

# Sevenless Therapeutics ApS

Ole Maaløes Vej 3, 3

2200 København N

CVR No. 43311999

## Annual Report

2. financial year

The Annual Report was presented and  
adopted at the Annual General Meeting of  
the Company on 26 June 2024

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Chairman

## Sevenless Therapeutics ApS

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## **Sevenless Therapeutics ApS**

### **Management's Statement**

The Board of Directors has today considered and approved the annual report of for the financial year 1 January 2023 - 31 December 2023 for Sevenless Therapeutics ApS.

The annual report, which has not been audited, is presented in accordance with the Danish Financial Statements Act.

Management believes that the financial statements give a true and fair view of the company's assets, liabilities and financial position and of the result for the financial year 2023.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

Management considers the conditions for opting out of audit to be met.

The annual report is submitted for approval by the General Assembly.

Copenhagen, 26 June 2024

#### **Management**

Alex Leech

Neil Benson

Alasdair Naylor

## Sevenless Therapeutics ApS

### Company details

<b>Company</b>	Sevenless Therapeutics ApS Ole Maaløes Vej 3, 3 2200 København N
CVR No.	43311999
Date of formation	6 June 2022
Financial year	1 January 2023 - 31 December 2023

<b>Management</b>	Alex Leech Neil Benson Alasdair Naylor
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## **Sevenless Therapeutics ApS**

### **Management's Review**

#### **The Company's principal activities**

Sevenless Therapeutics ApS is a private drug discovery and development company whose principal activity is to develop medicines for the treatment of diseases with high unmet medical needs.

#### **Financial Development**

The Company considers the result for the financial period to be in line with expectations.

#### **Events after the end of the financial period**

No events have occurred after the end of the financial period that may have a significant impact on the financial position of the Company.

## Sevenless Therapeutics ApS

### Accounting Policies

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied remain unchanged from last year.

The comparative figures in the income statement comprise a period of 7 months from 6 June 2022 - 31 December 2022.

The annual report is presented in DKK.

### GENERAL

Income is recognised in the income statement as and when it is earned, including recognition of value adjustments of financial assets and liabilities.

Any costs, including depreciation, amortisation and impairment, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is likely that future economic benefits will accrue to the Company and the value of the asset can be measured reliably. Liabilities are recognised in the balance sheet when it is likely that future economic benefits will not accrue to the Company and the value of the liability can be measured reliably.

The initial recognition measures assets and liabilities at cost. Subsequently, assets and liabilities are measured as described in the following for each item.

Certain financial assets and liabilities are measured at amortised cost, recognising a constant yield to maturity. Amortised cost is stated at initial cost less any deductions and with addition/deduction of the accumulated amortisation on the difference between cost and nominal amount.

The recognition and measurement takes into account predictable losses and risks arising before the period-end reporting and which prove or disprove matters that existed at the balance sheet date.

### INCOME STATEMENT

#### Gross profit/loss

Gross profit or loss comprises external expenses.

#### Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

#### Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for the entity's staff.

#### Financial income and expenses

Financial income and financial expenses include interests on loans, realised and unrealised gains and losses on assets and liabilities transactions in foreign currencies.

## **Sevenless Therapeutics ApS**

### **Accounting Policies**

#### **Tax on profit/loss for the year**

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

### **BALANCE SHEET**

#### **Development projects in progress**

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity under Reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Indirect production costs in the form of indirectly attributable staff costs used in the development process are recognised in cost based on time spent on each project.

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

#### **Receivables**

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

#### **Prepayments**

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

#### **Cash**

Cash comprises cash in bank deposits.

#### **Deferred tax**

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

#### **Tax payable or receivable**

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

#### **Other financial liabilities**

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

#### **Translation of foreign currencies**

Transactions in foreign currencies are at the initial recognition translated at exchange rate on the transaction date. Foreign exchange rate differences arising between the exchange rate at the transaction date and the exchange rate at the payment date are recognised in the income statement as financial income or financial expense.

## **Sevenless Therapeutics ApS**

### **Accounting Policies**

Receivables, payables and other monetary items in foreign currency are translated at the exchange rate of the balance sheet date. The difference between the exchange rate at the balance sheet date and the exchange rate at the date of the occurrence of receivable and liability is recognised in the income statement as financial income or financial expense.



## Sevenless Therapeutics ApS

### Income Statement

	Note	2023 DKK	2022 DKK
Gross profit/loss		-691,735	-141,501
<b>Result from ordinary operating activities</b>		<b>-691,735</b>	<b>-141,501</b>
Finance income		19,536	26,867
Finance expenses		-10,069	-12,667
<b>Result from ordinary activities before tax</b>		<b>-682,268</b>	<b>-127,301</b>
Corporate Tax		578,812	302,695
<b>Result</b>		<b>-103,456</b>	<b>175,394</b>
<b>Proposed distribution of results</b>			
Retained earnings		-103,456	175,394
<b>Distribution of result</b>		<b>-103,456</b>	<b>175,394</b>

Sevenless Therapeutics ApS

Balance Sheet as of 31 December

	Note	2023 DKK	2022 DKK
<b>Assets</b>			
Development projects in progress	2	9,142,006	3,821,860
<b>Intangible assets</b>		<b>9,142,006</b>	<b>3,821,860</b>
<b>Fixed assets</b>		<b>9,142,006</b>	<b>3,821,860</b>
Receivables from group enterprises		61,102	0
Tax credit receivables		1,059,599	808,743
Other receivables		9,870	51,398
<b>Receivables</b>		<b>1,130,571</b>	<b>860,141</b>
<b>Cash and cash equivalents</b>		<b>1,743,969</b>	<b>4,024,687</b>
<b>Current assets</b>		<b>2,874,540</b>	<b>4,884,828</b>
<b>Assets</b>		<b>12,016,546</b>	<b>8,706,688</b>

Sevenless Therapeutics ApS

Balance Sheet as of 31 December

	Note	2023 DKK	2022 DKK
<b>Liabilities and equity</b>			
Contributed capital		40,000	40,000
Reserve for development expenditure		7,130,764	2,981,050
Retained earnings		-7,058,827	-2,805,656
<b>Equity</b>		<b>111,937</b>	<b>215,394</b>
Provisions for deferred tax		986,835	506,048
<b>Provisions</b>		<b>986,835</b>	<b>506,048</b>
Convertible loan	3	10,532,281	7,075,753
<b>Long-term liabilities other than provisions</b>		<b>10,532,281</b>	<b>7,075,753</b>
Trade payables		355,642	0
Payables to group enterprises		0	93,992
Other payables		29,851	815,501
<b>Short-term liabilities other than provisions</b>		<b>385,493</b>	<b>909,493</b>
<b>Liabilities other than provisions within the business</b>		<b>10,917,774</b>	<b>7,985,246</b>
<b>Liabilities and equity</b>		<b>12,016,546</b>	<b>8,706,688</b>
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## Sevenless Therapeutics ApS

### Statement of changes in Equity

	<b>Contributed capital</b>	<b>Development expenditure</b>	<b>Retained earnings</b>	<b>Total</b>
Equity 1 January 2023	40,000	7,130,764	-6,955,371	215,393
Profit (loss)	0	0	-103,456	-103,456
<b>Equity 31 December 2023</b>	<b>40,000</b>	<b>7,130,764</b>	<b>-7,058,827</b>	<b>111,937</b>

## Notes

	2023	2022
<b>1. Information on average number of employees</b>		
Average number of employees	<u>0</u>	<u>0</u>

### 2. Development projects in progress

The Company is developing a novel, non-opioid, small molecule drug with analgesic effect similar to opioids but without the potentially life-destroying side effects of opioid-based medicine. Chronic pain is an increasing common condition, and Sundhedsstyrelsen estimate that the number of people with chronic pain in Denmark has increased from 19% in 2000 to 29% in 2017, corresponding to over 1.3 million Danes. Chronic pain has a significant effect on both health-related quality of life and the ability to work, and accounts for 20% of Danish sick days (Sundhedsstyrelsen, 2020). As one of the only truly novel non-opiate-derived pain medicines in development, Sevenless Therapeutics' approach has multi-blockbuster potential. It is management's assessment that the company will be able to raise the required capital and has the necessary expertise to successfully undertake the pre-clinical and clinical development of the company's drug candidates.

### 3. Convertible loan

The Company has signed an agreement regarding a convertible loan up to 10 million DKK. The internal rate is 5% per annum. and the maturity day is 31. May 2025.

The convertible loan can not be repaid in the period and can be repaid upon maturity or converted into shares in the company of the parent company.

### 4. Contingent liabilities

No contingent liabilities exist at the balance sheet date.

### 5. Collaterals and securities

The Company has no collaterals and has not provided any securities.