

Breye Therapeutics ApS

Agern Alle 24, 2970 Hørsholm

CVR no. 40 27 98 65

Annual report 2023/24

Approved at the Company's annual general meeting on 17 September 2024

Chair of the meeting:

.....
Rune Morthorst

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Breye Therapeutics ApS for the financial year 1 April 2023 - 31 March 2024.

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 of the Company at 31 March 2024 and of the results of the Company's operations for the financial year 1 April 2023 - 31 March 2024.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 17 September 2024
Executive Board:

.....
Ulrik Mouritzen

Board of Directors:

.....
Jimmy Arnold V Van
Heusden
Chairman

.....
Jørgen Søberg Petersen

.....
Ulrik Mouritzen

.....
Chiara Rossana Maria
Liberati

.....
Carl Johan Kördel

.....
Gabriela Burian

Independent auditor's report

To the shareholders of Breye Therapeutics ApS

Opinion

We have audited the financial statements of Breye Therapeutics ApS for the financial year 1 April 2023 - 31 March 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including 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 financial position of the Company at 31 March 2024 and of the results of the Company's operations for the financial year 1 April 2023 - 31 March 2024 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

Independent auditor's report

- ▶ 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 note 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 the Management's review

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, our responsibility is to read the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the 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 the Management's review.

Copenhagen, 17 September 2024
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Christian Schwenn Johansen
State Authorised Public Accountant
mne33234

Anders Roe Eriksen
State Authorised Public Accountant
mne46667

Management's review

Company details

Name	Breye Therapeutics ApS
Address, Postal code, City	Agern Alle 24, 2970 Hørsholm
CVR no.	40 27 98 65
Established	13 February 2019
Registered office	Hørsholm
Financial year	1 April 2023 - 31 March 2024
Board of Directors	Jimmy Arnold V Van Heusden, Chairman Jørgen Søberg Petersen Ulrik Mouritzen Chiara Rossana Maria Liberati Carl Johan Kördel Gabriela Burian
Executive Board	Ulrik Mouritzen
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

Management's review

Business review

The Company, Breye Therapeutics ApS, is a clinical stage biopharmaceutical company developing first-in-class and orally administered therapies suited for early treatment intervention in patients with diabetic retinopathy (DR) and age-related macular degeneration (AMD) being at risk of further disease progression and vision loss.

Diabetic retinopathy is the leading cause of blindness among working age adults and AMD is the leading cause of blindness within the elderly population. Globally there are more than 120 million people suffering from DR and 200 million people have AMD. With more than 1 billion people being obese today and 20% of the world's population being older than 60 years of age, both eye diseases are projected to increase in prevalence over the coming decades. Currently available therapies require needle injections administered directly into the eye, and despite the burden of repeated needle injections, the market for these therapies has grown to USD 15 billion annually. The prospect of developing orally administered therapies could help very large groups of patients in need of better and non-invasive therapies. The ambition is to treat patients at moderate to severe stages of disease and thereby help prevent further disease progression to irreversible eye damage and the need for needle injections administered into the eyes.

The company's lead therapy, danegaptide, is a clinical asset with a documented safety profile in human trial subjects and has been licensed from Zealand Pharma A/S. It is a small molecule suitable for oral therapy which can uniquely address a large and growing unmet medical need for more effective and less burdensome therapies for patients with DR. During the reporting period, the Company has advanced this asset into clinical testing in patients with DR and is preparing for phase 2 clinical testing. A second therapeutic program was acquired from Golgi Neurosciences S.r.l. which is in pre-clinical testing with the target of developing an oral medication for patients with AMD.

The Company, Breye Therapeutics ApS, has an experienced management team within drug development and is working with world leading scientists and retinal specialists to advance its early portfolio of products.

Financial review

The income statement for 2023/24 shows a loss of DKK 70,150,057 against a loss of DKK 14,574,884 last year, and the balance sheet at 31 March 2024 shows equity of DKK 48,485,471.

The loss for the year is associated with the further development of assets and is in line with the expectations of management.

Capital increases

During the year, the Company had received capital increases through cash injections (DKK 104,313 thousand). Subsequent to the balance sheet date, in June 2024, the Company secured additional funding to advance its programs and prepare for phase 2 clinical testing of the lead asset by closing of a convertible loan note in the amount of DKK 52 million.

The funding enables Management to continue the planned research and development activities for the 12 months period ending 31 March 2025.

Events after the balance sheet date

The company has secured additional funding in June 2024 to advance its programs and prepare for phase 2 clinical testing of the lead asset by closing of a convertible loan note in the amount of DKK 52 million (EUR 7 million).

No other events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Financial statements 1 April 2023 - 31 March 2024

Income statement

Note	DKK	2023/24	2022/23
3	Other operating income	0	13,750
	Other external expenses	-7,812,131	-2,896,497
	Gross profit	-7,812,131	-2,882,747
4	Staff costs	-6,406,880	-1,716,579
5	Amortisation/depreciation of intangible assets and property, plant and equipment	-411,171	0
	Research and development costs	-60,742,146	-15,236,746
	Profit/loss before net financials	-75,372,328	-19,836,072
	Income from investments in group enterprises	0	-74,773
6	Financial income	817,187	33,937
7	Financial expenses	-1,090,613	-900,034
	Profit/loss before tax	-75,645,754	-20,776,942
8	Tax for the year	5,495,697	6,202,058
	Profit/loss for the year	-70,150,057	-14,574,884
	 Recommended appropriation of profit/loss		
	Retained earnings/accumulated loss	-70,150,057	-14,574,884
		-70,150,057	-14,574,884

Financial statements 1 April 2023 - 31 March 2024

Balance sheet

Note	DKK	<u>2023/24</u>	<u>2022/23</u>
	ASSETS		
	Fixed assets		
9	Intangible assets		
	Acquired intangible assets	5,558,697	5,955,747
		<u>5,558,697</u>	<u>5,955,747</u>
	Property, plant and equipment		
	Fixtures and fittings, other plant and equipment	17,652	31,773
		<u>17,652</u>	<u>31,773</u>
10	Investments		
	Investments in group enterprises	7	7
	Deposits, rent	54,061	52,743
		<u>54,068</u>	<u>52,750</u>
	Total fixed assets	<u>5,630,417</u>	<u>6,040,270</u>
	Non-fixed assets		
	Receivables		
	Receivables from group enterprises	472,392	153,675
11	Deferred tax assets	0	0
	Corporation tax receivable	5,500,000	6,202,058
12	Other receivables	2,265,235	878,185
	Prepayments	314,326	155,871
		<u>8,551,953</u>	<u>7,389,789</u>
	Cash	46,499,489	11,385,341
	Total non-fixed assets	<u>55,051,442</u>	<u>18,775,130</u>
	TOTAL ASSETS	<u><u>60,681,859</u></u>	<u><u>24,815,400</u></u>

Financial statements 1 April 2023 - 31 March 2024

Balance sheet

Note	DKK	<u>2023/24</u>	<u>2022/23</u>
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	325,087	133,035
	Share premium account	0	0
	Retained earnings	<u>48,160,384</u>	<u>14,393,347</u>
	Total equity	<u>48,485,471</u>	<u>14,526,382</u>
	Liabilities other than provisions		
13	Non-current liabilities other than provisions		
	Other credit institutions	<u>3,766,807</u>	<u>7,100,899</u>
		<u>3,766,807</u>	<u>7,100,899</u>
	Current liabilities other than provisions		
13	Other credit institutions	3,090,000	526,995
	Trade payables	4,766,554	2,526,485
	Payables to shareholders and management	0	8,770
	Other payables	<u>573,027</u>	<u>125,869</u>
		<u>8,429,581</u>	<u>3,188,119</u>
	Total liabilities other than provisions	<u>12,196,388</u>	<u>10,289,018</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>60,681,859</u></u>	<u><u>24,815,400</u></u>

- 1 Accounting policies
- 2 Events after the balance sheet date
- 14 Contractual obligations and contingencies, etc.
- 15 Security and collateral

Financial statements 1 April 2023 - 31 March 2024

Statement of changes in equity

DKK	Share capital	Share premium account	Retained earnings	Total
Equity at 1 April 2022	53,500	0	-16,422,901	-16,369,401
Capital increase	79,535	47,334,890	0	47,414,425
Expenses, capital increase	0	-1,943,758	0	-1,943,758
Transfer through appropriation of loss	0	0	-14,574,884	-14,574,884
Transferred from share premium account	0	-45,391,132	45,391,132	0
Equity at 1 April 2023	133,035	0	14,393,347	14,526,382
Capital increase	192,052	104,121,006	0	104,313,058
Expenses, capital increase	0	-203,912	0	-203,912
Transfer through appropriation of loss	0	0	-70,150,057	-70,150,057
Transferred from share premium account	0	-103,917,094	103,917,094	0
Equity at 31 March 2024	325,087	0	48,160,384	48,485,471

During the year, the Company had received capital increases through cash injection (DKK 104,313 thousand).

Transaction costs associated with capital increases, DKK 204 thousand, are offset directly on equity through retained earnings.

Financial statements 1 April 2023 - 31 March 2024

Notes to the financial statements

1 Accounting policies

The annual report of Breye Therapeutics ApS for 2023/24 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

Pursuant to section 110(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Other operating income

Other operating income comprise items of a secondary nature relative to the Company's coreactivities, including sale of service which is not the Company's primary activity, government grants and gains on the sale of fixed assets etc.

Other operating income comprise income from the rendering of services which is not deemed to be the primary focus of the Company. Services is recognised as revenue as the services are rendered. Accordingly, revenue corresponds to the market value of the services rendered during the year (percentage-of-completion method).

Government grants are recognized periodically when the work supported by the grant has beenreported and presented as other operating income. Government grants are recognized when a final and firm right to the grant has been obtained. Government grants are recognised in the incomestatement in the same period as the work (external expenses) has been performed as the grants areconsidered to be reimbursement of research expenses.

Development costs

The item includes research and development costs that do not qualify for capitalisation as well as amortisation of capitalised development costs.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Financial statements 1 April 2023 - 31 March 2024

Notes to the financial statements

1 Accounting policies (continued)

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Warrant-related expenses have not been recognised in the annual report in accordance with the Danish Financial Statements Act.

Amortisation/depreciation

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

The cost net of the expected residual value for completed development projects and acquired IP rights is amortised over the expected useful life. Acquired IP rights include patents, rights and licences.

The basis of amortisation, which is calculated as cost less any residual value, is amortised on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Acquired intangible assets	15 years
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The acquired intangible assets are amortised using the patent expiry periods which is estimated by Management to be 15 years.

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Fixtures and fittings, other plant and equipment	3-5 years
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Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Profit/loss from investments in group entities

The item includes dividend received from group entities in so far as the dividend does not exceed the accumulated earnings in the group entity in the period of ownership.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Financial statements 1 April 2023 - 31 March 2024

Notes to the financial statements

1 Accounting policies (continued)

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Income tax of the year comprises refundable tax credits for costs incurred in connection with research and development activities under the Danish Tax Credit Regime.

Up until 4 November 2022, the Company was jointly taxed with the former parent Company, Visus Holding ApS. The total Danish income tax charge has been allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Intangible assets

Acquired intangible assets include acquired R&D know how and patents for acquired intangible assets.

Acquired intangible assets are measured at cost less accumulated amortisation and impairment losses.

Research and development costs and internally accumulated rights are recognised in the income statement as costs in the year of acquisition.

Gains and losses on the sale of intangible assets are recognised in the income statement under "Other operating income" or "Other operating expenses", respectively. Gains and losses are calculated as the difference between the selling price less selling expenses and the carrying amount at the time of sale.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Deposits, rent

Investments comprise of rent deposits measured at cost.

Financial statements 1 April 2023 - 31 March 2024

Notes to the financial statements

1 Accounting policies (continued)

Investments in group entities

Investments in group entities are measured at cost. Dividends received that exceed the accumulated earnings in the group entity or the associate during the period of ownership are treated as a reduction in the cost of acquisition.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash comprise bank accounts in DKK and EUR which is not subject to significant changes in value or credit risk.

Financial statements 1 April 2023 - 31 March 2024

Notes to the financial statements

1 Accounting policies (continued)

Equity

Transaction costs associated with capital increases are offset directly on equity through retained earnings.

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

2 Events after the balance sheet date

The company has secured additional funding in June 2024 to advance its programs and prepare for phase 2 clinical testing of the lead asset by closing of a convertible loan note in the amount of DKK 52 million (EUR 7 million).

No other events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Financial statements 1 April 2023 - 31 March 2024

Notes to the financial statements

DKK	<u>2023/24</u>	<u>2022/23</u>
3 Other operating income		
Sale of service (secondary activity)	0	13,750
	<u>0</u>	<u>13,750</u>
4 Staff costs and incentive programmes		
Wages/salaries	6,154,095	1,704,947
Pensions	245,150	0
Other social security costs	7,635	6,838
Other staff costs	0	4,794
	<u>6,406,880</u>	<u>1,716,579</u>
Average number of full-time employees	<u>2</u>	<u>1</u>

Incentive programmes

As per 31 March 2024, 80,983 warrants granted to employees and other stakeholders were outstanding. The warrants outstanding may be exercised by the warrant holders against cash payments of DKK 1 per share subscribed on basis of a warrant exercised.

No warrant-related expenses have been recognised in the annual report in accordance with the Danish Financial Statements Act.

DKK	<u>2023/24</u>	<u>2022/23</u>
5 Amortisation/depreciation of intangible assets and property, plant and equipment		
Amortisation of intangible assets	397,050	0
Depreciation of property, plant and equipment	14,121	0
	<u>411,171</u>	<u>0</u>
6 Financial income		
Interest income, banks	633,692	0
Exchange adjustments	183,495	33,937
	<u>817,187</u>	<u>33,937</u>
7 Financial expenses		
Exchange adjustments	315,468	45,518
Interest expenses, loans	773,913	854,516
Other financial expenses	1,232	0
	<u>1,090,613</u>	<u>900,034</u>

Financial statements 1 April 2023 - 31 March 2024

Notes to the financial statements

DKK	2023/24	2022/23
8 Tax for the year		
Estimated tax charge for the year	-5,500,000	-3,684,117
Tax adjustments, prior years	4,303	-2,517,941
	-5,495,697	-6,202,058

Estimated tax for the year comprise recognised tax credits for the income year with reference to LL§ 8X regarding tax credits for research and development expenditures.

9 Intangible assets

DKK	Acquired intangible assets
Cost at 1 April 2023	5,955,747
Cost at 31 March 2024	5,955,747
Impairment losses and amortisation at 1 April 2023	0
Amortisation for the year	397,050
Impairment losses and amortisation at 31 March 2024	397,050
Carrying amount at 31 March 2024	5,558,697
Amortised over	15 years

The company's lead therapy, danegaptide, is a clinical asset with a documented safety profile in human trial subjects and has been licensed from Zealand Pharma A/S. It is a small molecule suitable for oral therapy which can uniquely address a large and growing unmet medical need for more effective and less burdensome therapies for patients with DR. During the reporting period, the Company has advanced this asset into clinical testing in patients with DR and is preparing for phase 2 clinical testing.

In March 2023, the Company had received a capital increase through contribution in kind of intangible assets (DKK 5.9 million).

The intangible asset is intellectual property rights related to a P2X7 receptor antagonist program, including more than 1,000 chemical structures belonging to P2X7 receptor antagonist program. The P2X7 program is in pre-clinical stage and the P2X7 program was originally developed by Golgi NeuroSciences S.r.l. involving grants received from the Alzheimer's Drug Discovery Foundation. The Company has advanced the P2X7 program further during the reporting period and has selected the lead candidate for IND-enabling studies.

As of the balance sheet date, Management has not identified any impairment of the assets.

Financial statements 1 April 2023 - 31 March 2024

Notes to the financial statements

10 Investments

DKK	Investments in group enterprises	Deposits, rent	Total
Cost at 1 April 2023	1,540,457	52,743	1,593,200
Additions	0	1,318	1,318
Cost at 31 March 2024	1,540,457	54,061	1,594,518
Value adjustments at 1 April 2023	-1,540,450	0	-1,540,450
Value adjustments at 31 March 2024	-1,540,450	0	-1,540,450
Carrying amount at 31 March 2024	7	54,061	54,068

The subsidiary is without activity and Management has assessed for impairment on an annual basis. Management has concluded that, currently, the investment is impaired which is reflected in the financial statements.

Group entities

Name	Interest
Breye Therapeutics Inc.	100.00%

The Company holds a 100% interest in the Company:
Breye Therapeutics Inc.

1350 Broadway Room 2120, New York NY 10018, USA

11 Deferred tax assets

The Company has deferred tax asset which mainly relates to tax loss carry-forwards. As it is uncertain if these tax losses can be utilised within a foreseeable future, their carrying amount has not been recognised in the financial statements.

12 Other receivables

Other receivables comprise of VAT receivable which is settled after the balance sheet date.

13 Non-current liabilities other than provisions

DKK	Total debt at 31/3 2024	Short-term portion	Long-term portion	Outstanding debt after 5 years
Other credit institutions	6,856,807	3,090,000	3,766,807	0
	6,856,807	3,090,000	3,766,807	0

As of 31 March 2024, loan balance including accrued interests amounts to DKK 6,857 thousand whereas the long-term liability amounts to DKK 3,767 thousand and the short term liability amounts to DKK 3,090 thousand.

This comprises of a loan obtained by the Company with an interest rate of 3- month CIBOR + 5% p.a. The repayment is in installments starting from January 2024 until December 2026 with an option to prepay the loan in full or in part before maturity. The repayment amount is principal along with interest accrued and in case of prepayment an additional interest for 2 years after prepayment date is to be paid to the lender.

Financial statements 1 April 2023 - 31 March 2024

Notes to the financial statements

13 Non-current liabilities other than provisions (continued)

In the event of a qualified sale, a bonus equal to the principal amount reduced by interest paid until that date will be paid to the lender. This option of bonus is an embedded derivative and is not closely related to the host contract. The estimated value of embedded derivatives is not significant and hence, the same has not been recognized.

14 Contractual obligations and contingencies, etc.

Up until 4 November 2022, the Company was jointly taxed with the former parent Company, Visus Holding ApS. For that period, Visus Holding ApS acts as management company, and the Company is jointly and severally liable with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends falling due for payment for the period under joint taxation.

Other financial obligations

Other rent liabilities:

DKK	2023/24	2022/23
Rent liabilities	35,860	167,347

15 Security and collateral

The Company has not provided any security or other collateral in assets as of 31 March 2024.

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Ulrik Mouritzen

Breye Therapeutics ApS CVR: 40279865

Executive Board

On behalf of: Breye Therapeutics ApS

Serial number: 3652d20c-4e35-469b-9c59-9c46ebb513af

IP: 87.52.xxx.xxx

2024-09-17 19:43:12 UTC



Ulrik Mouritzen

Breye Therapeutics ApS CVR: 40279865

Board of Directors

On behalf of: Breye Therapeutics ApS

Serial number: 3652d20c-4e35-469b-9c59-9c46ebb513af

IP: 87.52.xxx.xxx

2024-09-17 19:43:12 UTC



Carl Johan Kördel

Board of Directors

On behalf of: Breye Therapeutics ApS

Serial number: ad9191a7caded7[...]647342f2c0c76

IP: 94.191.xxx.xxx

2024-09-17 19:59:27 UTC



Chiara Liberati

Board of Directors

On behalf of: Breye Therapeutics ApS

Serial number: chiara.liberati.cl@golgineurosciences.com

IP: 31.158.xxx.xxx

2024-09-18 09:51:46 UTC

Van heusden Jimmy Arnold V

Board of Directors, Chairman

On behalf of: Breye Therapeutics ApS

Serial number: 2F:7E:E3:9F:6A[...]0:62:14:48:28

IP: 178.117.xxx.xxx

2024-09-18 19:55:18 UTC



Gabriela Burian

Board of Directors

On behalf of: Breye Therapeutics ApS

Serial number: gabriela.burian@gbbiomed.com

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Jørgen Søberg Petersen

Board of Directors

On behalf of: Breye Therapeutics ApS

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2024-09-21 19:49:57 UTC



Anders Roe Eriksen

EY Godkendt Revisionspartnerselskab CVR: 30700228

Statsaut. revisor

On behalf of: EY Godkendt Revisionspartnerselskab

Serial number: 72ccc8ac-9171-4d19-8f5b-f5be2c8c604b

IP: 37.96.xxx.xxx

2024-09-21 19:55:57 UTC



Christian Schwenn Albrecht Johansen

Statsaut. revisor

On behalf of: EY Godkendt Revisionspartnerselskab

Serial number: 317d7b7e-1790-450b-979e-bd922d6978de

IP: 165.225.xxx.xxx

2024-09-23 05:13:11 UTC



Rune Fabian Morthorst

Chair of the meeting

On behalf of: Breye Therapeutics ApS

Serial number: 66d919d7-af96-4110-9ae5-669380f02154

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2024-09-24 06:50:50 UTC



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