

Epoqe Pharma ApS

Ole Maaløes Vej 3, 2200 København N

Company reg. no. 42 44 36 70

Annual report

2022/23

The annual report was submitted and approved by the general meeting on the 12 October 2023.

Jan Bjerrum Bach
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Contents

	<u>Page</u>
Reports	
Management's statement	1
Independent auditor's report	2
Management's review	
Company information	5
Financial highlights	6
Management's review	7
Financial statements 1 July 2022 - 30 June 2023	
Accounting policies	8
Income statement	11
Balance sheet	12
Statement of changes in equity	14
Notes	15

Management's statement

Today, the Executive Board has approved the annual report of Epoqe Pharma ApS for the financial year 2022/23.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 30 June 2023 and of the results of the Company's operations for the financial year 1 July 2022 – 30 June 2023.

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

We recommend that the annual report be approved at the Annual General Meeting.

København N, 13 September 2023

Executive board

Anette Sams Nielsen

Jens Thostrup Bukrinski

Independent auditor's report

To the Shareholders of Epoqe Pharma ApS

Opinion

We have audited the financial statements of Epoqe Pharma ApS for the financial year 1 July 2022 - 30 June 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for the Company. 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 financial position of the Company at 30 June 2023, and of the results of the Company's operations for the financial year 1 July 2022 - 30 June 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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Financial Statements

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

In preparing the financial statements, Management is responsible for assessing the 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 judgment and maintain professional skepticism 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 Statement Act. We did not identify any material misstatement of Management's Review.

Glostrup, 13 September 2023

PKF Munkebo Eriksen Funch

State Authorised Public Accountants
Company reg. no. 14 11 92 99

Thomas Funch

State Authorised Public Accountant
mne47782

Company information

The company

Epoqe Pharma ApS
Ole Maaløes Vej 3
2200 København N

Company reg. no. 42 44 36 70
Established: 4 June 2021
Domicile: Copenhagen municipality
Financial year: 1 July 2022 - 30 June 2023
2nd financial year

Executive board

Anette Sams Nielsen
Jens Thostrup Bukrinski

Auditors

PKF Munkebo Eriksen Funch, Statsautoriseret Revisionsaktieselskab
Hovedvejen 56
2600 Glostrup

Bankers

Ringkjøbing Landbobank, Torvet 1, 6950 Ringkøbing

Financial highlights

DKK in thousands.	<u>2022/23</u>	<u>2021/22</u>
Income statement:		
Gross profit	-19	-17
Profit from operating activities	-19	-17
Net financials	0	-1
Net profit or loss for the year	-15	-18
Statement of financial position:		
Balance sheet total	2.580	145
Equity	118	133

The financial highlights for 2021/22 comprise the period 4. June 2021 - 30. June 2022.

Management's review

Description of key activities of the company

Like previous years, the activities comprise fundraising as well as medicinal research and development activities.

Development in activities and financial matters

The gross loss for the year totals DKK -19.000 against DKK -17.000 last year. Income or loss from ordinary activities after tax totals DKK -15.000 against DKK -18.000 last year. Management considers the net profit or loss for the year satisfactory.

Events occurring after the end of the financial year

No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.

Accounting policies

The annual report for Epoqe Pharma ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, write-downs for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Income statement

Gross loss

Gross loss comprises research and development expenses, other operating income, and external costs.

Research and development expenses include external costs related to research and development activities.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise.

Other external expenses comprise expenses incurred for administration.

Accounting policies

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Statement of financial position

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

Equity

Share premium

Share premium comprises premium payments made in connection with the issue of shares. Costs incurred for carrying through an issue are deducted from the premium.

The premium reserve can be used for dividend, for issuing bonus shares, and for covering losses.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Accounting policies

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Deferred income

Payments received concerning future income are recognised under deferred income.

Income statement

All amounts in DKK.

<u>Note</u>	1/7 2022 - 30/6 2023	4/6 2021 - 30/6 2022
Gross loss	-19.351	-17.070
Other financial expenses	-427	-956
Pre-tax net profit or loss	-19.778	-18.026
2 Tax on net profit or loss for the year	4.351	0
Net profit or loss for the year	-15.427	-18.026
Proposed distribution of net profit:		
Allocated from retained earnings	-15.427	-18.026
Total allocations and transfers	-15.427	-18.026

Balance sheet at 30 June

All amounts in DKK.

Assets		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Current assets		
Income tax receivables	4.351	0
Other receivables	16.455	0
Total receivables	<u>20.806</u>	<u>0</u>
Cash and cash equivalents	<u>2.558.758</u>	<u>145.079</u>
Total current assets	<u>2.579.564</u>	<u>145.079</u>
Total assets	<u>2.579.564</u>	<u>145.079</u>

Balance sheet at 30 June

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Equity		
Contributed capital	88.888	88.888
Retained earnings	28.764	44.191
Total equity	<u>117.652</u>	<u>133.079</u>
Liabilities other than provisions		
Deferred income	2.443.412	0
Total long term liabilities other than provisions	<u>2.443.412</u>	<u>0</u>
Other payables	18.500	12.000
Total short term liabilities other than provisions	<u>18.500</u>	<u>12.000</u>
Total liabilities other than provisions	<u>2.461.912</u>	<u>12.000</u>
Total equity and liabilities	<u>2.579.564</u>	<u>145.079</u>

- 1 Special items**
- 3 Contingencies**

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Share premium	Retained earnings	Total
	<hr/>	<hr/>	<hr/>	<hr/>
Equity 4 June 2021	40.000	0	0	40.000
Cash capital increase	48.888	62.217	0	111.105
Retained earnings for the year	0	0	-18.026	-18.026
Transferred to retained earnings	0	-62.217	0	-62.217
Adjustment 1	0	0	62.217	62.217
Equity 1 July 2022	<hr/> 88.888	<hr/> 0	<hr/> 44.191	<hr/> 133.079
Retained earnings for the year	0	0	-15.427	-15.427
	<hr/> 88.888	<hr/> 0	<hr/> 28.764	<hr/> 117.652

Notes

All amounts in DKK.

1. Special items

Special items include grants related to research and development expenses.

Special items for the year are specified below, indicating where they are recognised in the income statement.

Income:

Received grants	591.588	0
	<u>591.588</u>	<u>0</u>

Special items are recognised in the following items in the financial statements:

Gross profit	591.588	0
Profit of special items, net	<u>591.588</u>	<u>0</u>

2. Tax on net profit or loss for the year

Tax on net profit or loss for the year	-4.351	0
	<u>-4.351</u>	<u>0</u>

3. Contingencies

Contingent assets

A deferred tax asset of t.DKK 39 has not been recognized due to uncertainty regarding the timeline for future usage.