


Myonex ApS

Sundkrogsgade 21, 2100 København Ø

CVR no. 39 90 50 94

**Annual report for the period
1 January to 31 December 2023**

Adopted at the annual general meeting on 28 June 2024

Gregory Thomas Lavin
Chairman




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Statement by management on the annual report

The executive board has today discussed and approved the annual report of Myonex ApS 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 company's financial position at 31 December 2023 and of the results of the company's operations and cash flows for the financial year 1 January - 31 December 2023.

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

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

Copenhagen, 28 June 2024

Executive board

Gregory Thomas Lavin

Michael Allen Cohen

James Whitfield Lovett

Independent auditor's report

To the shareholder of Myonex ApS

Opinion

We have audited the financial statements of Myonex ApS for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity, cash flow statement and notes. The financial statements are prepared under the Danish Financial Statements Act.

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements, that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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 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.

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.

Independent auditor's report

In connection with our audit of the financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of management's review.

Copenhagen, 28 June 2024

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

Peter Aagesen
statsautoriseret revisor
mne41287

Company details

The company	Myonex ApS Sundkrogsgade 21 2100 København Ø CVR no.: 39 90 50 94 Reporting period: 1 January - 31 December 2023 Incorporated: 28 September 2018 Domicile: Copenhagen
Executive board	Gregory Thomas Lavin Michael Allen Cohen James Whitfield Lovett
Auditors	Baker Tilly Denmark Godkendt Revisionspartnerselskab Poul Bundgaards Vej 1, 1. 2500 Valby

Financial highlights

Seen over a 5-year period, the development of the Company may be described by means of the following financial highlights:

	2023	2022	2021	2020	2019
	EUR	EUR	EUR	EUR	EUR
Key figures					
Gross profit/loss	2.653.832	11.411.359	8.057.814	-104.398	-82.899
Net financials	-176.171	-165.426	-114.219	-570	-2.098
Profit/loss for the year	1.909.497	8.755.907	6.237.759	-104.968	-84.997
Balance sheet total	19.908.179	17.050.375	18.101.548	3.677.509	570.573
Equity	16.780.504	14.871.007	6.115.100	-178.512	-78.294
Financial ratios					
Return on assets	14,4%	64,9%	74,0%	-4,9%	-29,1%
Solvency ratio	84,3%	87,2%	33,8%	-4,9%	-13,7%
Return on equity	12,1%	83,4%	210,1%	81,7%	217,1%

The financial ratios are calculated in accordance with the Danish Finance Society's recommendations and guidelines. For definitions, see the summary of significant accounting policies..

Management's review

Business review

The principal activities are the procurement, distribution and management of comparator drugs and pharmaceutical supplies for clinical trials, including biotechnology studies and other related activities.

Recognition and measurement uncertainties

The recognition and measurement of items in the annual report is not associated with any uncertainty.

Financial review

The company's income statement for the year ended 31 December 2023 shows a profit of EUR 1.909.497, and the balance sheet at 31 December 2023 shows equity of EUR 16.780.504.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Expected development of the company, including specific prerequisites and uncertainties

The company's operations are expected to remain the same in 2024. We are not planning on any material changes in operations.

Impact on the external environment and measures taken to prevent, reduce or mitigate damage

The company do not have any significant impact on the external environment.

Profit/(loss) for the year relative to the expectations most recently expressed

Profitability for 2023 was in line with the company's expectations. Profitability for 2023 was in line with the company's expectations.

Income statement 1 January - 31 December

	Note	2023 EUR	2022 EUR
Gross profit		2.653.832	11.411.359
Financial income	1	182.672	44.531
Financial costs		-358.843	-209.957
Profit/loss before tax		2.477.661	11.245.933
Tax on profit/loss for the year	2	-568.164	-2.490.026
Profit/loss for the year		1.909.497	8.755.907
Recommended appropriation of profit/loss			
Retained earnings		1.909.497	8.755.907
		1.909.497	8.755.907

Balance sheet 31 December

	Note	2023 EUR	2022 EUR
Assets			
Receivables from related parties	3	5.223.236	4.794.531
Fixed asset investments		5.223.236	4.794.531
Total non-current assets		5.223.236	4.794.531
Finished goods and goods for resale		1.655.943	897.950
Prepayments for goods		488.952	804.049
Stocks		2.144.895	1.701.999
Trade receivables		10.157.986	6.220.807
Receivables from related parties		463.509	2.116.042
Other receivables		0	1.321.596
Prepayments		5.104	4.728
Receivables		10.626.599	9.663.173
Cash at bank and in hand		1.913.449	890.672
Total current assets		14.684.943	12.255.844
Total assets		19.908.179	17.050.375

Balance sheet 31 December

	Note	2023	2022
		EUR	EUR
Equity and liabilities			
Share capital		6.703	6.703
Retained earnings		16.773.801	14.864.304
Equity		16.780.504	14.871.007
Prepayments received from customers		792.324	522.142
Trade payables		432.493	542.868
Corporation tax		426.284	544.219
Other payables		1.006.928	0
Accruals and deferred income		469.646	570.139
Total current liabilities		3.127.675	2.179.368
Total liabilities		3.127.675	2.179.368
Total equity and liabilities		19.908.179	17.050.375
Mortgages and collateral	4		

Statement of changes in equity

	Share capital	Retained earnings	Total
	EUR	EUR	EUR
Equity at 1 January	6.703	14.864.304	14.871.007
Net profit/loss for the year	0	1.909.497	1.909.497
Equity at 31 December	6.703	16.773.801	16.780.504

Cash flow statement 1 January - 31 December

	Note	2023 EUR	2022 EUR
Net profit/loss for the year		1.909.497	8.755.907
Change in working capital		-1.808.803	-12.658.295
Cash flows from operating activities before financial income and expenses		100.694	-3.902.388
Financial income		182.672	44.531
Financial expenses		-358.843	-209.957
Cash flows from ordinary activities		-75.477	-4.067.814
Corporation tax paid		-125.574	-1.161.617
Cash flows from operating activities		-201.051	-5.229.431
Repayment of payables to related parties		1.223.828	3.939.612
Cash flows from financing activities		1.223.828	3.939.612
Change in cash and cash equivalents		1.022.777	-1.289.819
Cash and cash equivalents		890.672	2.180.491
Cash and cash equivalents		1.913.449	890.672
Analysis of cash and cash equivalents:			
Cash at bank and in hand		1.913.449	890.672
Cash and cash equivalents		1.913.449	890.672

Notes

	<u>2023</u> EUR	<u>2022</u> EUR
1 Financial income		
Interest received from subsidiaries	182.672	44.531
	182.672	44.531
2 Tax on profit/loss for the year		
Current tax for the year	551.980	2.490.026
Adjustment of tax concerning previous years	16.184	0
	568.164	2.490.026
3 Fixed asset investments		Receivables from related parties
		<u>EUR</u>
Cost at 1 January		4.794.531
Additions for the year		428.705
Cost at 31 December		<u>5.223.236</u>
Carrying amount at 31 December		<u>5.223.236</u>
4 Mortgages and collateral		
A floating charge mortgage of USD 5.000 thousand has been established. The assets covered by the floating charge amount to EUR 12.303 thousand and comprise receivables, inventory and operating equipment.		

Notes

5 Related parties and ownership structure

Controlling interest

Myonex, LLC, 100 Progress Drive, Horsham, PA 19044, USA, Majority shareholder

Transactions

The company has the following related party transactions:

Sale of goods to group enterprises commitment DKK 11.051.826.

Purchase of goods from group enterprises commitment DKK 10.050.302.

Purchase of services from group enterprises commitment DKK 20.350.561.

Financial income from group enterprises commitment DKK 182.672.

Receivables from group enterprises commitment DKK 5.686.745.

Consolidated financial statements

The company is included in the Group Annual Report of Myonex, LLC, USA

The group report of Myonex, LLC can be obtained at the following address:

100 Progress Drive
Horsham
PA 19044
USA

Accounting policies

The annual report of Myonex ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized class C entities.

In the financial year 2023, Myonex ApS is now covered by reporting class C medium-sized entities. This change has no effect on the income statement, balance sheet and equity.

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

The annual report for 2023 is presented in EUR.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

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

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

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

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Accounting policies

Revenue

Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Revenue is measured at fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. Revenue is net of all types of discounts granted.

Expenses for raw materials and consumables

Costs of raw materials and consumables include the raw materials and consumables used in generating the year's revenue.

Other external costs

Other external costs include expenses related to distribution, sale, advertising, administration, premises, bad debts etc.

Financial income and expenses

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

Tax on profit/loss for the year

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

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

Balance sheet

Stocks

Stocks are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

Accounting policies

The net realisable value of stocks is calculated as the expected selling price less direct costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

Receivables

Receivables are measured at amortised cost.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Liabilities

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

Received prepayments and deposits

Received prepayments and deposits recognised under 'Current liabilities' comprises prepayments and deposits received concerning income in subsequent financial years.

Cash flow statement

The cash flow statement shows the company's cash flows for the year, broken down under cash flows from operating, investing and financing activities, the year's changes in cash and cash equivalents and the company's cash and cash equivalents at the beginning and at the end of the year.

The cash flow effect of additions and disposals of entities is shown separately under cash flows from investing activities. The cash flow statement includes cash flows from acquired entities from the time of acquisition, and cash flows from sold entities are included until the date of sale.

Accounting policies

Cash flows from operating activities

Cash flows from operating activities are stated as the company's profit or loss for the year, adjusted for non-cash operating items, changes in working capital and paid income taxes. Dividend income from investments is recognised under 'Interest income and dividend received'.

Cash flows from investing activities

Cash flows from investing activities comprise payments related to the acquisition and sale of entities and activities as well as intangible assets, property, plant and equipment and investments.

Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the company's share capital and related costs, as well as the raising of loans, repayment of interest-bearing debt and payment of dividends to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term securities whose remaining life is less than three months and which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Financial Highlights

Definitions of financial ratios.

Return on assets	$\frac{\text{Profit/loss before financials} \times 100}{\text{Average assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$