in order to meet a complex and continuously changing pharmaceutical industry. The strategy creates cost-effectiveness and the flexibility to scale up or down rapidly with respect to relevant human knowledge resources, which the company considers to be a key factor and driver of success.

It is RepoCeuticals' clinical development strategy to establish collaborations with internationally leading institutions and hospitals in combination with the best experts in each of the company's specific clinical areas.

This means that RepoCeuticals carries out its clinical programs in an appropriate scientific environment with direct access to patients and thus keep abreast of the latest advances in the areas.

Estimates and judgements

The preparation of the financial statements requires the making of estimates and judgements that effects the reporting of assets, liabilities and expenses. The estimates and judgments are reviewed on an ongoing basis. Estimates and judgements are based on historical results and on various other assumptions, which RepoCeuticals believes to be reasonable under the circumstances. However, the actual result may differ significantly from the estimates. We believe that the accounting policies relating to development costs and deferred taxes involve estimates or judgements that could affect the reported financial position and results.

Development in activities and financial matters

Financials

The result for the year, a deficit of DKK 5.200 thousand, is in line with the management's expectations in view of the Company's level of activity.

The Company has entered into a short term credit facility.

RepoCeuticals expects to strenghtening the Company's working capital in 2024 by an increase of debt financing, equity financing or a combination thereof.

Clinical programs

RepoCeuticals has during the financial year finalized enrolment of patients in the Company's phase II clinical trial to test the therapeutic effect of RepoCeuticals' medicinal product RPC-051 for alleviating the symptoms of LARS (low anterior resection syndrome). Analysis of the clinical trial data were ongoing by the end of 2023, and is expected to be fully analyzed in 2024.

RepoCeuticals has during the financial year started and continued enrolment of patients in the Company's randomized open label clinical phase II study to test the effect of RepoCeuticals' medicinal product RPC-012 for treatment of actinic keratosis. Enrolment of patients are expected to be finalized in 2024.

RepoCeuticals has during the financial year started preparation of the Company's extended confirmatory randomized double blinded placebo controlled multi dose clinical phase II trial on RPC-011 for protection against radiation dermatitis - the PRIMERO trial. Enrolment of patients are expected to start in 2024.

Management's review

CMC activities

RepoCeuticals has during the financial year continued the formulation and analysis development of the Company's products on the path towards final products.

Events after the end of the financial year

No significant event has occurred after the end of the financial year.

Management's report

The Board of Directors and the Executive management have today considered and approved the annual report of RepoCeuticals A/S for the financial year 1 January - 31 December 2023.

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and further requirements in the Danish Financial Act.

We consider the accounting policies used appropriate, and in our opinion the financial statements provide a true and fair view of the Company's assets and liabilities and its financial position at 31 December 2023 and of the Company's results of its activities and cash flow in the financial year 1 January to 31 December 2023.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is submitted for adoption by the general meeting.

Hørsholm, May 29, 2024,

Executive management

Torsten Bjørn, CEO

Board of directors

Søren Nielsen
Chairman

Troels Peter Troelsen

Charlotte Pahl

Henrik Bulskov

Preben Møllegaard Grundtvig

Christian Vinding Thomsen

To the shareholders of RepoCeuticals A/S

Opinion

We have audited the financial statements of RepoCeuticals A/S for the financial year January 1 - December 31, 2023, which comprise statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows, accounting policies and notes. The financial statements are prepared in accordance with International Reporting Standards as endorsed by the EU and further requirements in the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the company at December 31, 2023 and of the results of the company's operations and cash flows for the financial year January 1 - December 31, 2023 in accordance with International Reporting Standards as issued by the International Accounting Standards Board (IASB) and adopted by the EU and additional requirements of 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 section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with International Ethical requirements for auditors (IESBA's Code of Ethics), and the additional 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.

Managements responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a fair view in accordance with the International Reporting Standards as adopted by EU and additional requirements 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 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 annual accounts

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 including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and 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 judgment and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures in response 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting 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 reflect the underlying transactions and events in a manner that achieves fair presentation.

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 the internal control that we identify during our audit.

Statement on the management's review

The 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 conclusion thereon.

In connection with our audit of the financial statements, it is our responsibility to read the Management's Review and to consider whether the Management's Review is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

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 Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Copenhagen, May 29, 2024

Grant Thornton
Statsautoriseret Revisionspartnerselskab
Company reg. no. 34 20 99 36

Martin Bomholtz
State Authorised Public Accountant
mne34117

Statement of comprehensive income

Note	2023 DKK	2022 DKK
Revenue	0	0
Cost of sales	0	0
Gross profit	0	0
3 Research and development costs	-2.420.752	-2.588.638
3 Administrative costs	-2.240.331	-1.722.437
Profit before depreciation, amortisation and impairment losses (EBITDA)	-4.661.083	-4.311.074
6,7 Depreciation and amortisation of tangible and intangible assets	-807.857	-663.591
Operating profit (EBIT)	-5.468.939	-4.974.665
4 Financial income	0	0
4 Financial expenses	-424.753	-67.228
Profit before tax	-5.893.693	-5.041.893
5 Tax on profit for the year	693.947	1.213.111
Net profit for the year	-5.199.745	-3.828.782
Other comprehensive income	0	0
Total comprehensive income	-5.199.745	-3.828.782

Statement of financial position

ASSETS		31-12-2023	31-12-2022
Note		DKK	DKK
Non-current assets			
6	Intangible assets	6.318.035	6.805.023
7	Tangible assets	101.862	113.362
7	Right-of-use assets	647.132	365.988
	Total non-current assets	7.067.029	7.284.373
Current assets			
9	Other receivables	691.852	379.218
9	Prepaid expenses	81.217	22.240
5	Current tax receivable	693.947	597.371
10	Cash and cash equivalents	1.152.075	1.207.455
	Total current assets	2.619.091	2.206.284
	Total assets	9.686.120	9.490.657
EQUITY AND LIABILITIES			
Note		31-12-2023	31-12-2022
		DKK	DKK
	Share capital	896.135	896.135
	Share premium account	0	0
	Reserve for capitalised development costs	3.920.354	4.074.226
	Retained earnings	-1.978.048	3.329.995
11	Total equity	2.838.441	8.300.357
5	Provision for deferred tax	0	0
	Total provisions	0	0
7	Lease liabilities	328.354	185.702
14	Other liabilities	5.170.188	0
	Total long-term liabilities	5.498.542	185.702
13	Trade payables	816.755	711.396
14	Other liabilities	532.381	293.203
	Total current liabilities	1.349.137	1.004.599
	Total liabilities other than provisions	6.847.679	1.190.301
	Total equity and liabilities	9.686.120	9.490.657

Statement of changes in equity

	Share capital	Share premium account	Reserve for capitalised development costs	Retained earnings	Total equity
<i>Statement of changes in equity</i>					
<i>01-01-2022 - 31-12-2022</i>					
Equity as at 01-01-2022	896.135	0	5.413.864	5.730.519	12.040.518
Net profit for the year	0	0	0	-3.828.782	-3.828.782
Share based payments	0	0	0	88.621	88.621
Capitalised development costs	0	0	-1.339.638	1.339.638	0
	0	0	-1.339.638	-2.400.524	-3.740.162
Dividends	0	0	0	0	0
Transactions with owners	0	0	0	0	0
Equity as at 31-12-2022	896.135	0	4.074.226	3.329.995	8.300.355
<i>Statement of changes in equity</i>					
<i>01-01-2023 - 31-12-2023</i>					
Equity as at 01-01-2023	896.135	0	4.074.226	3.329.995	8.300.356
Net profit for the year	0	0	0	-5.199.745	-5.199.745
Share based payments	0	0	0	-262.170	-262.170
Capitalised development costs	0	0	-153.873	153.873	0
	0	0	-153.873	-5.308.043	-5.461.915
Dividends	0	0	0	0	0
Transactions with owners	0	0	0	0	0
Equity as at 31-12-2023	896.135	0	3.920.354	-1.978.048	2.838.441

Cash flow statement

	2023 DKK	2022 DKK
Loss before tax	-5.893.693	-5.041.893
Adjustment of non-cash transactions:		
Depreciation, amortisation and impairment losses	807.857	663.591
Share based payments	-262.170	88.621
Financial expenses	424.753	67.228
Change in working capital:		
Receivables	-312.633	133.027
Trade payables	105.359	241.837
Prepaid expenses	-58.977	27.760
Other liabilities	-208.681	-180.559
Corporate tax	597.371	559.043
Net cash from operating activities before net financials	-4.800.814	-3.441.346
Financial expenses paid	-424.753	-67.228
Net cash from operating activities	-5.225.567	-3.508.574
Purchase of tangible assets	0	-115.000
Net cash used in investing activities	0	-115.000
Loans from shareholders	5.170.188	-770.190
Capital Increase, net	0	0
Net cash received from financing activities	5.170.188	-770.190
Total cash flows for the year	-55.380	-4.393.764
Cash and cash equivalents beginning of year	1.207.455	5.601.219
Cash equivalents end of year	1.152.076	1.207.455
Cash and cash equivalents, end of year, comprises:		
Cash and cash equivalents	1.152.075	1.207.455
Total	1.152.075	1.207.455

1. Accounting policies
2. Nature of operations
3. Employee remuneration
4. Financial expenses
5. Tax
6. Intangible assets
7. Tangible assets and right-of-use-assets
8. Financial assets and liabilities
9. Prepayments and other receivables
10. Cash and cash equivalent
11. Equity
12. The Company's funding for 2024
13. Trade payables
14. Other liabilities
15. Contingent liabilities
16. Operating lease commitments
17. Financial risks and financial instruments
18. Events occurring after the balance sheet date

1. Accounting policies

1.1 Basis of preparation

The financial statements of RepoCeuticals A/S have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as adopted by the EU, IFRIC interpretations and with those parts of the Danish Financial Statements Act applicable to companies reporting under IFRS.

IFRS is subject to amendment and interpretation by the IASB and the IFRS Interpretations Committee, and there is an on-going process of review and endorsement by the European Commission. These accounting policies comply with each IFRS that is mandatory for accounting periods ending on 31 December 2023.

The financial statements have been prepared on the going concern basis and have been prepared under the historical cost convention as modified by the revaluation of financial assets and liabilities including derivative financial instruments. The principal accounting policies set out below have been consistently applied to all periods presented.

1.2 Foreign currency translation

Functional and presentation currency

The financial statements are presented in currency DKK, which is also the functional currency of the Company.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in profit or loss.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

1.3 Revenue

No revenue is recognized in the financial statements.

1.4 Research and development costs

Research and development costs comprise internal and external costs related to development studies such as employee costs and materials.

1.5 Administrative costs

Administrative costs comprise costs incurred during the year concerning management and administration, including costs concerning administrative staff, the executive board, office premises, stationery and office supplies.

1.6 Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

1. Accounting policies - continued -

1.7 Share based employee remuneration

The Company operates equity-settled share-based remuneration plans for its employees. None of the Company's plans are cash-settled.

Where employees are rewarded using share-based payments, the fair value of employees' services is determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example, profitability and sales growth targets and performance conditions).

All share-based remuneration is ultimately recognized as an expense in profit or loss with a corresponding credit to retained earnings. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest.

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication the number of warrants expected to vest differs from previous estimates. Any adjustments to cumulative share-based compensation resulting from a revision is recognized in the current period. The number of vested warrants ultimately exercised by holders does not impact the expense recorded in any period.

Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, are allocated to share capital up to the nominal (or par) value of the shares issued with any excess being recorded as share premium.

1.8 Intangible assets

Finalized development projects

Patents and development costs recognised in the balance sheet are measured at cost less accrued amortization and writedowns for impairment. Development projects are amortized according to the straight-line method over their estimated useful lives from the time when the asset is ready for use. Patents and finalized development projects are amortized over 15 to 18 year based on the remaining lifetime of the patent. Amortization methods, useful years and residual values are reviewed every year.

Gain and loss from the sale of development projects, patents, and licenses are measured as the difference between the sales price with deduction of sales costs and the book value at the time of the sale. Gain or loss are recognised in the profit and loss account as other operating income or other operating expenses respectively.

1.9 Tangible assets

Equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The depreciation 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 depreciation period or the residual value is changed, the effect on depreciation 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.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

1. Accounting policies - continued -

1.9 Tangible assets

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-5 years	0-20 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

1.9 Leased assets

Operating leases

The Company assesses whether a contract is or contains a lease at inception of the contract. The Company recognizes right-of-use assets and corresponding lease liabilities at the lease commencement date, except for short-term leases and leases of low value. For these leases, lease payments is recognized as an operating expense on a straight-line basis over the term of the lease.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date, plus initial costs incurred.

The right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses. The right-of-use assets are from the commencement date depreciated over the shorter period of lease term and useful life of the underlying asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of the Company's corresponding assets such as property, plants and equipment. In addition, right-of-use assets are periodically reduced by impairment losses, if any, and adjusted in accordance with lease liabilities.

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liabilities comprise the following:

- Fixed payments.
- Variable payments, dependent on an index or rate.
- The exercise price of a purchase option if it is reasonably certain that the option will be exercised.
- Amounts expected to be payable under residual value guarantees.

The lease liabilities are subsequently measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the estimate of the amount expected to be payable under a residual value guarantee, or if management changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liabilities are remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use assets, or is recorded in profit or loss if the carrying amount of the right-of-use assets has been reduced to zero.

1. Accounting policies - continued -

1.10 Impairment testing of intangible assets and equipment

The carrying amount of both intangible and tangible non-current assets are subject to an annual impairment assessment in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets (cash-generating unit), respectively.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect management's assessment of respective risk profiles, such as market and asset-specific risks factors.

1.11 Financial instruments

Recognition, initial measurement and de-recognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- loans and receivables (amortized costs)
- financial assets at fair value through profit or loss (FVTPL)
- held-to-maturity (HTM) investments

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified group.

1. Accounting policies - continued -

Financial assets at FVTPL

A financial asset is classified at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Upon initial recognition attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss.

HTM investment

HTM investments are non-derivative financial assets with fixed or determinable payments and fixed maturity other than loans and receivables. Investments are classified as HTM if the Company has the intention and ability to hold them until maturity. The Company do not currently hold any items designated into this category.

HTM investments are measured subsequently at amortised cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognised in profit or loss.

1.12 Income taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the Financial Statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income, based on the Company's forecast of future operating results which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income, or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

1. Accounting policies - continued -

1.13 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

1.14 Equity, reserves and dividend payments

Share capital represents the nominal value of shares that have been issued.

Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Other components of equity include the following:

- Reserve for capitalised development costs.

Retained earnings includes all current and prior period retained profits and share-based employee remuneration.

All transactions with owners are recorded separately within equity.

Dividend distributions payable to equity shareholders are included in other liabilities when the dividends have been approved in a general meeting prior to the reporting date.

1.15 Provisions, contingent assets and contingent liabilities

Provisions for legal disputes, onerous contracts or other claims are recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic resources will be required from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognised.

1.16 Significant management judgement in applying accounting policies and estimation uncertainty

When preparing the Financial Statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the Financial Statements.

Impairment assessment

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate (see note 1.10).

1. Accounting policies - continued -

Assessment of useful lives of non-current assets

Management reviews its estimate of the useful lives of intangible and tangible non-current assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software application systems (development projects).

2. Nature of operations

RepoCeuticals A/S is a clinical-stage biopharmaceutical company dedicated to the development of new, effective prophylactic and therapeutic uses of natural agents with antioxidant and anti-inflammatory properties. This entails the repositioning and recombination of such substances for the prevention and treatment of conditions that have a significant impact on patients and the community and for which there are currently no preventive or other treatments, or for which there is a need for improved treatment.

The company operates chiefly in the cancer area, especially by developing new locally acting agents to prevent and treat the side effects that often result from the most widely used conventional treatments. The primary focus is on the serious side effects of radiation and cytotoxic chemotherapy for cancer in the thoracic and pelvic regions, and, as an expansion, the company is executing a clinical project to alleviate the symptoms of LARS (low anterior resection syndrome) which may follow surgery for colorectal cancer.

Notes to the Financial Statements

3. Employee remuneration	2023 DKK	2022 DKK
Wages and salaries	957.291	606.605
- hereof allocated to intangible assets (development projects)	0	0
Share based payments	-262.170	88.621
Pensions	55.500	21.000
Total	750.621	716.226

Remuneration are recognized as follows in the income statement

Research and development costs	0	0
Administrative costs	750.621	716.226
Total	750.621	716.226

Average number of employees in the year	2023 Number	2022 Number
Employees	2	1
Total	2	1

Remuneration of Directors	2023 DKK	2022 DKK
Remuneration	1.012.791	627.605
Share based payments	-262.170	88.621
Total remuneration for Directors	750.621	716.226

As at 1. January 2023, the company maintained a share-based payment scheme for employee remuneration. The program expired on 2. October 2023.

Exercise of warrants

The Warrant Holder may only exercise the Warrants in connection with an Exit, as defined below, or, in the event that no Exit occurs, within the last 4 weeks prior to expiry of the Warrants.

An "Exit" shall mean (i) an initial public offering (IPO) of the Company's shares; (ii) a trade sale of the majority of the Company's shares (for cash or share consideration); (iii) the entering into a partnership or joint venture agreement stipulating a future acquisition of the Company by the partner; (iv) a merger whereby the Company is the discontinuing entity, (v) a sale of the Company's activities, including a sale of all or a material part of the Company's assets or all or a material part of the Company's intellectual property rights; (vi) licensing of all or a material part of the intellectual property rights of the Company in a way, which can be considered equal to an Exit; (vii) dissolution or liquidation of the Company; or (viii) a combination of the above.

The Warrants program expired without exercise.

Notes to the Financial Statements

4. Financial expenses	2023 DKK	2022 DKK
Interest expenses on liabilities measured at cost	174.753	67.228
Expenses, loans	250.000	0
Total	424.753	67.228

5. Tax	2023 DKK	2022 DKK
Tax on profit for the year:		
Current tax	-693.947	-597.371
Change in deferred tax	-714.671	-664.325
Change in deferred tax not capitalized	714.671	48.585
Total	-693.947	-1.213.111

Reconciliation of effective tax rate:

Loss before tax	-5.893.693	-5.041.893
Tax computed on the profit before tax at a tax rate of 22%	-1.296.612	-1.109.217
Permanent differences and change in not capitalized tax asset	602.665	-107.013
Adjustment tax, previous years	0	3.119
Total - Effective tax rate (11,7%)	-693.947	-1.213.111

	31-12-2023 DKK	31-12-2022 DKK
Intangible assets	1.389.968	1.497.105
Equipment	8.178	5.965
Expenses, loans	-55.000	0
Taxable loss carried forward	-2.106.403	-1.551.655
Deferred tax not capitalized	763.256	48.585
Total deferred tax	0	0

which is categorised as follows:

Non-current deferred tax	0	0
---------------------------------	----------	----------

Current tax asset

Tax reimbursement, calculated for the year	693.947	597.371
Current tax asset, total	693.947	597.371

Notes to the Financial Statements

6. Intangible assets

	Patents and licenses	Completed development projects	Total
<i>Financial year 2022</i>			
Cost as at 01-01-2022	1.597.673	6.213.562	7.811.235
Cost as at 31-12-2022	1.597.673	6.213.562	7.811.235
Amortisation and impairment losses as at 01-01-2022	121.206	398.017	519.223
Amortisation during the year	92.263	394.725	486.989
Amortisation and impairment losses as at 31-12-2022	213.469	792.742	1.006.212
Carrying amount as at 31-12-2022	1.384.204	5.420.820	6.805.023

Financial year 2023

Cost as at 01-01-2023	1.597.673	6.213.562	7.811.235
Cost as at 31-12-2023	1.597.673	6.213.562	7.811.235
Amortisation and impairment losses as at 01-01-2023	213.469	792.742	1.006.212
Amortisation during the year	92.263	394.725	486.989
Amortisation and impairment losses as at 31-12-2023	305.732	1.187.467	1.493.200
Carrying amount as at 31-12-2023	1.291.941	5.026.095	6.318.035

All recognized intangible assets have definite useful lives.

Notes to the Financial Statements

7. Tangible assets and right-of-use assets

	Equipment	Total
<i>Financial year 2022</i>		
Costs as at 01-01-2022	16.598	16.598
Additions during the year	115.000	115.000
Costs as at 31-12-2022	131.598	131.598
Depreciation and impairment losses at 01-01-2022	1.638	1.638
Depreciation during the year	16.598	16.598
Depreciation and impairment losses at 31-12-2022	18.236	18.236
Carrying amount as at 31-12-2022	113.362	113.362

Financial year 2023

Costs as at 01-01-2023	131.598	131.598
Additions during the year	0	0
Disposals during the year	0	0
Costs as at 31-12-2023	131.598	131.598
Depreciation and impairment losses at 01-01-2023	18.236	18.236
Depreciation during the year	11.500	11.500
Depreciation on disposals during the year	0	0
Depreciation and impairment losses at 31-12-2023	29.736	29.736
Carrying amount as at 31-12-2023	101.862	101.862

	Rent facilities	Total
--	-----------------	-------

Right-of-use assets and lease liabilities

Impact from applying IFRS 16 as of January 1, 2023	540.952	540.952
Additions during the year	415.548	415.548
Depreciations during the year	-309.368	-309.368
Right-of-use assets as of December 31, 2023	647.132	647.132

<i>Lease liabilities</i>	31-12-2023	31-12-2022
Current	318.778	180.286
Non-current	328.354	185.702
Lease liabilities	647.132	365.988

<i>Amounts included in the income statement</i>	31-12-2023	31-12-2022
Interest expense leases	24.464	13.836
Depreciation recognized on right-of-use assets	309.368	174.964
Cost recognized for short term leases (less than 12 months)	333.832	188.800

In 2023 the total cash outflow relating to leases was DKK 333.832, split between interests DKK 24.464 and repayment of DKK 309.368. In 2022 the total cash outflow relating to leases was DKK 188.800, split between interests DKK 13.836 and repayment of DKK 174.964.

Notes to the Financial Statements

8. Financial assets and liabilities

Accounting policies, note 1.11, provides a description of each category of financial assets and financial liabilities and the related accounting policies. The carrying amounts of financial assets and financial liabilities in each category are as follows:

31 December 2023

	Held for trading (FVTPL) (carried at fair value)	Loans and other receivables (carried at amortised cost)	Total
Financial assets			
Cash and cash equivalents	0	1.152.075	1.152.075
Other short term financial assets	0	1.152.075	1.152.075
Total financial assets	0	1.152.075	1.152.075

	Derivatives measured at fair value (carried at fair value)	Other liabilities (carried at amortised cost)	Total
Financial liabilities			
Trade and other payables	0	1.349.137	1.349.137
Long term liabilities	0	5.498.542	5.498.542
Total financial liabilities	0	6.847.679	6.847.679

31 December 2022

	Held for trading (FVTPL) (carried at fair value)	Loans and other receivables (carried at amortised cost)	Total
Financial assets			
Cash and cash equivalents	0	1.207.455	1.207.455
Other short term financial assets	0	1.207.455	1.207.455
Total financial assets	0	1.207.455	1.207.455

Notes to the Financial Statements

8. Financial assets and liabilities - continued -

31 December 2022

	Other liabilities (carried at amortised cost)	Total
Financial liabilities		
Trade and other payables	1.004.599	1.004.599
Long term liabilities	185.702	185.702
Financial liabilities	1.190.301	1.190.301

Financial assets and liabilities are measured at fair value. The methods used to measure fair value are described in accounting policies, note 1.11.

All of the above financial assets and liabilities carrying values are approximate to their fair values due to their short term nature as at 31 December 2023 and 31 December 2022 with the exception of held for trading assets and derivative financial instruments which are carried at their fair values.

	31-12-2023	31-12-2022
	DKK	DKK
9. Prepayments and other receivables		
Other receivables, VAT	691.852	379.218
Other receivables	0	0
Prepayments	81.217	22.240
Financial assets	773.069	401.458

All amounts are short term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

All of the Company's trade and other receivables have been reviewed for indications of impairment. No such indications was found.

Notes to the Financial Statements

10. Cash and cash equivalent	31-12-2023	31-12-2022
	DKK	DKK
Cash	1.152.075	1.207.455
Total	1.152.075	1.207.455

11. Equity

Share capital

The Company's share capital consists of 8.961.345 ordinary shares of DKK 0,10 each. The shares are fully paid in. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at the shareholders' meeting.

Retained earnings

Retained earnings represent retained profits.

Reserve for capitalised development costs

Reserve for capitalised development costs represent the activated development costs from January 1, 2016, less deferred tax.

Capital management policies and procedures

The Company's capital management objectives are to ensure its ability to continue as a going concern and to provide an adequate return to shareholders.

The Company monitors capital on the basis of the carrying amount of equity plus borrowings, less cash and cash equivalents as presented on the statement of financial position.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

12. The Company's funding for 2024

RepoCeuticals A/S is a capital consuming company due to investments in development activities. The Company undertakes ongoing borrowing and has access to a credit facility supporting the necessary funding until the end of 2024. RepoCeuticals A/S expects to make a capital increase in 2024.

13. Trade payables	31-12-2023	31-12-2022
	DKK	DKK
Trade payables	816.755	711.396
Trade and other payables - current	816.755	711.396

14. Other liabilities	31-12-2023	31-12-2022
	DKK	DKK
Taxes and other social securities	100.292	15.272
Loan from shareholders	3.143.832	0
Loan from shareholders, convertible	2.026.356	0
Other liabilities	113.311	97.645
Lease liabilities	318.778	180.286
Other liabilities	5.702.569	293.203

<i>Other liabilities</i>	31-12-2023	31-12-2022
Current	532.381	293.203
Non-current	5.170.188	0
Other liabilities	5.702.569	293.203

Notes to the Financial Statements

15. Contingent liabilities

Based on management's assesment, the Company is not involved in any lawsuits, arbitration cases or other matters which could have a material impact on the Company's financial position or result of operations (2022: DKK 0).

16. Operating and financial lease commitments

The Company's annual rent obligation amounts to TDK 334.

17. Financial risks and financial instruments

Risk management policy

Management manages the Company's financial risks. The management of the Company's risks is included in the management's day-to-day monitoring of the Company. The Company is exposed to few financial risks, which result from its operating activities. The company does not actively engage in the trading of financial assets and financial derivatives.

Credit risk

Due to the nature of the business, credit risk is deemed minimal. The maximum credit risk relating to receivables corresponds to the carrying amount.

Interest rate risks

The Company is only exposed to interest rate risks in connection with deficit liquidity, as the Company only have loans from shareholders, the risk is deemed minimal.

Foreign currency risk

The Company is subject to currency risks on payables and receivables in foreign currency, and purchases of services in foreign currency. The Company's foreign trade is minimal.

Liquidity risk

The Company liquidity risks covers the risk that the Company is not able to meet its liabilities as they fall due. The Company is not subject to material liquidity risks. Reference is made to the information in note 12.

The maturities of financial liabilities appear from the tables below. All amounts are contractual cash flows, i.e. inclusive of interest.

	Within 1 year	1-2 year(s)	2-5 years	Over 5 years	Total
As at 31 December 2022					
Loan from shareholders	0	0	0	0	0
Trade payables	711.396	0	0	0	711.396
Other payables	293.202	185.702	0	0	478.904
Total	1.004.598	185.702	0	0	1.190.300

All financial liabilities as at 31 December 2022 are measured at amortised cost.

Notes to the Financial Statements

17. Financial risks and financial instruments, continued

	Within 1 year	1-2 year(s)	2-5 years	Over 5 years	Total
As at 31 December 2023					
Loan from shareholders	0	3.143.832	0	0	3.143.832
Loan from shareholders, convertible	0	2.026.356	0	0	2.026.356
Trade payables	816.755	0	0	0	816.755
Other payables	532.381	328.354	0	0	860.735
Total	1.349.137	5.498.542	0	0	6.847.679

All financial liabilities as at 31 December 2023 are measured at amortised cost.

Loans from shareholders:

The loans bear an interest of 2.0% per quarter of the actual balance of the loan and a commitment fee of 0.5% per quarter of the credit facility.

The loans are given at market conformity.

Convertible loans from shareholders:

The lenders' right to convert the loans into shares in the Company may be exercised for a period of 30 days commencing 23 calendar months after the conclusion of the convertible loan ("the Exercise Period").

The loans bear an interest of 3.25% per quarter and remains without instalments until the expiry of the exercise period, after which the Company must repay the loans including interest within 60 days, though the Company may extend the loan period by 12 months.

The Company may choose to pay the loan including interest by issuing shares (conversion of the debt instrument).

The loans give the lenders the right to convert the loans into shares in the Company. The conversion rate is DKK 3.57 per share of DKK 0.10. The new shares will be issued with the same rights as the existing shares.

The Company can choose to settle the loans including added interest in shares.

The convertible loans are issued at market conformity.

18. Events occurring after the balance sheet date

There were no post balance sheet events requiring adjustment to the financial statements.

PENNEO

Underskrifterne i dette dokument er juridisk bindende. Dokumentet er underskrevet via Penneo™ sikker digital underskrift. Underskrivernes identiteter er blevet registreret, og informationerne er listet herunder.

"Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument."

Martin Bomholtz

Grant Thornton, Godkendt Revisionspartnerselskab CVR: 34209936

Statsautoriseret revisor

På vegne af: Grant Thornton

Serienummer: 07f98b67-f881-4b5f-ae57-2e18b964bfa1

IP: 62.243.xxx.xxx

2024-06-12 08:08:28 UTC



Torsten Bjørn

Direktør

På vegne af: RepoCeuticals A/S

Serienummer: 0cc06064-feb8-4906-be26-10d8062f97e3

IP: 37.49.xxx.xxx

2024-06-12 08:10:47 UTC



Henrik Bulskov

Bestyrelsesmedlem

På vegne af: RepoCeuticals A/S

Serienummer: c3616e50-9142-4321-8a31-917abf871034

IP: 62.243.xxx.xxx

2024-06-12 09:07:15 UTC



Søren Nielsen

Bestyrelsesformand

På vegne af: RepoCeuticals A/S

Serienummer: eeda17cd-37e3-4213-8b48-19890c34d612

IP: 109.59.xxx.xxx

2024-06-12 10:15:33 UTC



Charlotte Pahl

Bestyrelsesmedlem

På vegne af: RepoCeuticals A/S

Serienummer: 1472f427-285c-4a73-a4b4-f7f43e995071

IP: 87.49.xxx.xxx

2024-06-12 10:34:13 UTC



Christian Vinding Thomsen

Bestyrelsesmedlem

På vegne af: RepoCeuticals A/S

Serienummer: 29cc3928-e143-47f7-be20-a163dd10b9e3

IP: 80.209.xxx.xxx

2024-06-12 13:02:20 UTC



Dette dokument er underskrevet digitalt via Penneo.com. Signeringsbeviserne i dokumentet er sikret og valideret ved anvendelse af den matematiske hashværdi af det originale dokument. Dokumentet er låst for ændringer og tidsstemplet med et certifikat fra en betroet tredjepart. Alle kryptografiske signeringsbeviser er indlejret i denne PDF, i tilfælde af de skal anvendes til validering i fremtiden.

Sådan kan du sikre, at dokumentet er originalt

Dette dokument er beskyttet med et Adobe CDS certifikat. Når du åbner dokumentet

i Adobe Reader, kan du se, at dokumentet er certificeret af Penneo e-signature service <penneo@penneo.com>. Dette er din garanti for, at indholdet af dokumentet er uændret.

Du har mulighed for at efterprøve de kryptografiske signeringsbeviser indlejret i dokumentet ved at anvende Penneos validator på følgende websted: <https://penneo.com/validator>

PENNEO

Underskrifterne i dette dokument er juridisk bindende. Dokumentet er underskrevet via Penneo™ sikker digital underskrift. Underskrivernes identiteter er blevet registreret, og informationerne er listet herunder.

"Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument."

Troels Peter Troelsen

Bestyrelsesmedlem

På vegne af: RepoCeuticals A/S

Serienummer: 6bb7f296-4d57-43d8-b2ac-470932eb3a3f

IP: 212.130.xxx.xxx

2024-06-12 14:39:01 UTC



Preben Møllegaard Grundtvig

Bestyrelsesmedlem

På vegne af: RepoCeuticals A/S

Serienummer: 9233b775-e600-4452-87d0-9a4df1af1e96

IP: 5.103.xxx.xxx

2024-06-12 15:39:48 UTC



Dette dokument er underskrevet digitalt via Penneo.com. Signeringsbeviserne i dokumentet er sikret og valideret ved anvendelse af den matematiske hashværdi af det originale dokument. Dokumentet er låst for ændringer og tidsstempelt med et certifikat fra en betroet tredjepart. Alle kryptografiske signeringsbeviser er indlejret i denne PDF, i tilfælde af de skal anvendes til validering i fremtiden.

Sådan kan du sikre, at dokumentet er originalt

Dette dokument er beskyttet med et Adobe CDS certifikat. Når du åbner dokumentet

i Adobe Reader, kan du se, at dokumentet er certificeret af Penneo e-signature service <penneo@penneo.com>. Dette er din garanti for, at indholdet af dokumentet er uændret.

Du har mulighed for at efterprøve de kryptografiske signeringsbeviser indlejret i dokumentet ved at anvende Penneos validator på følgende websted: <https://penneo.com/validator>