PHARMA EQUITY GROUP

2024 Annual Report

Annual report for the year ended 31 December 2024

Pharma Equity Group A/S

Slotsmarken 18, 2. th.
2970 Hørsholm
Denmark

Registered number: 26 79 14 13

www.pharmaequitygroup.com

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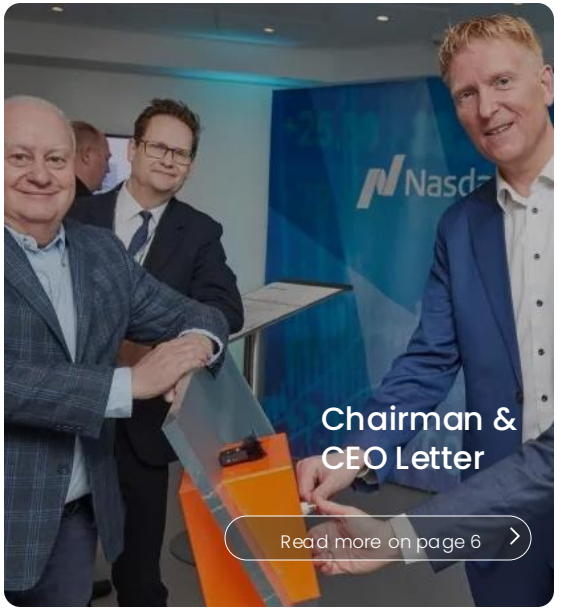

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Company information

Pharma Equity Group A/S

Group companies

Pharma Equity Group A/S - listed parent company
Reponex Pharmaceuticals A/S - 100% owned subsidiary

Registered number (CVR)

26 79 14 13

Registered office

Slotsmarken 18, 2. th.
2970 Hørsholm
Denmark

Websites

Pharma Equity Group A/S: www.pharmaequitygroup.com
Reponex Pharmaceuticals A/S: www.reponex.dk

Executive management

- Thomas Kaas Selsø, Chief Executive Officer

Board of directors

- Christian Vinding Thomsen, Chairman
- Omar S. Qandeel
- Lars Rosenkrantz Gundorph
- Peter Vilmann

Financial calendar 2025

4 March	Deadline for shareholder proposals - Annual General Meeting
20 March	Annual Report 2024
16 April	Annual General Meeting
14 August	Interim Report - for the six-month period ending 30 June 2025

CEO and Chairman letter

Pharma Equity Group A/S – Annual Report 2024 – Main features of the year

The Board of Directors of Pharma Equity Group A/S has today considered and approved the Company's annual report for 2024, which can be summarized as follows:

- The company is in dialogue with potential license partners.
- Trial applications for RNX-011 (peritonitis) have been submitted to the authorities at the beginning of Q1 2025.
- It is expected that the trial application for RNX-051 (Colorectal Adenoma and Colon Cancer) will be submitted to the authorities at the end of Q1-2025 or the beginning of Q2-2025.
- RNX-041 is actively included in Part 2 of the ongoing Phase 2 proof-of-concept clinical study for the treatment of pouchitis.
- The profit for the year amounts to DKK -24.4 million, which is in line with expectations.
- Directed share issue successfully completed with gross proceeds of DKK 51 million.
- Strengthened capital structure.
- On 15 April 2024, the company filed a summons with the Maritime and Commercial High Court against, inter alia, Portinho S.A. with a claim for payment of the receivable of EUR 9.55 million plus interest. A decision in this case cannot be expected in 2025.
- The Company has initiated arbitration proceedings against Interpatium before the Danish Institute of Arbitration (DIA) in relation to the related sale of the shares in Portinho.
- In 2024, an agreement was entered into with Danske Bank as an equity analyst and market maker.

Events after the end of the accounting period

At the beginning of 2025, the Group's capital preparedness was further strengthened by the establishment of loans and loan commitments of approx. DKK 13 million. Based on the expected cash burn for the year, this gives the Group a runway of more than 12 months.

The Group's capital preparedness is expected to be further strengthened on an ongoing basis in 2025 through the establishment of convertible loans or other equivalent financing. The company has an ongoing dialogue with several existing and new investors about financing in both the short and long term.

Change in Executive Management

On 28 February 2025, Pharma Equity Group A/S announced in company announcement no. 1 that the current CEO, Thomas Kaas Selsø, will resign from his position as CEO of Pharma Equity Group A/S and its subsidiary Reponex Pharmaceuticals A/S with effect from 31 March 2025. At the same time, it was announced that Christian Henrik Tange has been appointed as the new CEO of Pharma Equity Group A/S with effect from 1 April 2025. It was also announced that Sebastian Bo Jakobsen has been appointed CEO of the subsidiary Reponex Pharmaceuticals A/S with effect from 1 April 2025

Key figures for the year 2024

	2024 TDKK	2023 TDKK
Profit/loss	-24,422	-24,347
Receivable Portinho S.A.	58,000	58,000
Cash and cash equivalents	4,234	4,231
Total assets	65,606	67,737
Equity	48,875	25,333
Convertible loans	8,100	7,838

- The result for the year was DKK -24.4 million (2023: DKK -24.3 million).
- The costs in 2024 are relatively significantly below the level of 2023. In the consolidated result for 2024, costs covering the whole of 2024 are included, whereas for the comparison year 2023, due to the transaction with Reponex Pharmaceuticals A/S on 24 March 2023, only costs for 9 months are included for Pharma Equity Group A/S (Parent company).
- Equity as of 31 December 2024 is DKK 48.9 million (2023: DKK 25.3 million)
- Cash and cash equivalents at the end of 2024 are DKK 4.2 million (2023: DKK 4.2 million)

CEO and Chairman letter

Strategy and expectations for 2025

On 13 December 2024, the Company announced in announcement number 32 that Reponex Pharmaceuticals A/S, based on an ongoing evaluation of the clinical pipeline and a number of fundamental commercial criteria, including medical need, patient recruitment, regulatory requirements, likelihood of success and requirements for both human and monetary capital, had chosen to give top priority to the following development programs:

- RNX-051 for colon adenomas and colon cancer
- RNX-011 for the treatment of peritonitis
- RNX-041 for the treatment of IBD (pouchitis)

The mentioned development programs have all shown relevant, informative and strong clinical data, and have obtained patent protection in the most important geographical areas for the company.

It is expected that license agreements will be entered into at the end of Q3 and Q4 2025. Approximately DKK 11 million in revenue before tax has been recognized in the consolidated budget for 2025. For 2025, the Group expects a pre-tax loss of DKK 4 million to DKK 7 million including revenues from licensing agreements. The expected consolidated result for 2025 does not reflect any gains/losses related to the Portinho S.A. receivable.

The expected result for 2025 incorporates a significantly lower cost base than in both 2024 and 2023. The company has worked intensively to reduce costs, so that even more costs have been made variable in 2025 than before and so that the capital requirement in 2025 is significantly lower than in both 2024 and 2023. This has been done while maintaining the expected progression in the new studies.

Online presentation of the 2024 report

At 11:00 a.m. today, 20 March 2025, CEO Thomas Kaas Selsø invites you to an online presentation of the 2024 report for the period 1 January 2024 – 31 December 2024 and significant events so far in 2025. It is already possible to register for the presentation and send in questions in advance. Registration is free for everyone and can be done via link:

https://www.inderes.dk/videos/pharma-equity-group-opdatering-pa-helaret-2024

Contact person – Investor Relations

Any questions regarding the 2024 report can be directed to the Company's CEO Thomas Kaas Selsø, by email investor@pharmaequitygroup.com.

On the Company's website www.pharmaequitygroup.com further information and all published company announcements can be found.

Hørsholm 20 March 2025

Thomas Kaas Selsø
CEO

Christian Vinding Thomsen
Chairman

Thomas Selsø
CEO

Christian Thomsen
Chairman

The Groups principal activities and 2024 achievements

The Group's principal activities

PEG is a company listed on Nasdaq Copenhagen main stock exchange.

On 24 March 2023, PEG completed the acquisition of the entire share capital in Reponex in exchange for shares in PEG. The shares issued to the shareholders of Reponex had their first trading day on Nasdaq Copenhagen on 28 March 2023. As a result of the transaction, a legal group has been established in 2023 with PEG as the legal parent, and Reponex as a 100% owned subsidiary, and hence PEG is required to publish consolidated financial statements from 2023.

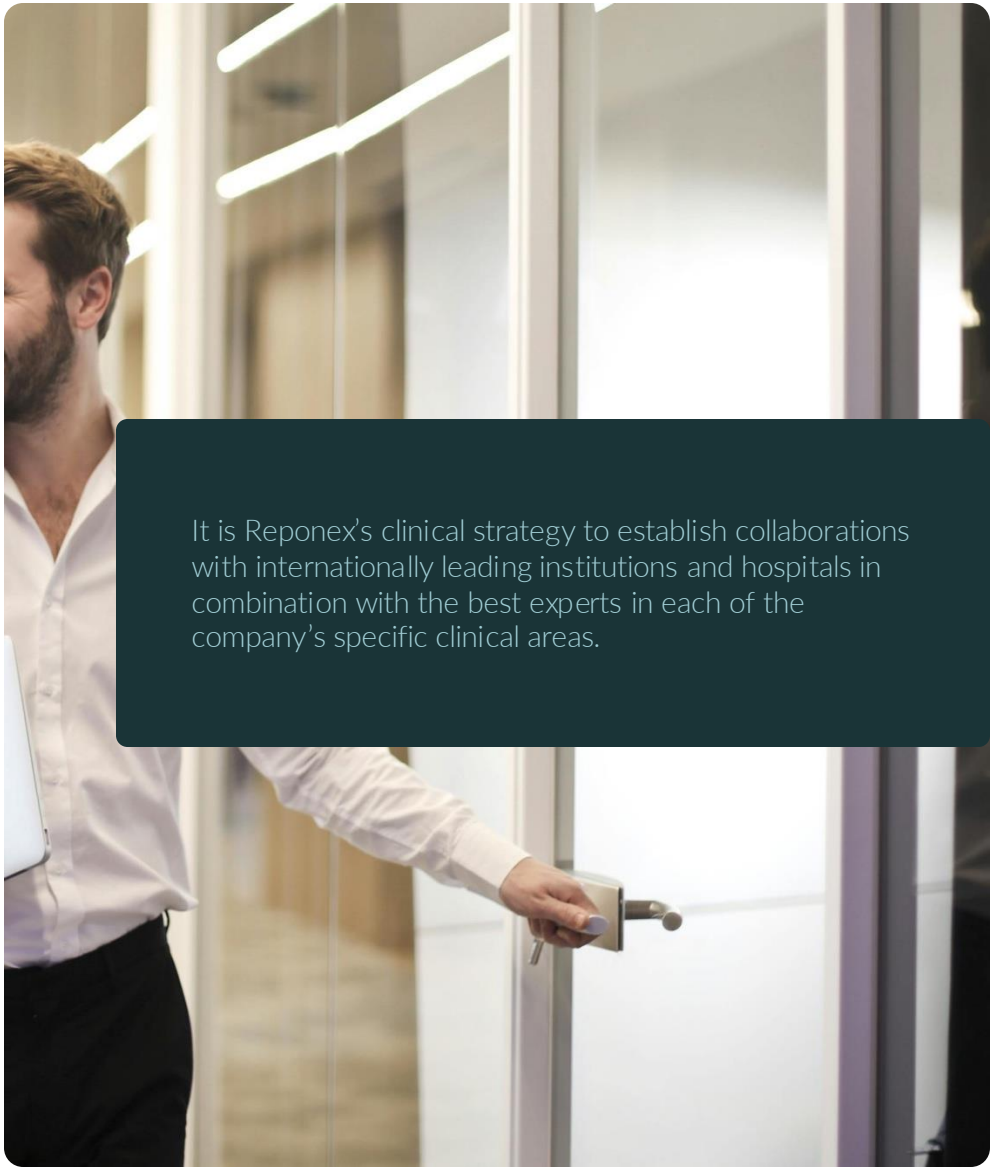
Description of Reponex' operations

Reponex is a clinical-stage biopharmaceutical company dedicated to the development of new, effective treatments for diseases that have significant patient and social impact for which current therapy is lacking or in need of improvement. The diseases are acute or life threatening, such as bacterial peritonitis and colorectal cancer, or may be chronic diseases that reduce lifespan and the quality of life and may shorten it, including inflammatory bowel diseases or complications of chronic diseases such as the disabling non-healing skin ulcers in patients with diabetes or venous insufficiency. There is a continuing unmet medical need to improve the treatment of these difficult conditions, which is what Reponex strives to achieve.

It is Reponex's ambition to create value through the company's sustaining platform by bringing the clinical programs to a clinical stage with relevant clinical data documenting the effect of the drug candidates, that will be a strong starting point for the completion of an exclusive licensing of the company's drug candidates to global pharmaceutical companies, that can contribute to execution of the further clinical and regulatory process as well as having relevant distribution power.

Reponex is an organizational efficient company with an aggressive commercial outsourcing strategy to be as agile as possible, to meet complex and continual changes in the pharma industry. The strategy creates a cost efficient and flexible way to create relevant human resources fast, which is considered a key factor and driver of success.

It is Reponex's clinical 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.



Financial review

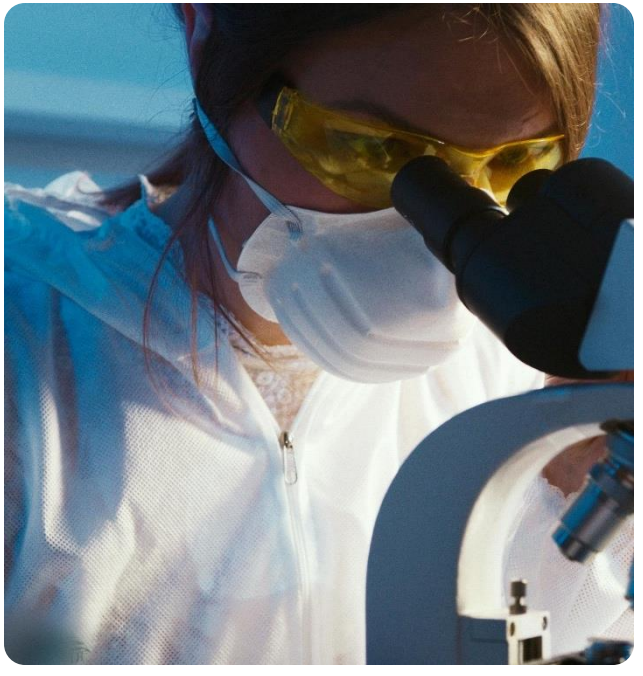
Estimates and judgements

The preparation of the consolidated and parent company financial statements requires the making of estimates and judgements that affect the reporting of assets, liabilities and expenses. The estimates and judgements are reviewed on an ongoing basis. Estimates and judgements are based on historical results and on various other assumptions, which the Group believes to be reasonable under the circumstances. However, the actual result may differ significantly from the estimates.

See notes 2.1 and 2.2 for further description.

Financial performance 2024 vs. outlook for 2024

The loss before tax for the year DKK 26,2 million is in line with Management's expectations for 2024 on a loss between DKK 24 - 29m.



Key figures

	PEG Group 2024 TDKK	PEG Group 2023 TDKK	Reponex 2022 TDKK	Reponex 2021 TDKK	Reponex 2020 TDKK
Revenue	0	0	0	0	0
*EBITDA	-21,052	-20,411	-10,738	-8,840	-2,145
Depreciation, amortisation and impairment losses	-235	-218	-539	-3,763	-157
Operating profit/loss (EBIT)	-21,287	-20,629	-11,277	-12,603	-2,302
Net finansial Items	-4,950	-1,548	-22	-251	-81
Loss before fair value adjustment Portinho	**-26,237**	**-22,177**	**-11,299**	**-12,854**	**-2,383**
Allowance Portinho receivable	0	-4,403	0	0	0
Loss after fair value adjustment and before tax	**-26,237**	**-26,579**	**-11,299**	**-12,854**	**-2,383**
Tax on profit / loss	1,815	2,233	1,855	2,971	878
Profit/loss	**-24,422**	**-24,347**	**-9,444**	**-9,883**	**-1,505**
Total assets	65,606	67,737	21,516	28,708	20,408
Investments in tangible assets	0	73	0	0	0
Equity	**48,875**	**25,333**	**18,911**	**27,371**	**13,428**
Convertible loans	8,100	7,838	0	0	0
**Equity ratio	74%	37%	88%	95%	66%
Earnings per share	-0.02	-0.02	-0.02		

*EBITDA= Earnings before financials, tax and depreciation.
** Equity ratio=Total Equity / Total Assets X 100%

Since the PEG/Reponex transaction is accounted for as a reversal take-over, it is Reponex Figures which are presented as comparative figures for 2020 – 2022.

Financial review

Comments on consolidated financial statements for 2024

PEG Group comprehensive income for 2023 consists of Reponex for the whole of 2023 and PEG for the period 24 March 2023 - 31 December 2023.

In 2024, the Group has continued Reponex´s work on preparing the portfolio of clinical programs being ready for commercialization in the coming years.

Revenue DKK 0.

The Group has not had any revenue for the year and does not expect that until Q3 and Q4 2025.

Operation profit/loss (EBIT) DKK -21.5 million (2023 DKK -20.9 million)

EBIT consists of research and development costs of DKK 9.0 million and administrative costs of DKK 12.3 million (2023 DKK 8.8m and 11.8m). Development costs are in line with 2023. The increase in administrative costs is primarily due to costs related to investor relations communication.

Allowance Portinho receivable for the year DKK 0 (2023 TDKK 4.4 million)

As announced in company announcements no. 39 from 25 September 2023, no. 46 from 28 November 2023 and no. 7 from 20 March 2024, the payment from Portinho S.A. has been postponed from its original due date, which was 1 July 2023. On 15 April 2024, the Company filed a summon with the Maritime and Commercial High Court against Portinho S.A. to claim immediate payment of the receivable of EUR 9.55m plus interest. The Company's Portuguese lawyer, in cooperation with the Company's Danish lawyer, has also initiated various preliminary and protective legal actions and investigations in Portugal in relation to securing payment of the receivable. Management has assessed that the valuation of DKK 58 million recognized on 31 December 2023 be retained on 31 December 2024. Reference is made to note 12 for further information.

The work to recover the receivable for Portinho has been further intensified since 31 December 2023. Considerable resources are being used to recover the receivable from Portinho and/or from companies and people connected therewith and/or the transactions with Portinho. Arbitration proceedings against Interpatium are also pending before DIA in Denmark in relation to the related sale of the shares in Portinho.

Financial expenses DKK 5.0 million (2023 TDKK 1.6 million)

Financial expenses consist primarily of interest and fees regarding subordinated convertible debt, bank debt and financials loans. DKK 38,5m of the convertible debt and financial loans have been repaid in connection with the share capital increase in October 2024.

Tax on profit / loss an income of DKK 1.8 million (2023 TDKK 2.2 million)

Tax income for the year consists of the expected tax refund according to the tax legislation for Reponex qualifying research and development expenses.

Equity DKK 48.9 million (2023 DKK 25.3 million)

Equity at year-end amounts to DKK 48.9 million. In October 2024 a private issue was completed by issuing 204,592,776 new shares at a subscription price of DKK 0.25 corresponding to gross proceeds DKK 51.1 million. The proceeds were used to repayment of subordinated convertible loans by DKK 12.6 million, repayment of financial loans by DKK 25.8 million and by 12.7 DKK for improvement of cash position. Costs related to the issue amounted DKK 3.2 million.

Parent company financial statements

For the parent company the loss for the year is DKK 12,5 million primarily as a result of administrative costs and financial expenses. Parent company equity amounts to DKK 746,7 million based on the investment in Reponex being valued at DKK 689 million and the Portinho receivable being valued at DKK 58 million.

The purchase price for Reponex was legally agreed at DKK 1,5 billion. For accounting purposes, the cost price for the investment has been based on the market value of the shares issued to the Reponex shareholders on the first day of trading on 28 March 2023. Management of Pharma Equity Group A/S is still of the opinion that the transaction price of DKK 1,5 billion is a fair estimation of the value of Reponex, which has been supported by updated internal value calculations, but also supported by external valuations. Hence, even though the market capitalization of Pharma Equity Group on 31 December 2024 of DKK 233 million indirectly implies that the value of Reponex has declined since the transaction date, Management has concluded that the value of the investment is not impaired compared to the calculated cost price of DKK 689 million.

Referring to Danske bank Equity Research and Analyst Group (SE) that are following Pharma Equity Groups share their valuation in latest report following the Q3 report 2024 amounts:

Danske Bank Equity Research report from 18 November 2024 has a fair value share price of 0.49 per share corresponding to a valuation of DKK 598 million.
Analyst Group report from 19-11-2024 has a fair value share price of DKK 0.80 corresponding to a valuation of DKK 982 million.

The reports can be downloaded here: Stock Information & Company Valuations - Pharma Equity Group

Outlook and objectives 2025

In 2025 the Group will focus on creating a solid foundation for revenue-generating activity in end 2025 and forward.

This involves the following focus:

- Continue and improve development, research and regulatory activity.

- Explore opportunities for strategic partners for our various drug candidates and finalize agreements with relevant partners.

- Create a solid financial foundation.

The company has decided to give top priority developing to these tree development programs that shows strong clinical data in the most important geographic areas for the company:

- RNX-051 for colon adenomas and colon cancer
- RNX-011 for the treatment of peritonitis
- RNX-041 for the treatment of IBD (pouchitis)

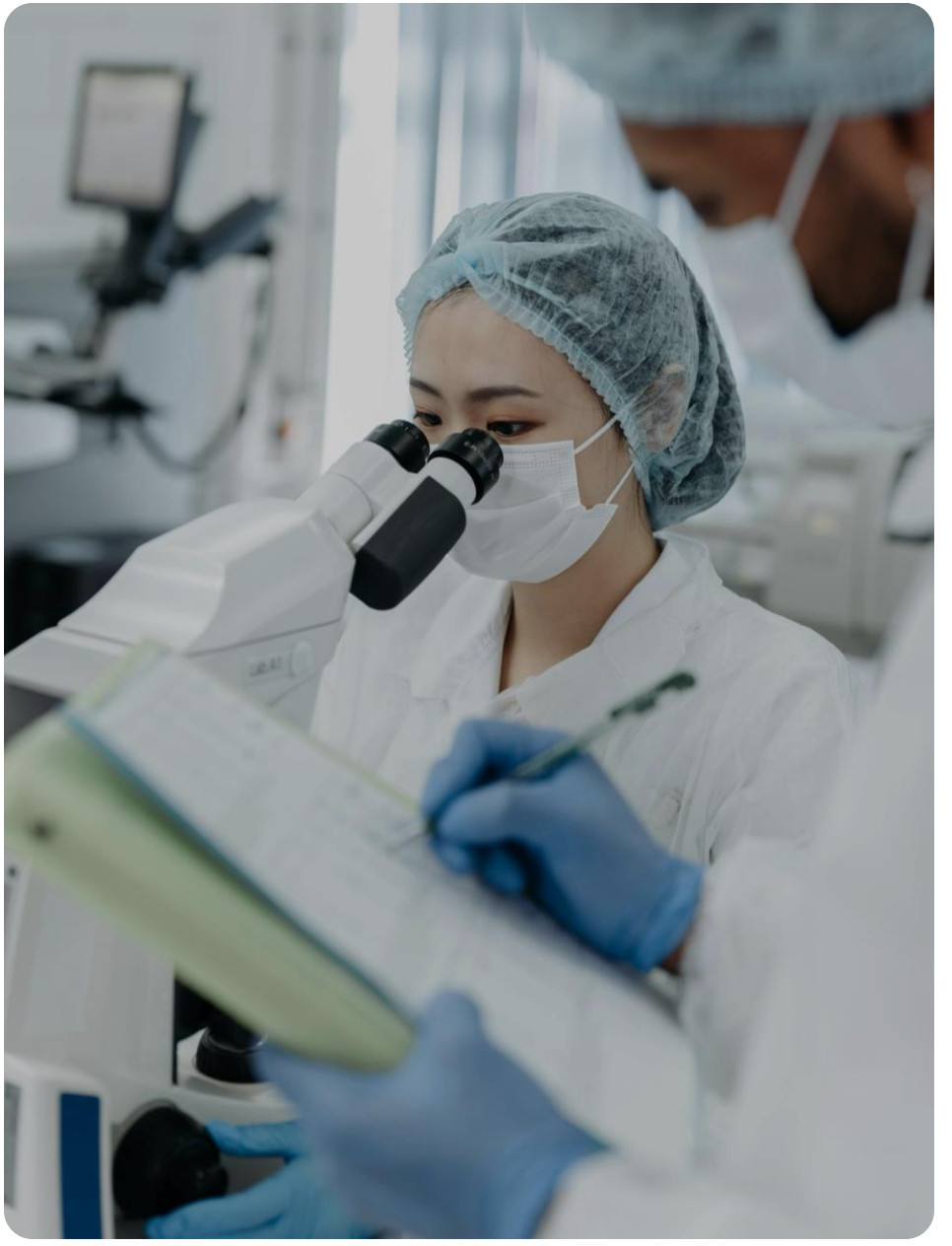
It is expected that license agreements will be entered into at the end of Q3 2025 and in Q4 2025 with an expected revenue of DKK 11 million.

The Company's other drug candidates in the treatment of chronic leg ulcers (RNX-022, RNX-023) and Crohn's Disease (RNX-041) continue to be considered of great interest both clinically and commercially. These programs will be pursued through strategic clinical and industrial cooperation.

The group will furthermore focus on cost reductions and capital resources.

The company has worked intensively to reduce costs, and even more costs have been made variable in 2025 than before and the capital requirement in 2025 is significantly lower than in both 2024 and 2023. This has been done while maintaining the expected progression in the new studies.

At the beginning of 2025, the Group's capital preparedness was further strengthened by the establishment of loans for approx. DKK 13 million. The Group's capital preparedness is expected to be further strengthened on an ongoing basis in 2025 through the establishment of convertible loans or other equivalent financing. The company has an ongoing dialogue with several existing and new investors about financing in both the short and long term. Reference is made to note 20 in the consolidated report.



Financial guidance for 2025

mDKK	2025 Guidance	2024 Actual
Revenue	11	0
*Loss before tax	4 - 7	26,2

* For 2025, the expected profit does not reflect any gains/losses relating to the Portinho S.A. receivable.

Product and development programs

Repositioning known drugs into new intervention is the heart of what we do

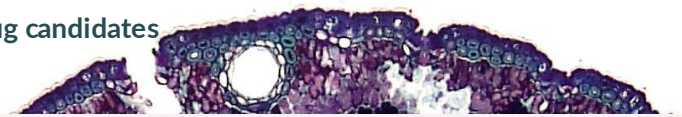
By repositioning Reponex finds new uses for active substances that are being used in other treatments. This means that the substances are used for other treatments than they were originally designated and registered for. The advantage of this is that the active substance's basic toxicity and adverse effect profile is already known and described.

Drug candidate overview

			License agreement	
Diseases	Drug Candidates	Clinical phase 2	Clinical phase 3 / License agreement	Expected revenue
Peritonitis (Bacterial peritonitis)	RNX-011	●	○	2025
Ulcus Cruris (Chronic skin ulcers)	RNX-021 RNX-022 RNX-023	●	○	2026 2026 2027
Inflammatory bowel disease – Chrone & Pauchitis	RNX-041	●	○	2025
Colorectal Cancer & Colon Adenoma	RNX-051	●	○	2025

Product and development programs

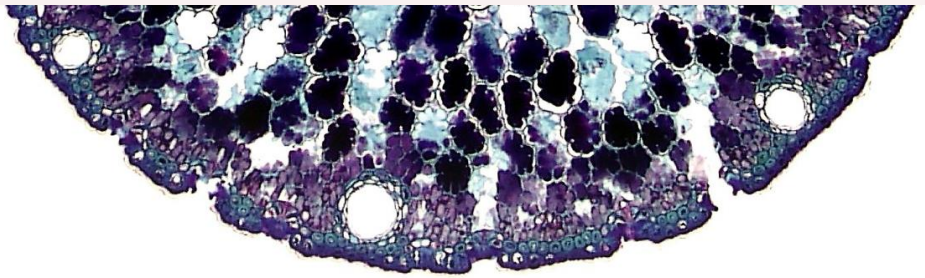
Reponex has several patents for the drug candidates including these:



Candidate	Europe	US	Japan	RU	Expiration*
RNX-011 – Bacterial peritonitis	Granted (DE, FR, IT, NL, UK)	Granted + pending	Granted	-	2035/2040
RNX-021 – Chronic skin ulcers	-	-	-	-	-
RNX-022 – Chronic skin ulcers	Granted (ES, UK, UP**) + pending	Granted	-	-	2035
RNX-023 – Chronic skin ulcers	Granted (DE, FR, IT, NL, UK)	Pending	-	Granted	2035
RNX-041 – Inflammatory bowel disease – Pouchitis	Pending	Granted	-	-	2035
RNX-051 – Colorectal cancer	Granted (ES, UK, UP**) + pending (incl. HK) + new DK priority appl. filed	Pending	Granted + pending	Pending	2039/2045

*Without supplementary protection certificate. Supplementary Protection Certificate (SPC) can potentially give op to 5 years extra protection if issued.

Granted = Fully approved and valid in the respective countries
Allowed = The application has been approved by the superior authority (European Patent office), now it is translated into different languages and must then go through the national systems.
Pending = The application is still pending by the authority.
****UP** = Unitary Patent (date of effect: 022: 27-3-2024; 051: 07-02-2024) covers Austria, Belgium, Bulgaria, Denmark, Estonia, Finland, France, Germany, Italy, Latvia, Lithuania, Luxembourg, Malta, Holland, Portugal, Slovenia and Sweden.



Product and development programs

The potential for the drug candidates is estimated to:

Drug candidate	Patient basis	Global market	Global players
RNX-011	Approx. 1,2 million new cases per year in EU, US and Japan	Estimated with some uncertainty at USD 1,5 – 2 billion.	- Pfizer Inc. - Baxter International - B. Braun - Teva
RNX-021, RNX-022	Approx. 16 million patients in the EU, US and Japan	USD 19 billion (2019) USD 25 billion (expected for 2025)	- Smith & Nephew - Coloplast, ConvaTec - Mölnlycke Health Care - Integra LifeSciences Corp - B. Braun Melsungen - Leo Pharma
RNX-023	Approx. 2,5 million patients in the EU, US and Japan		
RNX-041	Approx. 2 million patients in total in the EU and US with Crohn's disease.	USD 3,6 billion (2016), USD 4,7 billion (expected for 2025)	- Takeda Pharmaceutical Co Ltd. - AbbVie Inc. - Arena Pharmaceuticals Ltd - Galapagos NC
RNX-041	Approx. 234,000 patients in total in the EU and US with pouchitis.		
RNX-051	Approx. 1,5 million new cases per year in the western world with colorectal cancer	USD 9,4 billion (2020)	- Pfizer Inc. - Hoffmann-La Roche Ltd. - Amgen Inc. - Merck & Co. Inc. - Sanofi S.A.
RNX-051	Approx. 57 million new cases per year in the western world with colon adenomas		

Sources:

RNX-011: Mollie F et al (Ann Surg. 2017 Aug;266(2):237-241), Gessler B et al (Int J Colorectal Dis. 2017; 32(4): 549–556), Knight S R et al (Lancet 2021; 397: 387–97), Golz R A et al (JAMA Surg. 2020;155(4):330-338), Lee J H et al (J Epidemiology 2010: 2: 97-105), Strate L L et al (Gastroenterology 2019; 156(5): 1282-1298)

RNX-021, RNX-022: Sen C K (Adv Wound Care 2019; 8(2): 39-48), Nelson H D (Intermountain Healthcare 2017), Fortune Business Insights (2022, Mar), www.GlobalData.com

RNX-023: Bui et al 2018, Int J Clin Pract 72(12):e13263

RNX-041: Burisch J et al (J Crohns Colitis 2013;7:322-337), Anand B S et al (Medscape Apr 2022), GlobalData 2020; GDHCER251-20), Reber J D et al (RadioGraphics 2018: 38(4): 1073-1088), Dalal et al (Inflamm Bowel Dis 2018; 23:989–996)

RNX-051: WHO, IARC, Global Cancer Observatory (GLOBOCAN 2020), Wong MSC et al (J. CGH 2020; 18(3): 553-561), Duvvuri A et al (Gastroenterology 201; 160: 1986-1996), Meester R G S et al (Gastroenerology 2020; 159(1): 105-118), Imperiale T F et al (Gastroenterology 2018; 155: 1776-1786)

Product and development programs

Clinical review

Bacterial peritonitis

Secondary bacterial peritonitis is a severe and potentially life-threatening condition characterized by inflammation and infection of the peritoneum, the membrane lining the abdominal cavity. Secondary bacterial peritonitis results from the contamination of the peritoneal cavity due to perforation or rupture of abdominal organs. Common triggers for secondary bacterial peritonitis include perforated appendicitis, diverticulitis, gastrointestinal perforations, traumatic injuries, or postsurgical complications. The breach in the integrity of the abdominal organs allows the escape of intestinal contents containing bacteria into the peritoneal space, leading to rapid and widespread infection.

Secondary bacterial peritonitis most often presents as an emergency, accounting for approximately 1% of all acute admissions to hospital. Patients experience severe abdominal pain, tenderness, and systemic signs of infection such as fever and elevated white blood cell count. Prompt diagnosis and intervention are crucial to prevent the progression of infection, which can lead to sepsis and multiple organ failure.

The present management of secondary bacterial peritonitis involves a multifaceted approach, including surgical intervention to address the underlying source of contamination, drainage of infected fluid, and a minimum of 3 to 5 days of intravenous broad-spectrum antibiotics followed by a course of oral antibiotics.

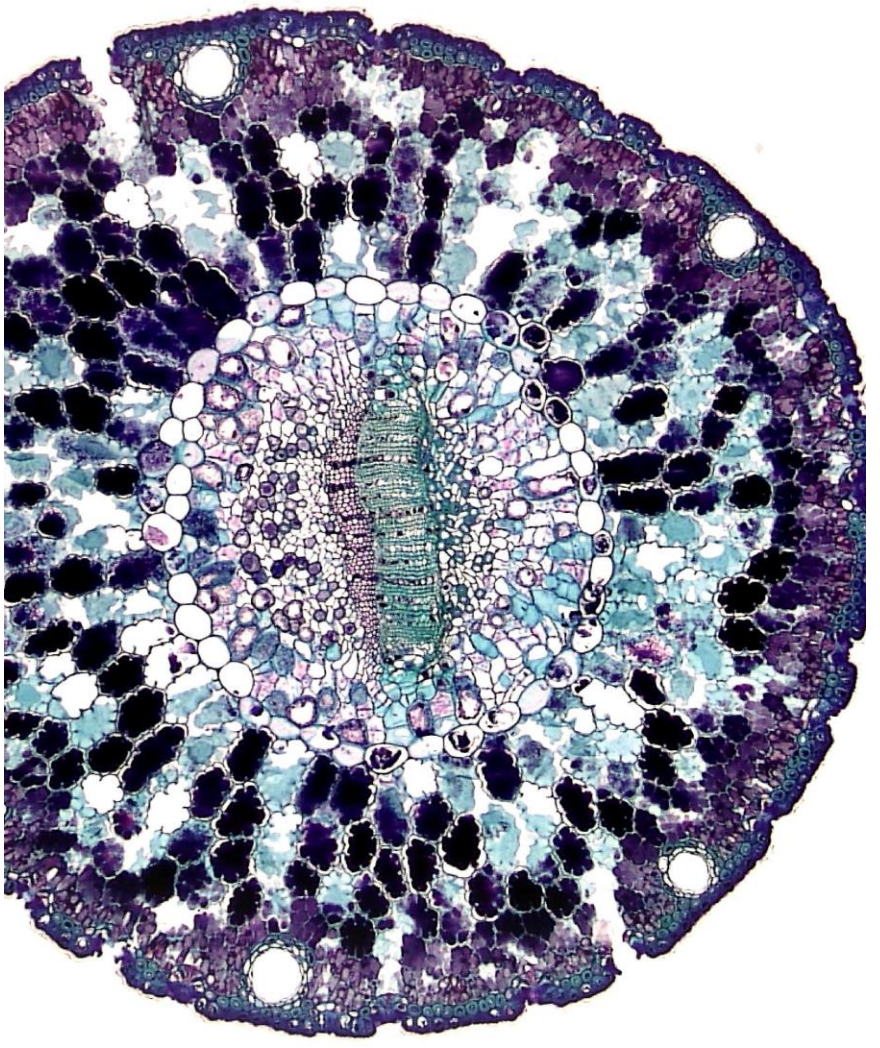
RNX-011 is a cutting-edge formulation that combines granulocyte-macrophage colony-stimulating factor (GM-CSF) with the broad-spectrum antibiotics metronidazole and fosfomycin. It is specifically designed for direct intraperitoneal administration during surgical procedures. In an exploratory study funded by Reponex, patients treated with RNX-011 demonstrated markedly improved outcomes compared to those receiving standard-of-care intravenous antibiotics. Notably, these patients were discharged significantly earlier (2-21 hours vs. 67-169 hours) and had no infectious complications (0 vs. 2). These promising initial results underscore the potential of RNX-011 to shorten hospitalization times and reduce post-operative infections.

Building on these findings, Reponex is now preparing to launch a new Phase 2 clinical trial, featuring two distinct treatment arms: a placebo group and a treatment group receiving RNX-011. Both groups will also receive standard-of-care therapy post-surgery, ensuring a consistent baseline for analysis. The trial will enroll 32 patients, evenly divided between the two arms.

The primary objective of the study is to further evaluate the immunological effects of RNX-011, with a particular emphasis on the role of GM-CSF in augmenting immune responses within the peritoneal cavity. GM-CSF is hypothesized to bolster the immune system's ability to combat infections and promote tissue repair, positioning RNX-011 as a potentially transformative treatment for post-surgical recovery.

The study will be conducted in collaboration with the Center for Surgical Science at Zealand University Hospital (SUH) Køge, leveraging their renowned expertise in clinical and translational research to ensure the trial's scientific rigor and clinical relevance.

Reponex is actively seeking strategic partnerships to facilitate a larger clinical trial to further demonstrate and emphasize the therapeutic impact of RNX-011 treatment.



Product and development programs

Clinical review

Pouchitis

Inflammatory Bowel Disease (IBD) encompasses a group of chronic inflammatory conditions affecting the gastrointestinal tract, leading to persistent and often debilitating symptoms. The two primary forms of IBD are Crohn's disease and ulcerative colitis, both characterized by periods of active inflammation interspersed with periods of remission. IBD is a complex and multifactorial disorder, involving a combination of genetic, environmental, and immunological factors. IBD affects up to 7 million people globally, and the incidence is increasing.

Pouchitis is a complication that can arise in patients who undergo ileal pouch-anal anastomosis (IPAA), a surgical procedure performed to treat ulcerative colitis. IPAA involves the removal of the colon and rectum, and the creation of an internal pouch from the end of the small intestine (ileum) to serve as a reservoir for stool. This surgery is considered a standard treatment for ulcerative colitis when medical therapy fails or becomes inadequate.

Pouchitis refers to inflammation of the ileal pouch, and it represents one of the most common long-term complications following IPAA. The condition is characterized by symptoms similar to ulcerative colitis, such as increased frequency of bowel movements, urgency, abdominal cramping, and in some cases, bloody stools.

Managing pouchitis is crucial to optimizing the quality of life for individuals who have undergone IPAA for ulcerative colitis. Treatment strategies for pouchitis often include antibiotics, which can help alleviate symptoms by targeting the underlying bacterial overgrowth or imbalance within the pouch; however, a significant proportion of patients have recurrent or chronic pouchitis. In some instances, pouchitis can lead to pouch failure, and reversion to a permanent ileostomy.

RNX-041 is an innovative formulation combining GM-CSF with the broad-spectrum antibiotics metronidazole and fosfomycin, designed for direct administration into the pouch via catheter. The formulation aims to restore the equilibrium between immune cell activity and bacterial growth while promoting endothelial repair. Reponex is actively supporting the exploratory development of RNX-041 and is seeking strategic partnerships to advance its clinical progression.

Currently, Reponex is funding a Phase 2 clinical trial evaluating RNX-041, with the primary objective of establishing its safety profile and examining its therapeutic efficacy under both single-dose and multi-dose treatment regimens. This study represents a pivotal step in understanding RNX-041's mechanism of action and its potential to address immune-mediated inflammatory diseases of the gastrointestinal tract.

The trial will help guide Reponex in further exploration of Chrohn's disease due to the parallels between pouchitis and Crohn's disease, conditions that share pathogenic pathways and inflammatory mechanisms. Insights gained from this study will not only inform the development of RNX-041 for pouchitis but also guide its potential application for Crohn's disease. By addressing these shared pathways, the research underscores RNX-041's promise as a versatile treatment option and lays a robust foundation for its broader clinical applications.

Product and development programs

Clinical review

Colorectal adenoma and colorectal cancer

Colorectal cancer, a significant global health concern, arises in the colon or rectum and is characterized by the uncontrolled growth of abnormal cells within the lining of the large intestine. Colorectal cancer is the third most common cancer worldwide and the second leading cause of cancer-related deaths, highlighting its impact on public health. The number of people diagnosed with colorectal cancer is expected to increase by 60% over the next 15 years.

The development of colorectal cancer is often a gradual process, typically starting as small, benign growths called polyps on the inner lining of the colon or rectum. While not all polyps transform into cancer, some may progress over time, acquiring genetic mutations that lead to malignant transformation. Early detection and removal of colorectal adenomas are essential components of colorectal cancer prevention strategies. Regular screening, such as colonoscopies, plays a crucial role in the detection and removal of adenomas, thus preventing the development of colorectal cancer. During a colonoscopy, adenomas can be identified and removed through a procedure called polypectomy.

The role of biofilms in colorectal cancer development is an area of emerging research, and while the relationship is not yet fully elucidated, there is evidence suggesting that biofilms may play a role in promoting chronic inflammation and influencing the progression of colorectal neoplasia. One example is a species of bacteria called Fusobacterium nucleatum, which is often enriched in colorectal tumours, and its presence has been associated with an increased risk of cancer and worse clinical outcomes.

RNX-051 is a novel formulation combining metronidazole and fosfomycin, designed to form an in-situ gel upon direct application to the intestinal wall, such as during a colonoscopy procedure. Reponex has supported an exploratory clinical study investigating the efficacy of RNX-051 in patients with adenomas or colorectal cancer.

Reponex envisions significant potential for RNX-051 in the context of endoscopic surveillance for hereditary adenomatous conditions, including Familial Adenomatous Polyposis (FAP), MUTYH-associated polyposis (MAP), and Lynch syndrome. These genetic disorders are associated with a markedly increased risk of developing colorectal adenomas and subsequently colorectal cancer, necessitating effective preventive and therapeutic interventions.

In 2024, Reponex received preliminary high-level results from the funded Phase 2 trial conducted at SUH Køge, which evaluated the effectiveness of RNX-051 in eradicating protective biofilm surrounding adenomas and cancer polyps. While the data is still under analysis, initial findings are promising and suggest potential efficacy in this setting. Consequently, Reponex, in collaboration with SUH Køge and its international research network, is preparing to initiate a larger placebo-controlled Phase 2 trial with approximately 400 patients focusing on patients with colon adenomas. This upcoming trial will be critical in advancing the development of RNX-051 and its role in managing hereditary adenomatous diseases and polyp- and colorectal cancer prevention.

The primary objective of this trial is to evaluate RNX-051 as an adjuvant treatment following the surgical removal of polyps, aiming to reduce the risk of recurrence. Bacterial biofilms may contribute to the persistence and regrowth of polyps by promoting chronic inflammation, modulating local immune responses, and facilitating genetic mutations that drive neoplastic transformation. Given these factors, biofilms are believed to play a key role in increasing the likelihood of adenoma recurrence and, ultimately, the progression to colorectal cancer. By disrupting and eliminating biofilms after removal of the polyp, RNX-051 has the potential to mitigate this risk and improve long-term patient outcomes.

Reponex remains committed to advancing innovative solutions in colorectal cancer prevention, and this trial represents a pivotal step toward refining RNX-051's therapeutic potential. With promising preliminary findings from previous studies, this research aims to bridge the gap between biofilm-related mechanisms and adenoma recurrence.

Product and development programs

Clinical review

Chronic skin ulcers

Chronic skin ulcers present a challenging and persistent medical condition that often involves impaired wound healing and an extended inflammatory response. It is estimated that 1-2% of the population will develop chronic skin ulcers during their lifetime, and between 25-50% of hospitalised patients have chronic skin ulcers.

The development and perpetuation of chronic skin ulcers are influenced by a variety of factors, including vascular insufficiency, diabetes, and immune dysfunction. Recent research has shed light on the significant role that biofilms may play in exacerbating the complexity of chronic skin ulcers.

In the context of chronic skin ulcers, biofilms can form on the wound bed, comprising bacteria, fungi, and other microorganisms. These biofilms create a resilient and structured environment that facilitates bacterial colonization and persistence. Biofilms contribute to the chronicity of ulcers by promoting microbial resistance to antibiotics, hindering immune responses, and fostering an environment that sustains inflammation.

Effective treatment of chronic skin ulcers with topical antiseptics and topical or systemic antimicrobial agents is challenging owing to the number of bacterial species within a single wound, and the organisation of these colonies within the biofilm. Protracted or ineffective antibiotic treatment increases the risk of antimicrobial drug resistance.

RNX-021, RNX-022, and RNX-023 are formulations of GM-CSF alone or in combination with different antimicrobial agents aimed at restoring immunological balance within the wound micro-environment through the removal of bacteria and dead tissue and stimulating the formation of new epithelium resulting in wound healing.

Clinical prioritization and focus

Pharma Equity Group continuously evaluates and adjusts Reponex Pharmaceuticals A/S's clinical pipeline, taking into account, among other things:

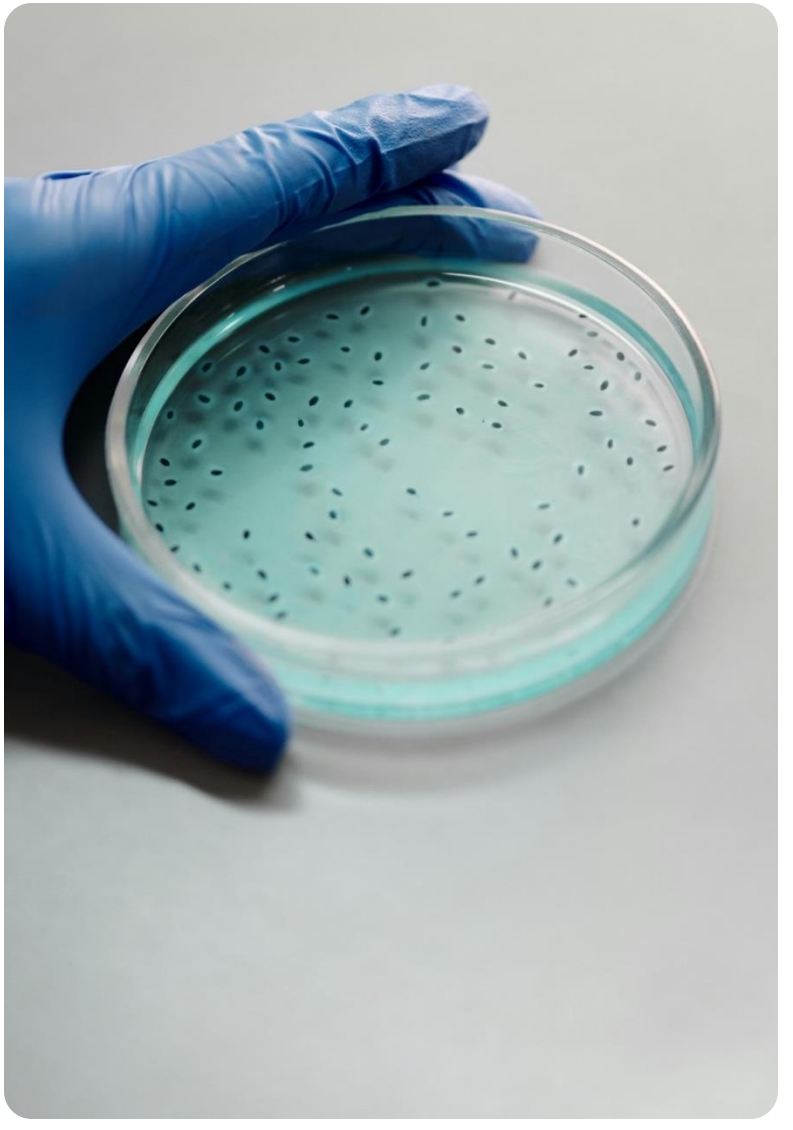
- Medical need in relation to patient population
- Patient ethics and patient value
- Recruitment opportunities for clinical trials
- Regulatory requirements and opportunities for marketing approval
- Market potential and competitive conditions
- Time to market
- Optimising scarce capital resources

Based on the above criteria, Reponex Pharmaceuticals A/S has chosen to focus on the 3 clinical programs, which was announced in company announcement number 32 from December 2024.

- RNX-051 for Colon Cancer and Colon Adenomas
- RNX-011 for the treatment of bacterial peritonitis
- RNX-041 for the treatment of IBD (pouchitis)

all of which have shown relevant, informative and strong clinical data, and have obtained patent protection in the company's primary geographical areas.

In line with the above, the company has decided to unblind the proof-of-concept study of RNX-021 for the treatment of chronic venous leg ulcers. The study data will be analyzed following the trial's closure on January 31, 2025.



Corporate Governance

1. Corporate Governance

Pharma Equity Group remains focused on good corporate governance, having implemented the recommendations, except for four recommendations, from the Committee of Corporate Governance (Komitéen for god Selskabsledelse) for companies listed on the Nasdaq Copenhagen exchange.

The Management of Pharma Equity Group believes that the Company operates in compliance with guidelines and recommendations that support the Company's business model and can create value for the Company's stakeholders.

Regularly and at least once a year, the Management monitors adherence to the recommendations on corporate governance to ensure the best possible use of and compliance with the recommendations and legislation.

In accordance with Section 107 b of the Danish Financial Statements Act, Pharma Equity Group has published a statutory report on Corporate Governance for the financial year 2024 on the Company's website:

Corporate Governance Statements - Pharma Equity Group

The following is an extract of the full Report which is available on above link.

1.1 The Board of Directors

The Pharma Equity Group is managed in a two-tier structure composed of the Board of Directors and Executive Management.

The Board of Directors is responsible for the overall strategic management and the financial and managerial supervision of the Company, as well as for regular evaluation of the work of the Executive Management. The Board of Directors also ensures that the Company is properly managed as required by the Articles of Association, other guidelines, policies and applicable rules and regulations. Furthermore, the Board of Directors makes decisions on all unusual matters or matters with far-reaching implications.

The Board of Directors defines guidelines for the distribution of responsibilities between the Board of Directors and Executive Management but does not participate in the day-to-day management of the Company. The duties of the Board of Directors are described in the Rules of Procedure.

The Executive Management is appointed by the Board of Directors, which lays down their terms and conditions of employment and the framework for their duties. The Executive Management is responsible for the day-to-day management of the Company in compliance with the guidelines and directions issued by the Board. The day-to-day operations do not include transactions of an unusual nature or of material importance to the affairs of the Company. As of December 31, 2024, the Executive Management consisted of Thomas Kaas Selsø, CEO.

1.2 Composition of the Board of Directors

The General Meeting, which is the Company's supreme authority, elects between three and seven members to the Board of Directors. The Board of Directors elects a Chairperson and a Vice Chairperson. The members elected by the shareholders hold office for terms of one year at a time and may be re-elected.

The members of the Board of Directors are nominated and stand for election on the basis of their specific qualifications and experience of relevance to the Company. Thus, the Board of Directors is composed with a view to ensuring an optimum combination of professional industry experience in general, in research and development, in IP rights and conclusion of contracts, in sales and marketing, as well as in finance and economics.

More than half of the Board members are considered independent for the Board of Directors to be able to act independently.

Each Board member's special qualifications may be found on the Company's website.

In 2024, the Board of Directors held nineteen Board meetings. Six meetings are planned for 2025 in accordance with the Board of Directors' annual plan, which may be changed at any time to allow for additional meetings or as deemed necessary.

As of December 31, 2024, the Board of Directors consists of 4 members elected by the shareholders.

In section 4 there is an overview of the members of the Board of Directors and term.

1.3 Board Committees

Audit Committee with the following members:
Christian Vinding Thomsen, Chair, Lars Gundorph, Peter Vilmann, and Omar Qandeel.

Nomination and Remuneration Committee with the following members:
Lars Gundorph, Chair and Christian Vinding Thomsen.

Business, Research and Development Committee with the following members:
Peter Vilmann, Chair and Omar Qandeel.

More information about the committees, including the terms of reference which specify the tasks and responsibilities for each of the committees are available on the Company's website:

https://pharmaequitygroup.com/our-board-committees-are-smaller-groups-of-advisory-people-who-holds-the-purpose-of-advising-the-board-on-a-specific-area-of-operations/

Corporate Governance

1.4 Diversity in Management

By 31 December 2024, the Board of Directors consists only of 4 male members, whereby the female share is of 0% (2023 3 members 0%). In its search for new board candidates, gender distribution is considered, together with other relevant competencies for election at the annual general meeting in 2025. It is the Company's goal to achieve equal gender representation in the Board of Directors by 2026 at the latest.

The Company has no other employees than the CEO. At group level, in addition to the CEO of the parent company, other key management persons consist of 2 male persons. As long as the parent company only has one employee, the policy for gender allocation is not applicable for the second-tier management level. If the parent company expands its organization and more people are employed by the parent company and depending on the management structure that will be implemented, the Board of Directors expects that the target for gender allocation for the second-tier management will be based on equal gender representation.

With the current legal structure, the Board of Directors are focused on having equal gender representation for the second-tier management group on a group level by 2026 at the latest.

Based on the current legal and management structure for the Company and the Group, the actual gender allocation and the targets can be summarized as follows:

Entity	2024 allocation (male/female)*	2023 allocation (male/female)*	Target (male/female)
Pharma Equity Group A/S Board of Directors	4-5/0	5/0	Equal representation by 2026 at the latest**
Pharma Equity Group A/S Executive Board and other key management personnel	1/0	1/0	Equal representation to the extent that more than one person is employed by the Company**
The Group Executive Board for the parent and other key management personnel in parent and subsidiaries	3/0	3/0	Equal representation by 2026 at the latest**

* The Company applies the exemption rule whereby allocation only is shown for 2024 and 2023. In future years, the table will be expanded each year until a 5-year history can be presented.

** Equal representation means 50-50% in case of an even number of Directors and 40-60% in case of uneven number of Directors.

Corporate Governance

1.5 Evaluation of the Board

According to the Board of Directors Annual Plan, the Board conducts an annual self-evaluation. The evaluation covers, among other things, the Board's work, accomplishments and composition. The Chair heads the annual evaluation, which is conducted at least every third year by an external consultant.

The process, whether it is facilitated internally or by external consultants, evaluates topics such as board dynamics, board agenda, quality of the material that is submitted to the Board, discussions at the Board meetings, the chair's leadership of the Board, strategy, Board composition and Board competencies. Typically, the process is further facilitated by each Board member filling out a detailed questionnaire, and the Board members are asked to score to which extent they agree with the individual questions.

The results of the questionnaire are then discussed at a subsequent Board meeting, and the individual comments submitted are used in the planning and handling of future Board meetings.

1.6 Remuneration Policy and Remuneration Report

The remuneration of the Board and the Executive Management is governed by the Remuneration Policy approved by the General Meeting in 2024.

In accordance with section 139 b in the Danish Companies Act, Pharma Equity Group has prepared a Report on the remuneration of the individual members of the Board and Executive Management in 2024.

Link to Remuneration Policy: https://pharmaequitygroup.com/remuneration-policy/

Link to Remuneration Report: https://pharmaequitygroup.com/remuneration-policy/

1.7 Business Ethics and Data Ethics Policy

Pharma Equity Group focuses on Business Ethics. Accordingly, to ensure corporate oversight of the Company's global business ethics compliance risks, the Company has adopted a Code of Conduct and a Data Ethics Policy. The Code of Conduct and Data Ethics Policy is available to external stakeholders via our website and employees will in 2025 be trained in the Company's Code of Conduct.
Pharma Equity Group's approach to data ethics is defined pursuant to section 99 d of the Danish Financial Statements Act.

Link to Code of Conduct: https://pharmaequitygroup.com/our-code-of-conduct-guidelines/

Link to Data Ethics Policy: https://pharmaequitygroup.com/data-ethics-policy-2/

Corporate Social Responsibility

2. Corporate social responsibility

As a company deeply committed to corporate social responsibility, we prioritize actions that reflect our dedication to the broader economic, societal, and environmental interests. At the heart of our operations are our patients, who constitute our DNA and our primary stakeholders.

Our innovative repositioning strategy focuses on converting existing medications into locally administered drugs, enhancing the targeted delivery, safety, and efficacy beyond what is currently available as standard care. This approach not only addresses specific healthcare needs more effectively but also aligns with our long-term vision of creating economic value for our primary stakeholders while fostering a sustainable and health-centric future.

Our commitment to corporate social responsibility (CSR) is embedded in our mission to develop effective new medicines for the local treatment of serious, acute, and chronic inflammatory diseases that have significant consequences for patients and society and for which there is currently no optimal treatment. Our mission is inspired by patients and the opportunity to address their unmet medical needs.

Pharma Equity Group has a small internal organization but is still committed to doing everything we can to ensure that our efforts benefit our direct stakeholders (patients, shareholders, business partners, and colleagues) as well as society. Due to the small organization, no definite policy has been formulated in the CSR area. PEG focus on areas most relevant to cover business:

- Quality in relation to research, development, and product supply activities - We adhere to the highest standards of quality by always following international development and safety guidelines and do comprehensive risk assessments in all our research, development, and product supply efforts."
- Putting patients first - Our main priority in drug developments is product quality. This prioritization promotes patient safety and efficacy, meeting their needs with no compromise.
- Creating strong business partnerships – Our business partnerships have been there since the foundation.
- Environmental conditions, including the company's work to reduce climate impacts from the company's activities – We actively work to minimize our environmental footprint and reduce climate impact in all our operations. This commitment is especially evident in the assessment process of new potential vendors, where we rigorously inquire about their environmental footprint to ensure alignment with our sustainability goals.
- Working environment, employee well-being, and diversity –Our goal is to cultivate a welcoming culture where diversity is celebrated, and every employee is satisfied and feels valued.
- Respect for human rights - We uphold the highest standards of human rights in every aspect of our operations, ensuring fairness, personal data protection and equity. Pharma Equity Group has a small internal organization but is still committed to doing everything we can to ensure that our efforts benefit our direct stakeholders (patients, shareholders, business partners, and colleagues) as well as society. Due to the small internal organization, no definite policy has been formulated in the CSR area. In relation to CSR, Pharma Equity Group focuses on areas most relevant to our core business:
- Anti-corruption and bribery - We strictly enforce policies against corruption and bribery to maintain integrity and trust in all our dealings.
- Business ethics – Our business ethics guide us to conduct our activities with honesty, integrity, and transparency for all stakeholders.

At this stage, the Group is focused on ensuring progress for its product candidates and ensure that revenue generating activities expectedly can start from 2025. Hence, up to now the Board of Directors have defined policies as listed above, but as a matter of prioritization, the policies have not yet been translated into direct actions, and as a result it is currently too early to report on what results have been achieved to date.

Considering the character of the Group's current activities, the risks relating to environment and climate, human rights, anti-corruption are also assessed to be insignificant as of today, and hence risk of any negative impact arising from these topics is considered remote in the current situation.

For a more general description of the Group's risk management assessment and risk management activities, reference is made to the separate description in the "Risk management" paragraph of the Management's review.

We work to create a better life for patients and are proud to be working with the Colitis – Crohn Foreningen (CCF), which is a part of our CSR.

Risk Management

3. Risk Management

The Company's policy is to identify and mitigate risks deriving from the Company's operations and to establish appropriate level of internal controls and reporting processes, and to establish sufficient insurance coverage where possible and as deemed necessary in the circumstances.

The Board of Directors is responsible for the risk management strategy and the overall risk management framework and policies. The Board, advised by the Audit Committee as appropriate, manages risks and reviews the effectiveness of the risk management and internal control and financial reporting systems and processes. Management believes that all significant elements of risk have been identified and addressed.

At least once a year, the Audit Committee evaluates the risks connected with the financial reporting process, including the presence of internal controls, policies and guidelines. The Committee assesses the Group's organizational structure, including the risk of fraud and the measures to be taken to reduce and/or eliminate such risks. In that regard, any incentive or motive from the Executive Management to manipulate earnings or perform any other fraudulent action is discussed.

The Group's internal controls and guidelines provide a reasonable but not absolute certainty that unlawful use of assets, loss and/or significant errors or deficiencies in relation to the financial reporting process can be avoided. The Board of Directors has decided not to institute an internal audit function at Pharma Equity Group, based on its assessment that the Company's size and complexity does not necessitate such a function.

Pharma Equity Group is considering the establishment of a whistleblower scheme, which gives employees and other stakeholders the opportunity to report serious wrongdoing or suspicions thereof in an appropriate and confidential manner, and with a secure procedure for handling any whistleblower cases.

Pharma Equity Group's value chain consists primarily of IP-rights and research and development. By the nature of our business, we are exposed to a variety of risks along the value chain.

Pharma Equity Group has a thorough risk management and mitigation process, whereby Pharma Equity Group is managing the risks through risk identification, risk monitoring and risk mitigation. The Audit Committee, which includes Finance and Risk areas, will own and overseas the risk management process and will closely monitor the risks on a quarterly basis, including selected deep dives on specific risks. The Board of Directors will receive regular risk updates from The Audit Committee which will be taken into consideration in the Board's overall decisions about the company strategy.

The formal process ensures both bottom-up and top-down identification and handling of risks. In this process key risks are first identified through a bottom-up process including description of the risks and mitigating actions taken to reduce either the likelihood of occurrence or the potential impact. Residual risk after agreed mitigating actions is further mitigated by insurance where this is relevant and possible. All risks will have assigned risk owners, normally at the Executive level, and assigned risk-responsible employees who monitor and mitigate the risks closely.

The table below summarizes some of the key risks that are important to Pharma Equity Group's business, including examples of mitigating actions.

Risk Management

Risk Area	Risks	Mitigating Actions
Risks relating to the business and industries in which Pharma Equity Group and its subsidiary company Reponex operate	Risks related to clinical trials if results from the early clinical trials are not repeated in more extensive clinical trials, if Reponex' current and future clinical trials will not prove a risk benefit ratio or sufficient clinical benefit for Reponex Pharmaceuticals to be able to subsequently sell its products to partners or customers or obtain regulatory approvals or if, clinical trial results may prove inadequate to draw any conclusions and may have to be repeated.	When preparing a more extensive clinical trials Reponex Implement a meticulously designed clinical trial strategy that accounts for potential variations in patient populations, ensuring robustness and reliability of results also in relation to previously obtained data. Exhaustive literature search and key opinion leaders are the foundation for designing clinical trials which build on top of previous data and to ensure more knowledge of safety and efficacy in relation to regulatory demands, which adds value to the products. Another important step is early engagement with regulatory authorities to foster early and ongoing communication with regulatory bodies to align on trial endpoints, methodologies, and expectations. This step also Minimizes regulatory surprises and ensures that trial designs align with the evolving regulatory landscape. Lastly, in some cases (if needed) comprehensive preclinical assessments will be conducted to add additional knowledge of the data from early clinical trials to ensure that the mode of action and proof of concept of products is even better understood and causing the wanted output. This step adds more understanding of project to minimize risk related to setup of more extensive clinical trials and add additional value to the product.
Risks relating to the business and industries in which Pharma Equity Group and its subsidiary company Reponex operate	Risks related to increased development costs as a consequence of either delays or unsatisfactory results from clinical trials, which may lead to increased cash burn for Reponex and Pharma Equity Group compared to estimates.	Navigating the complexities of clinical trials is inherent in pharmaceutical development, and the associated financial risks demand meticulous attention. Evaluating the depth of financial planning underscores the company's proactive stance in anticipating and addressing potential cost escalations. Risk Factors such as delays or unsatisfactory results, are integrated into the financial projections to ensure the company are foresight and prepared for contingencies. In the event of trial delays, it is important for Reponex to have an adaptive financial strategy dealing with contingencies. Firstly, a planned budget for clinical trial can include and financial overhead, creating a financial room for contingencies. Secondly, the deal with the clinical sites/CRO can have a payment structure based on the number of patients treated, which minimizes the cash burn if any delays pauses the treatment of patients. As the design of the upcoming clinical trials is a blinded placebo controlled data won't be available after all patients have been treated and data have been interpreted. To minimize risks of unsatisfactory data, the development of the protocol more specifically defining clinical outcome measures is very important, which is done in collaboration with authorities and key opinion leaders. This gives Reponex the best foundation for collecting data, which reflects the safety and efficacy of the products. In case of unsatisfactory results Reponex have done scenario planning, with clear defined operational tasks to understand the unsatisfactory data and why it had happened together with a strategic plan for the company to proceed on.

Risk Management

Risk Area	Risks	Mitigating Actions
Risks relating to the business and industries in which Pharma Equity Group and its subsidiary company Reponex operate	Repositioning Risks related to repositioning of established clinically proven active pharmaceutical ingredients if Reponex Pharmaceuticals never succeeds with any particular product candidate and as a result, never succeeds in creating a marketable product	The risk for Reponex to never succeed in creating a marketable product is not related to the repositioning strategy of the company. Reponex R&D and company strategy revolves around recombining, rerouting and repurpose already existing drugs and to proof they are efficacious and safe. The strategy minimizes early development steps, which shortens the need for time and finances compared to traditional drug development. Reponex Drug candidates will undergo clinical testing as traditional developed drugs. This elucidate that the risk of never succeeding in creating a marketable product is not related to the repositioning strategy, but the related to the safety, efficacy and usability of the product like all other development drugs in clinical testing. Reponex out licensing strategy also entails that prior to a phase 3 clinical trial a licensing partner have been identified to continue the clinical development of the product. Depending on the structure of the licensing agreement, Reponex have received payments and transferred the riske of getting market authorization to the licensing partner.
Risks relating to the business and industries in which Pharma Equity Group and its subsidiary company Reponex operate	Risks related to the projection of the addressable market and the commercial potential of the product candidates which may reduce their commercial value if Reponex Pharmaceuticals' projection of the addressable market and commercial potential for its product candidates are not accurate.	In the development phase it is important to Reponex to have close communication with potential stakeholders of their products this entails patients, physicians and market analytics. This frequent communication helps the company to monitor and adjust its market projections in response to evolving market dynamics, and incorporate mechanisms to ensure proactive adjustments. The use of External sources and their validation enhances confidence in the accuracy and reliability of market projections used and presented by Reponex.
Risks relating to the business and industries in which Pharma Equity Group and its subsidiary company Reponex operate	Risks related to the repayment of the Portinho S.A receivable, which if not paid in full or in time may force Pharma Equity Group to use a large part of the current cash and credit facilities available on the day-to-day operations of the Group and for settlement of existing creditors, including banks and other financial lenders, if other cash or financing resources are not available.	The Company's Board of Directors, which was elected in connection with the transition of the Company to a pharma-company, and Executive Management have, since the Reverse Take-over 28/3-2023 had a very close dialogue with the management of Portinho S.A. regarding the redemption of the Company's receivable from Portinho S.A. At the same time, the Company's Board of Directors and Executive Management have allocated considerable resources to identify which transactions from the previous management originally led to the establishment of the receivables as well as the rationale for the subsequent transactions of the former management that have affected the migration of the receivable. This work is still ongoing with, among other things, both Danish and Portuguese legal advice. The scope and assessment of the preliminary results of the investigation work has led to the conclusion that it is no longer the Company's assessment that the receivable will be repaid shortly.

Risk Management

Risk Area	Risks	Mitigating Actions
Risks relating to the financial position of Pharma Equity Group and Reponex Pharmaceuticals:	Risks related to financing needs and capital for Reponex Pharmaceuticals if delays in clinical trials or product development results in delayed revenues and increased costs, negatively affecting future expected cash flows.	Pharma Equity Group has not observed delays in the clinical programs in relation to the announced expectations in the prospectus of February 27, 2023, regarding revenue streams in 2025 and beyond. We have recogniced revenue streames in the outlook for 2025 in late Q3 and Q4
Risks relating to the financial position of Pharma Equity Group and Reponex Pharmaceuticals:	Risks related to the financial situation of Pharma Equity Group if the Portinho S.A receivable is not paid in full or on time.	On 15 April 2024, the company submitted a summons to the Maritime and Commercial Court against Portinho S.A. with a demand for immediate payment of the receivable of DKK 9.55 million. euros plus interest. There is also an arbitration case pending against Interpatium at the Arbitration Institute (DIA) in connection with the related sale of the shares in Portinho S.A.
Risks relating to the financial position of Pharma Equity Group and Reponex Pharmaceuticals:	Pharma Equity Group fails to raise capital in due time, if and when needed, it will limit the further product development.	As a result of the postponement of the payment by Portinho S.A., the Company has continued to take out loans that will continuously support the Company's working capital. The supply of loans is successive and progressing satisfactorily. At the same time, the company has significantly minimized many of the administrative costs in 2025, which means that the capital requirement for 2025 is significantly lower than it was in 2024

Shareholder information

Master data

Stock Exchange:	Nasdaq Copenhagen main stock exchange
ISIN Code:	DK0061155009
Symbol:	PEG
LEI Code:	2138008SUI4D917FKN20
CVR no	26791413
Share capital DKK	122,755,666
Denomination	DKK 0.1
No. of shares/votes	1,227,556,659
Negotiable	Yes
Voting restrictions	No

Pharma Equity Group shares and capitalization

On 31 December 2024, PEG has a nominal share capital of DKK 122,755.666 consisting of 1,227,556,659 shares of each DKK 0.10. On 31 December 2024, the share price was DKK 0.19 corresponding to a market value of DKK 233 million.

In connection with the transaction between PEG and Reponex, BDO state-authorized audit firm prepared a non-cash contribution report of Reponex Pharmaceuticals where BDO stated the value of Reponex to be at least DKK 1,500 million. Reference is made to our webpage under investors – prospectus and documentation.

PEG is followed by Danske Bank Equity Research DK, by HC Andersen Capital DK and by Analyst Group in Sweden. See the full analysis and valuations on the PEG website
https://pharmaequitygroup.com/stock-information/

Development in number of share and share capital in 2024

	Ordinary shares	Share capital
	1000 shares	TDKK
As per 01-01-2024	1,022,965	1,022,965
Share capital reduction transferred to special reserve	0	-920,668
Capital increase, pivate issue	204,592	20,459
Total numbers of shares and share capital as per 31-12-2024	**1,227,557**	**122,756**

Artides of Association have been updated accordingly to the above.

Shareholding structure

PEG´s shareholders are preliminary residents of Denmark. On 31 December 2024 the following shareholders held more than 5% of the share capital and votes:

- Finansmanagement ApS, Hørsholm (15.54% of votes and shares)
- DMZ Holding ApS, Hellerup (13.03% of votes and shares)
- Niels Erik Jespersen Holding ApS, Haarby (5.10% of votes and shares)

The rest of the shares are spread out on approximately 1,900 shareholders end of 2024.

Shareholder information

Board of Directors size and and election

According to Articles-of-Association article 11.1 the Board of Directors consists of 3 – 7 members that are elected for terms of one year.

Management shareholding and market value 31 December 2024

Name	*Number of shares 31.12.2024	Percentage of share capital	Value 31 December 2024 TDKK	*Number of shares 31.12.2023
Thomas Kaas Selsø, CEO, PEG	2,257,212	0.18%	429	1,822,474
Christian Vinding Thomsen, Chairman of the Board, PEG	3,373,417	0.27%	641	1,233,605
Omar S. Qandeel, Board Member,PEG	0	0.00%	0	0
Peter Vilmann, Board Member, PEG	0	0.00%	0	0
Lars Rosenkrantz Gundorph, Board Member, PEG	21,351,475	1.74%	4,057	21,351,475
Troels Peter Troelsen, Board Member, Reponex	26,064,970	2.12%	4,952	21,944,945
Charlotte Pahl, Board Member, Reponex	3,694,210	0.30%	702	3,694,210
Total Management shareholdings	**56,741,284**	**4.62%**	**10,781**	**50,046,709**

** Including shares held in entities controlled by them*

Management's total shareholdings 4.62%

Value of Management's total shareholdings 10,78 million DKK

As per 31 December 2024

Authorizations to the Board of Directors according to Articles of Association for PEG:

Until 27 April 2028 (AOA 4.1 A), the Board of Directors is authorized to increase the Company's share capital at one or more times by up to a nominal amount of DKK 50,000,000. The increase may be implemented by way of full cash contribution, by conversion of debt or by contribution of other assets than cash, including by way of contribution of an existing business. The capital must be increased with pre-emption rights for existing shareholders. The current authorization amount is DKK 50,000,000.

Until 31 August 2024 (AOA 4.1 B), the Board of Directors is authorized to increase the Company's share capital at one or more times by up to 50,000,000 shares of a nominal value of DKK 1 each. The increase may be implemented by way of full or partial cash contribution, by conversion of debt and/or by contribution of other assets than cash, including by way of contribution of an existing business. The capital must be increased without pre-emption rights for existing shareholders as it is a directed issue. In the case of contribution in cash or conversion of debt, the capital increase must as a minimum be made at the market price. By resolution of 4 October 2024, the Board of Directors has exercised the authorization to increase the Company's share capital by nominally DKK 20,459,277.60. Thereafter, nominally DKK 29,540,722.40 remains of the authorization.

Until 31 August 2025 (AOA 4.2), the Board of Directors is authorized to allow the Company to issue warrants at one or more times. The warrants must not grant the right to subscribe for shares in the Company of a nominal value exceeding DKK 5,000,000. The warrants must be issued without pre-emption rights for existing shareholders and on an arm's length basis; however, the Board of Directors is entitled to issue shares in the Company at a favourable price with respect to shares of a nominal value of DKK 500,000. The current authorization amount is DKK 50,000,000.

Until 31 August 2026 (AOA 4.3 A), the Board of Directors is authorised to allow the Company to raise loans at one or more times against bonds or other debt instruments granting the lender the right to convert its debt into shares in the Company (convertible loans). The convertible loans must not grant the right to subscribe for shares in the Company of a nominal value exceeding DKK 52,390,549.70. The convertible loans must be raised without pre-emption rights for the Company's existing shareholders and on an arm's length basis; however, the Board of Directors is entitled to issue shares in the Company at a favourable price with respect to shares of a nominal value of DKK 500,000. The current authorization amount is DKK 49,605,604.40; among this, a nominal value of DKK 415,000 may be issued at a favorable price.

The Board of Directors is authorised to lay down the specific terms and conditions for the capital increases under the above authorisations and to make any such amendments to the Company's articles of association as may be required as a result of the Board of Directors' exercise of the said authorisations. Any exercise of the authorisations set out in articles 4.1 to 4.3 requires unanimity among the members of the Board of Directors.

Please see the Company´s Articles of Association for the whole wording and utilized authorizations.

Management

Pharma Equity Group
Board of Directors and CEO on 20 March 2025





Name	Christian Vinding Thomsen	Omar S. Quandeel	Lars Rosenkrantz Gundorph	Peter Vilmann	Thomas Kaas Selsø
Position	Chairman	Board Member	Board member	Board member	CEO
Year of birth	1975	1961	1960	1952	1973
Nationality	Danish	Saudi Arabia	Danish	Danish	Danish
Gender	Male	Male	Male	Male	Male
First election	2023	2023	2023	2023	2023
Committee	Audit committee Chair, Nomination & Remuneration committee	Audit committee and Business, Research and Development committee	Audit committee and Nomination and Remuneration committee, Chair	Audit committee and Business, Research and Development committee, Chair	-
Independent	No	Yes	Yes	Yes	-
Special competencies	Legal compliance within Regulatory Life Science, Healthcare, M&A and Corporate Law, as well as experience with publicly traded companies.	Extensive international network, both clinically and in relation to potential strong strategic alliances and new investors, primarily the Middle East and Asia.	Risk management, Marketing	Special knowledge about the Company's drug candidates.	Management, Financing, accounting, M&A as well as experience with publicly traded companies.
Current positions	Chairman of the Board of KT Stålindustri A/S, Reponex Pharmaceuticals A/S, Winmed A/S, Wiab øWater Innovation AB, Untold Productions ApS and Black Sun ApS. Deputy Chairman at SoftOx Solutions AS and *The Complaints Body of the Danish Medical Devices Industry Ass. Board member of Repoceuticals A/S, Loeven Advokatpartner-selskab and AKI Therapeutics A/S	Chairman of the board of Nippo Trading Company ltd, United Arab Emirates, KONUX, Japan, Nippon Consultant Company L.L.C, United Arab Emirates Board member of Nihon AD Capital Investment, Japan, CEO of Summit Financial Services Ltd., Saudi Arabia	Chairman of the Board of North Pensionsagentur ApS. CEO of Gundorph Holding ApS, City-Hoteller Tyskland ApS	Board member of GEAbetes ApS and CEO of Speciallæge Vilmann ApS	CEO of Reponex Pharmaceuticals A/S, Ideal Finans Holding ApS and Ideal Finans ApS
PEG shares 31.12.2024	3,373,417	0	21,351,475	0	2,257,212

Management

Pharma Equity Group – Overview of meetings





Name	Christian Vinding Thomsen	Omar S. Quandeel	Lars Rosenkrantz Gundorph	Peter Vilmann	Thomas Kaas Selsø
Board	19/19	14/19	19/19	19/19	19/19
Audit Committee	3/3	1/3	2/3	3/3	3/3
Nomination & Remuneration committee	0/1	N/A	1/1	N/A	N/A
Business Research & Development committee	N/A	1/1	N/A	1/1	N/A

Statement of the Board of Directors and Executive Management

The Board of Directors and Executive Management have today considered and approved the Annual Report of Pharma Equity Group A/S for the financial year 1 January 2024 – 31 December 2024 for the Group and the Parent company.

The consolidated financial statements and parent company financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and parent company financial statements give a true and fair view of the Group's and the parent company's financial position as of 31 December 2024, and of the results of the Group's and the parent company's operations and cash flows for the financial year 1 January 2024 – 31 December 2024.

In our opinion, the Management review includes a fair review of the development of the Group's and the parent company's operations, financial and non-financial matters, the results for the year, and the Group's and the parent company's financial position, as well as a review of the principal risks and uncertainties to which the Group and the parent company are exposed.

In our opinion, the annual report with the file name PharmaEquityGroup-2024-12-31-en.zip is prepared in accordance with the ESEF Regulation.

We recommend that the Annual Report be approved at the Annual General Meeting.

Hørsholm, 20 March 2025

Executive Management

Thomas Kaas Selsø
Chief Executive Officer

Board of Directors

Christian Vinding Thomsen
Chairman

Omar S. Qandeel
Board member

Lars Rosenkrantz Gundorph
Board member

Peter Vilmann
Board member

Independent auditor's report

To the shareholders of Pharma Equity Group A/S

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PARENT COMPANY FINANCIAL STATEMENTS

Opinion

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Pharma Equity Group A/S for the financial year 1 January - 31 December 2024, which comprise income statement, total income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including material accounting policy information for both the Group and the Parent Company. The Consolidated Financial Statements and the Parent Company Financial Statements are prepared in accordance with the IFRS Accounting Standards as adopted by the EU and additional disclosure requirements in the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2024, and of the results of the Group and Parent Company operations and cash flows for the financial year 1 January - 31 December 2024 in accordance with the IFRS Accounting Standards as adopted by the EU and additional disclosure requirements in the Danish Financial Statements Act.

Our opinion is consistent with our extract from audit book to the audit committee and the board of directors.

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 Consolidated Financial Statements and the Parent Company Financial Statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements 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.

To the best of our belief we have not performed any prohibited non-audit services, as stated in article 5, subarticle 1, in regulation (EU) no. 537/2014.

We were first appointed auditor of Pharma Equity Group A/S on 10 February 2023 for the financial year 2022. We were reappointed annually by a resolution of a general meeting for a total continuous period of 3 years until and including the financial year 2024.

Independent auditor's report

To the shareholders of Pharma Equity Group A/S

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements for the financial year 2024. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our auditor's opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matter
Capital resources In 2024, the group has not received payment from Portinho S.A as further explained in note 2.1 to the consolidated financial statements. We have identified the sufficiency of the Group's capital resources as a key audit matter. This is because management, in its outlook for 2025, estimates a revenue of DKK 11 million, which, according to note 20, is not expected to be received in 2025. Hence, it is essential for the Group and the parent company to prepare the consolidated and parent company financial statements on a going-concern basis, ensuring that sufficient funding is in place for a period of at least until 31 December 2025 Reference is made to notes 2.1, 16 and 20 to the consolidated financial statements.	Our procedures in relation to the assessment of the fair value of the Portinho S.A receivable included: • Reviewing and challenging the key assumptions in management's forecasted cash flows for 2025; • Compared the cash flow forecasts against the budget approved by the board of directors of the Company; • Agreeing the Group's debt facilities to supporting documents with focus on the agreements entered that maturity date can be deferred if no payment will be received from Portinho S.A in 2025; • Agreed convertible loans and convertible bonds to underlying documentation; • Agreed the unused Credit facilities; • Challenging management's plans for mitigating any identified exposures, including whether such mitigating actions appear realistic and achievable; • Assessing the appropriateness of the disclosures included in notes 2.1, 17 and 20 to the consolidated financial statements.
Portinho S.A receivable In past years, it was agreed that the Portinho S.A receivable matured on 1 July 2023. The Company did not receive any payment by the due date and still no payments have been received until the date of this auditor's report. The principal of the receivable and accrued interest in total amount to DKK 85.6 million. In the past years, the receivable has been measured at a discounted value as an approximation of fair value, in the stand-alone parent company financial statements. As stated in notes 2.1 and 12 to the consolidated financial statements. Management is confident that the receivable in time will be recovered. However, it may take longer time than originally agreed and anticipated before the receivable will be recovered. Hence, Management has reassessed the fair value of the receivable to reflect the realistic timeline before the receivable is recovered. On this basis, the net realization value has been determined to DKK 58 million. Due to the uncertainty as to whether Management's assessment of the recoverability and the timing of when this realistically will take place, and the complexity of determining a et realization value under these circumstances, we consider the measurement of the Portinho S.A receivable to be a key audit matter.	Our procedures in relation to the assessment of the et realization value of the Portinho S.A receivable indcluded: • Reviewing Management's documentation of its dialogue with representatives of Portinho S.A including confirmation of outstanding amount and accrued interest as of 31 December 2024; • Reviewing and challenging Management's documentation and support for its assessment that the Portinho S.A receivable in time will be recovered; • Testing and evaluating the appropriateness of the model used to determine fair value of the receivable including challenging the reasonableness of the key assumptions such as timing of when the receivable realistically is expected to be recovered and testing and challenging the discount rate used to calculate the fair value; • Assessing the appropriateness of the disclosures included in notes 2.1 and 14 to the consolidated financial statements and note 2 in the parent company financial statements
Parent company financial statements: Impairment assessment of investment in Reponex Pharmaceuticals A/S On 24 March 2023, Pharma Equity Group A/S acquired the entire share capital in Reponex Pharmaceuticals A/S by issuing 977,347,625 shares of DKK 1 each in a rights issue to the shareholders of Reponex Pharmaceuticals A/S. In the parent company financial statements, the investment is measured at cost. If recoverable amount is lower than cost, the investment should be written down to the lower recoverable amount. For accounting purposes, the purchase price for the investment in Reponex Pharmaceuticals A/S is based on the market price for the Pharma Equity Group A/S shares issued to the shareholders of Reponex Pharmaceuticals A/S, which had its first day of trading on 28 March 2023 whereby the cost was determined to equal DKK 689m. At 31 December 2024, the share price for Pharma Equity Group A/S is lower than the share price at 28 March 2023, which implies that the value of the investment in Reponex Pharmaceuticals A/S could be impaired. As described in note 2 to the parent company financial statements, Management has performed an impairment test, which shows that the recoverable amount is higher than the carrying value based on the cost determined at 28 March 2023. We identified the annual impairment test was significant to our audit because the investment in Reponex Pharmaceuticals A/S in the parent company financial statements as a key audit matter due to the significance of the investment in the parent company financial statements and the complexity and subjective nature of Management's determination of the recoverable amount.	Our procedures in relation to the assessment of the recoverable amount of the investment in Reponex Pharmaceuticals A/S included: • Reviewing Management's documentation for its assessment of its investment in Reponex Pharmaceuticals, including progress of the development of the underlying product candidates; • Evaluate the appropriateness of the Impairment test based on the rNPV-model ("risk adjusted net present value") used by management to calculate the recoverable amount for Reponex Pharmaceutical A/S; • Assess and challenge the reasonableness of the key assumptions such as likelihood that partnership agreements will be entered, royalty rates, market size and market shares, timeline and discount rates; • Reviewing and comparing external valuations of Pharma Equity Group A/S – and thereby indirectly valuations of Reponex Pharmaceuticals A/S – with the valuations prepared by Management; • Assessing the appropriateness of the disclosures included in note 2 of the parent company financial statements

Independent auditor's report

To the shareholders of Pharma Equity Group A/S

Statement on Management Commentary

Management is responsible for Management Commentary.

Our opinion on the Consolidated Financial Statements and the Parent Company Financial Statements does not cover Management Commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements and the Parent Company Financial Statements, our responsibility is to read Management Commentary and, in doing so, consider whether Management Commentary is materially inconsistent with the Consolidated Financial Statements or the Parent Company 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 Commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management Commentary is in accordance with the Consolidated Financial Statements and the Parent Company 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 Commentary.

Management's Responsibilities for the Consolidated Financial Statements and the Parent Company Financial Statements

Management is responsible for the preparation of Consolidated Financial Statements and Parent Company Financial Statements that give a true and fair view in accordance with the IFRS Accounting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of Consolidated Financial Statements and Parent Company Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements and the Parent Company Financial Statements, Management is responsible for assessing the Group's and the Parent 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 Consolidated Financial Statements and the Parent Company Financial Statements unless Management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements and the Parent CompanyFinancial 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 Consolidated Financial Statements and Parent Company 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial State-ments and the Parent Company Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is suf-ficient 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 inter-nal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit pro-cedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of account-ing estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of account-ing in preparing the Consolidated Financial Statements and the Parent Company 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 Group's and the Parent 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 Consolidated Financial Statements and the Parent Company Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the au-dit evidence obtained up to the date of our auditor's report. However, future events or condi-tions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Consolidated Financial State-ments and the Parent Company Financial Statements, including the disclosures, and whether the Consolidated Financial Statements and the Parent Company Financial Statements repre-sent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for form-ing an opinion on the group Financial Statements and the Parent Company Financial State-ments. We are responsible for the direction, supervision and review of the audit work per-formed for purposes of the group audit. We remain solely responsible for our audit opinion.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate them all relationships and other matters that may reasonably thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements and the Parent Company Financial Statements of the current period and are therefore the keyaudit matters. We describe these matters in our Independent Auditor's Report unless law or regulation precludes public disclosure about the mater or when, in extremely rare circumstances, we determine that a matter should not be communicated in our Independent Auditor's Report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of suchcommuni-cation.

Independent auditor's report

To the shareholders of Pharma Equity Group A/S

REPORT ON COMPLIANCE WITH THE ESEF REGULATION

As part of our audit of the Consolidated Financial Statements and Parent Company Financial Statements of Pharma Equity Group A/S we performed procedures to express an opinion on whether the annual report of Pharma Equity Group A/S for the financial year 1 January to 31 December 2024 with the file name PharmaEquityGroup-2024-12-31-en.ZIP is prepared, in all material respects, in compliance with the Commission Dele-gated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the Consolidated Financial Statements.

Management is responsible for preparing an annual report that complies with the ESEF Regulation. This responsibility includes:

- The preparing of the annual report in XHTML format;
- The selection and application of appropriate iXBRL tags, including extensions to the ESEF tax-onomy and the anchoring thereof to elements in the taxonomy, for financial information re-quired to be tagged using judgement where necessary;
- Ensuring consistency between iXBRL tagged data and the Consolidated Financial Statements presented in human readable format; and
- For such internal control as Management determines necessary to enable the preparation of an annual report that is compliant with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance on whether the annual report is prepared, in all material respects, in compliance with the ESEF Regulation based on the evidence we have obtained, and to issue a report that includes our opinion. The nature, timing and extent of procedures selected depend on the auditor's judgement, including the assessment of the risks of material departures from the requirements set out in the ESEF Regulation, whether due to fraud or error.

The procedures include:

- Testing whether the annual report is prepared in XHTML format;
- Obtaining an understanding of the company's iXBRL tagging process and of internal control over the tagging process;
- Evaluating the completeness of the iXBRL tagging of the Consolidated Financial Statements in-cluding notes;
- Evaluating the appropriateness of the company's use of iXBRL elements selected from the ESEF taxonomy and the creation of extension elements where no suitable element in the ESEF taxonomy has been identified;
- Evaluating the use of anchoring of extension elements to elements in the ESEF taxonomy; and
- Reconciling the iXBRL tagged data with the audited Consolidated Financial Statements.

In our opinion, the annual report of Pharma Equity Group A/S for the financial year 1 January to 31 December 2024 with the file name PharmaEquityGroup-2024-12-31-en.ZIP is prepared, in all material respects, in compliance with the ESEF Regulation.

København, 20 March 2025

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Mikkel Mauritzen
State Authorised Public Accountant
MNE no. mne46621

Consolidated Financial Statements

Consolidated statement of comprehensive income

Note		PEG Group 2024 TDKK	PEG Group* 2023 TDKK
4	**Revenue**	**0**	**0**
	Production costs	0	0
	Gross profit	**0**	**0**
5	Research and development costs	-9,002	-8,820
	Administrative costs	-12,285	-11,809
	Profit/loss before interrst and tax (EBIT)	**-21,287**	**-20,629**
12	Allowance Portinho receivable	0	-4,403
6	Financial income	14	14
7	Financial expenses	-4,964	-1,562
	Profit/loss before tax	**-26,237**	**-26,579**
8	Tax on profit/loss for the year	1,815	2,233
	Net profit/loss for the year	**-24,422**	**-24,347**
	Other comprehensive income/loss	0	0
	Total comprehensive income/loss	**-24,422**	**-24,347**
9	Earnings per share (EPS basic), DKK	-0.02	-0.02
9	**Diluted earnings per share (EPS-D), DKK**	**-0.02**	**-0.02**

*PEG Group consolidated comprehensive income for 2023 consists of Reponex for whole 2023 and PEG for the period 24 March 2023 - 31 December 2023.

Consolidated Financial Statements

Consolidated statement of financial position

Note	ASSETS	PEG Group 31-12-2024 TDKK	PEG Group 31-12-2023 TDKK
	Non-current assets		
10	Tangible assets	37	55
10	Right-of-use assets	234	452
	Total non-current assets	271	506
	Current assets		
12	Receivable Portinho S.A.	58,000	58,000
13	Other receivables	472	2,344
13	Prepaid expenses	813	423
8	Current tax receivable	1,815	2,233
14	Cash and cash equivalents	4,234	4,231
	Total current assets	65,335	67,231
	Total assets	65,606	67,737

Note	EQUITY AND LIABILITIES	PEG Group 31-12-2024 TDKK	PEG Group 31-12-2023 TDKK
15	Share capital	122,756	1,022,964
	Other reserves	-73,881	-997,631
	Total equity	**48,875**	**25,333**
16+17	Subordinated convertible debt	8,100	7,838
10	Lease liabilities	0	234
	Total long-term liabilities	**8,100**	**8,072**
	Trade payables	4,085	10,202
17	Bank debt	1,192	4,085
17	Financial loans	1,519	17,847
17	Lease liabilities	234	217
	Other liabilities	1,599	1,981
	Total current liabilities	**8,631**	**34,332**
	Total liabilities	**16,731**	**42,404**
	Total equity and liabilities	**65,606**	**67,737**

Consolidated Financial Statements

Consolidated statement of changes in equity

Statement of changes in equity 01-01-2023 – 31-12-2023	Share capital	Share premium account	Reserve for capital reduction	Other reserves	Total equity
Equity as at 31-12-2022	**830**	**0**	**0**	**18,081**	**18,911**
Correction of errors	0	0	0	-13,861	-13,861
Equity Reponex as at 01-01-2023	830	0	0	4,220	5,050
Net profit/loss	0	0	0	-24,347	-24,347
	0	0	0	**-24,347**	**-24,347**
Capital increase from warrants exercised	20	12,684	0	0	12,704
Costs related to warrants exercised	0	-512	0	0	-512
Transfer of share premium	0	-12,172	0	12,172	0
Reversal of share capital Reponex 24-03-2023	-850	0	0	850	0
PEG Group, Equity 24-03-2023 (see note 5)	45,616	0	0	-10,948	34,668
Shares issued to Reponex shareholders 24-03-2023	977,348	0	0	-977,348	0
Costs related to issue of shares to Reponex shareholders	0	0	0	-2,231	-2,231
Dividends	0	0	0	0	0
Transactions with owners	**1,022,134**	**0**	**0**	**-977,505**	**44,630**
Equity PEG Group as at 31-12-2023	1,022,964	0	0	-997,631	25,333

Statement of changes in equity 01-01-2024 - 31-12-2024					
Equity PEG Group as at 01-01-2024	1,022,964	0	0	-997,631	25,333
Net profit/loss	0	0	0	-24,422	-24,422
	0	**0**	**0**	**-24,422**	**-24,422**
Capital increase from private issue	20,459	30,689	0	0	51,148
Costs related to capital increase	0	-3,184	0	0	-3,184
Share capital reduction transferred to special reserve	-920,667	0	920,667	0	0
Transfer of share premium to other reserves	0	-27,504	0	27,504	0
Transfer of special reserve to other reserves	0	0	-920,667	920,667	0
Dividends	0	0	0	0	0
Transactions with owners	**-900,208**	**0**	**0**	**948,172**	**47,964**
Equity PEG Group as at 31-12-2024	**122,756**	**0**	**0**	**-73,881**	**48,875**

Consolidated Financial Statements

Consolidated cash flow statement

	PEG Group 2024 TDKK	PEG Group* 2023 TDKK (restated)
Profit/loss before tax	-26,237	-26,579
Adjustment of non-cash transactions:		
Depreciation, amortisation and impairment losses	235	218
Allowance relating to Portinho S.A	0	4,403
Financial income	-14	(14)
Financial expenses	4,964	1,517
Change in working capital:		
Receivables	1,872	-1,358
Trade payables	-1,092	2,021
Prepaid expenses	-390	1,164
Other liabilities	-382	1,564
Net cash used in operating activities before net financials	**-21,043**	**-17,065**
Financial income received	14	14
Financial expenses paid	-4,065	-1,428
Corporate tax refund	2,233	1,855
Net cash used in operating activities	**-22,861**	**-16,624**
Purchase of tangible assets	0	-73
Net cash used in investing activities	**0**	**-73**
Lease instalments	-245	-200
Repayment bank loans	-2,893	-3,326
Financial loans, obtained	13,099	5,248
Financial loans, repaid	-29,426	-1,000
Subordinated convertible loan, obtained	11,015	8,000
Subordinated convertible loan, repaid	-11,624	0
Share issues costs paid	-8,210	-3,854
Proceeds from capital increase, Private issue	51,148	12,192
Net cash received from financing activities	**22,864**	**17,060**
Total cash flows for the year	**3**	**363**
Cash and cash equivalents PEG upon transaction date	0	1,038
Cash and cash equivalents beginning of year	4,231	2,830
Cash equivalents end of year	**4,234**	**4,231**
Cash and cash equivalents, end of year, comprise:		
Cash and cash equivalents	4,234	4,231
Total	**4,234**	**4,231**

*PEG Group consolidated cash flow statement for 2023 consists of Reponex for whole 2023 and PEG for the period 24 March 2023 - 31 December 2023.

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1. Accounting policies

1.1 Basis of preparation

The consolidated report for the year 1 January –31 December 2024 ("2024") has been prepared in accordance with IFRS Accounting Standards ("IFRS"), as adopted by the EU, IFRIC interpretations and with those parts of the Danish Financial Statements Act applicable to listed companies.

IFRS is subject to amendments and interpretations by the IASB and the IFRS Interpretations Committee, and there is an on-going process of review and endorsement by the European Commission. The consolidated report for 2024 complies with each IFRS that is mandatory for accounting periods ending on 31 December 2024.

The consolidated report has been prepared on going concern basis and has been prepared under the historical cost convention.

The accounting policies are unchanged from last year except for changes due to implementation of new and revised standards that were effective January 1, 2024.
The principal accounting policies are set out below.

Accounting for Reponex transaction:

On 24 March 2023, Pharma Equity Group A/S ("PEG") acquired the entire share capital in Reponex Pharmaceuticals ("Reponex") in exchange for shares in PEG and whereby the shareholders of Reponex have become the majority owner of PEG. The acquisition of Reponex means that PEG from 24 March 2023 is required to publish consolidated financial statements. In the past, PEG's financial reporting has been on a stand-alone basis.

With the Reponex shareholders becoming the majority owners of PEG, Reponex has been identified as accounting acquirer for the purposes of the consolidated financial statements. Hence, the consolidated report reflects the assets, liabilities, operations and cash flows of Reponex for the entire 2023, including reported comparative figures, whereas the assets, liabilities, operations and cash flows of PEG are reflected in the consolidated report from 24 March 2023 where the transaction was completed. Hence, this is an important change compared to the past.
For the reporting of historical financial figures for PEG, these are reported as comparative figures in the parent financial statements.

Reference is made to note 2.1 in the 2023 consolidated report.

Prior year adjustment due to significant errors:

Through a review of the 2023 financial statements, and subsequent questioning by the Erhvervsstyrelsen (Danish Business Authority), the company has been inadequately able to explain certain accounting or reporting decisions and disclosures made and therefore has had to restate the 2023 financial statements.

The previous management capitalized development costs related to its project and patents. It is the current management opinion that these costs did not meet the criteria's set by IAS 38.

The error has been incorporated into the annual report retrospectively, ensuring that comparative figures have been adjusted accordingly.

The error has been incorporated into the annual report, resulting in the balance sheet item "Development Projects" being reduced from TDKK 13,589 to TDKK 0, with a corresponding reduction in opening equity.

The change has no impact on the financial results for the years 2023 and 2024, nor does it affect the calculated taxes.

The impact of the significant error has been recognized directly in equity at the beginning of the period under the line "correction of errors," and comparative figures have been adjusted.

Effect of correcting significant error	**2023**	
	Amounts corrected TDKK	**Amounts with significant error TDKK**
Consolidated income statement:		
Research and development costs	-8,820	-9,082
Operating profit/loss (EBIT)	-26,579	-26,841
Tax on profit/loss for the year	2,233	2,233
Net profit/loss for the year	-24,347	-24,609
Total comprehensive income/loss	-24,347	-24,609
Consolidated Statement of financial position:		
Intangible assets	0	13,598
Total equity	25,333	38,931
Total balance sheet	67,737	81,335

1.2 Foreign currency translation

Functional and presentation currency

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

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. 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 recognized in the income statement.

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 balance sheet date.

1.3 Revenue and segments

The Group has not yet engaged in revenue generating activities and hence no revenue is recognized in the financial statements.

Currently, Management regard the Group to operate in one segment, and hence no segment disclosures are provided.

1.4 Research and development costs

Research and development costs primarily comprise internal and external costs related to development activity. The costs include external consultants, employee costs, materials and registration work regarding patents. All development costs have been expensed.

1.5 Administrative costs

Administrative costs comprise costs incurred during the year concerning management and corporate costs,including costs concerning administrative staff, the executive board, stock exchange costs, investor relations and IT etc.

1.6 Net financials

Net financials comprise interest, currency gains/losses, amortization of financial assets and liabilities, additions and reimbursements under the Danish tax repayment scheme, etc. Financial income and expenses are recognized in the income statement with the amounts that relate to the respective financial years. Fair value changes relating to the Portinho S.A receivable is due to the financial nature of the receivable also included in Net financials.

1.7 Share based employee remuneration

In the past, Reponex has issued equity-settled share-based remuneration plans for its employees and members of the board of directors. The last plan was settled in February 2023 with an equity inflow of DKK 12.7m in Reponex. As per 31.12 2024 there are no ongoing share-based remuneration plans.

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1.8 Intangible assets

Developments and patents costs

Patents and development costs are expenses as incurred as the development projects do not meet the criteria's set by IAS 38 due to insecurity of authority's approvals and other insecurities.

1.9 Tangible assets

Tangible fixed assets are measured at cost less accumulated depreciation and any write-down 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, depreciation is discontinued.

If the depreciation period or the residual value is changed, the effect on deprecation will, in future, be recognized 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 an asset is divided into separate components when relevant. These components are depreciated separately, the useful lives of each individual component differing, and the individual component representing a material part of the total cost.

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

Equipment:	
Useful life:	3-5 years
Residual value:	0%

Gain or loss derived from the disposal of tangible fixed is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Gain or loss is recognized in the income statement as other operating income or other operating expenses.

1.10 Leased assets and leasing liabilities

The Group assesses whether a contract is or contains a lease at inception of the contract. The Group 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 are 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 any 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 Group's corresponding assets such as equipment. In addition, right-of-use assets are periodically reduced by impairment losses, if any.

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 Group's incremental borrowing rate.

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

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

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 the 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.

1.11 Financial instruments

Recognition, initial measurement and de-recognition

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of a 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 measurements of financial assets and financial liabilities are described below.

Financial assets are derecognized 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 derecognized 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 (currently not relevant) are classified into the following categories upon initial recognition:

1) loans and receivables (amortized costs)

2) financial assets at fair value through profit or loss (FVTPL) - currently not relevant

3) held-to-maturity (HTM) investments - currently not relevant.

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 recognized in profit or loss are presented within finance costs, finance income or other financial items.

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 amortized cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Reference is made to note 2.1 and 12 in relation to the measurement of the Portinho receivable following that reverse take-over accounting has been applied for the PEG/Reponex transaction.

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1.12 Income taxes

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized 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, including any expected tax refund under the tax credit system for development activities. As described in note 8, current tax in 2023 and 2024 only relates to recognition of tax credit from the Group's development activities.

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 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 realization, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax assets are recognized to the extent that it is probable that they will be able to be utilized against future taxable income, based on the Group`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 the right and intention to set off current tax assets and liabilities from the same taxation authority.

As further described in note 8, no deferred tax assets have been recognized at 31.12.2024 and 31.12.2023.

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

1.13 Cash and cash equivalents

Cash and cash equivalents comprise on demand bank deposits.

1.14 Equity, reserves and dividend payments

Share capital represents the nominal value of shares that have been issued and fully paid in.

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. As allowed under Danish corporate laws, share premium is presented as part of retained earnings, since share premium is a available for dividend distribution and can be used to cover negative free reserves.

Retained earnings include all current and prior period retained profits and losses and share-based employee remuneration as well as transfers of share premium.

All transactions with owners are recognized separately within equity.

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

2 Significant accounting estimates and judgements

For 2024, Management has especially applied significant accounting estimates and judgements as follows:

2.1 Measurement of Portinho SA receivable

As announced in company announcements no. 39 from 25 September 2023, no. 46 from 28 November 2023 and no. 7 from 20 March 2024, the payment from Portinho S.A. has been postponed from its original due date, which was 1 July 2023. On 15 April 2024, the Company filed a summon with the Maritime and Commercial High Court against Portinho S.A. to claim immediate payment of the receivable of EUR 9.55m plus interest. The Company's Portuguese lawyer, in cooperation with the Company's Danish lawyer, has also initiated various preliminary and protective legal actions and investigations in Portugal in relation to securing payment of the receivable.

The Company has initiated arbitration proceedings against Interpatium before the Danish Institute of Arbitration (DIA) in relation to the related sale of the shares in Portinho.

Management has assessed that the valuation of DKK 58 million recognized at 31 December 2023 be retained at 31 December 2024. Reference is made to note 12 for further information.

Portinho receivable as a financial resource

The receivable represents a significant expected financial resource to the Group, and hence Management has also made assessments of the consequences if the receivable is not paid in 2025. Referring to note 20 the Group has sufficient financial resources available to execute on its plans for the foreseeable future and settle those financial obligations which fall due in 2025 even without receiving any payment from Portinho S.A in 2025.

2.2 Accounting for development costs

The Group is engaged in development activities relating to various product candidates and as such, for financial reporting purposes, the Group makes estimates as to whether the development costs meet the requirements for capitalization, or whether the costs incurred should be expensed as incurred. With reference to note 1 "Prior year adjustment due to significant errors" it is the current management opinion that these costs do not meet the criteria's set by IAS 38 and the costs are expensed.

2.3 Accounting for PEG/Reponex transaction

On 24 March 2023, PEG completed the acquisition of the entire share capital and votes rights in Reponex in exchange for shares in PEG, and whereby the shareholders of Reponex became the owners of approx. 95% of the share capital of PEG.

As consideration for the acquisition, PEG issued 977,347,625 new PEG shares of DKK 1 each. For legal purposes, the transaction price for Reponex was agreed to DKK 1.5 billion. For accounting purposes, the transaction price is based on the market price for the issued shares on the first day of listing on 28 March 2023, as this is considered to approximate and to be the best estimate of the market price for the shares when these were legally issued on 24 March 2023.

Under the provisions and requirements of IFRS, Reponex has been identified as the accounting acquirer. Reference is made to note 5 in the annual report for 2023.

2.4 New IFRS standards applicable to the Company

The Company has implemented the standards and amendments that are effective for the financial year 2024. The new standards and amendments have not affected the Company's recognition or measurement for 2024, nor are they expected to have significant future impact.

The IASB has issued a number of new standards and updated some existing standards, which are effective for accounting periods beginning January 1, 2025 or later. Therefore, they are not incorporated in these financial statements. There are no standards presently known that are not yet effective and that would be expected to have a material impact on our current or future reporting periods.

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The following amendments are effective for the annual reporting period beginning 1 January 2025:

Lack of Exchangeability (Amendment to IAS 21 The Effects of Changes in Foreign Exchange Rates);

The following amendments are effective for the annual reporting period beginning 1 January 2026:

Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments and IFRS 7)

Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)

3. Nature of operations

The object of the Company is, without geographical limitation, to be a holding company for companies with Life Science activities and to invest in shares admitted to

trading on a regulated trading venue or multilateral trading facility and unlisted shares as determined by the Board of Directors with a view to achieving long-term value added subject to appropriate risk diversification and other related activities.

Currently the Group, through Reponex, is a clinical-stage pharmaceutical company dedicated to the development of new, effective treatments for diseases that have significant patient and social impact and for which current therapy is lacking or in need of improvement.

The diseases may be acute and life threatening, such as bacterial peritonitis or colorectal cancer, or may be chronic diseases that spoil the quality of life and may shorten it, such as inflammatory bowel diseases, or complications of chronic diseases such as the disabling non-healing skin ulcers in patients with diabetes or venous insufficiency. The Group has 6 drug candidates in clinical phase 2

Pharma Equity Group A/S is incorporated in Denmark and listed on Nasdaq main list.

4. Revenue and segment information.

No revenue has been recognized in 2024 and 2023. Currently, Management regards the Group to operate in one segment, and hence no segment disclosures are provided at this stage.

5. Staff costs

	2024 TDKK	2023 TDKK
Wages and salaries	6,292	5,529
Pensions	458	382
Social security costs	25	17
Total	**6,775**	**5,928**

Staff costs are presented as follows in the income statement

Research and development costs	3,468	2,173
Administrative costs	3,307	3,756
Total	**6,775**	**5,928**

Average number of employees	5	6
Total	**5**	**6**

Remuneration of Directors

Board of Directors	1,254	838
CEO	2,107	2,554
Total remuneration for Directors	**3,361**	**3,391**

6. Financial income

	2024 TDKK	2023 TDKK
Interest income on assest measured at cost	13	14
Foreign exchange gains, net	1	0
Total	**14**	**14**

7. Financial expenses

	2024 TDKK	2023 TDKK
Interest expenses on loans measured at amortized cost	4,931	1,517
Interest expenses lease liabilities	28	45
Foreign exchange losses, net	4	0
Total	**4,964**	**1,562**

8. Tax

	2024 TDKK	2023 TDKK
Tax on profit/loss for the year		
Current tax	-1,815	-2,233
Change in deferred tax	-2,380	-1,417
Deferred tax asset not capitalized	2,380	1,417
Total	-1,815	-2,233

Under Danish tax legislation, the Group can apply for tax credit based on qualifying research and development expenses. For 2024, the expected tax credit is expected to be TKKK 1,815 (TDKK 2,233 in 2023 - amount was received in November 2024).

	2024 TDKK	2023 TDKK
Reconciliation of effective tax rate:		
Loss before tax	-26,237	-26,579
Tax computed on the loss before tax at a tax rate of 22%	-5,772	-5,847
Permanent differences and not capitalized tax asset	-145	-170
Non capitalized tax asset	4,102	3,785
Total - Effective tax rate	**-1,815**	**-2,233**
Current tax asset		
Tax credit receivable	-1,815	-2,233
Current tax asset, total	**-1,815**	**-2,233**

Deferred tax is related to the following assets and liabilities:
Deferred taxes arising from temporary differences are summarized below:

Intangible assets	30	78
Tangible assets	8	12
Tax losses carried forward	-37,447	-32,750
Deferred tax asset not capitalized	37,409	32,660
Total deferred tax	**0**	**0**

The Group has accumulated tax losses of DKK 169m the value of which equals DKK 37m (tax rate 22%). The value of the tax losses have not been recognised on the balance sheet. Any recognition awaits that the Group will become profitable on a sustainable basis.

The tax losses can to a large extent only be utilised by the legal entity who has had the tax losses. Tax losses incurred after 24 March 2023 can be used by both companies in the Group. The access to utilizing the tax losses can be summarised as follows:

	2024 TDKK	2023 TDKK
Reponex value of tax losses carried forward	4,321	4,321
PEG value of tax losses carried forward	26,271	24,808
Group value of tax losses carried forward	6,856	3,621
Unrecorded deferred tax asset	**37,447**	**32,750**

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9. Earnings per share

	2024 TDKK	2023 TDKK
Profit/loss for the year	-24,422	-24,347
Interest convertible loan	1,909	126
Profit/loss for the year for the purpose of diluted EPS	**-22,513**	**-24,221**
Average number of shares (in thousands) Reponex	n.a	2,522
Exchange rate applied in reverse take-over	n.a	115
Average number of shares (in thousands) Reponex until reverse-take over date (1)	**n.a**	**290,030**
Average number of shares (in thousands) PEG from reverse-take over date	1,068,367	790,345
Average number of treasury shares (in thousands)	-15	-15
Average number of shares (in thousands) PEG after reverse-merger	**1,068,352**	**790,330**
Average number of shares (in thousands) full year (1+2)	**1,068,352**	**1,080,360**
Effect of convertible loans (note 17)	8,235	8,192
Effect of warrants issued (Reponex)	0	-
Diluted average number of shares (in thousands)	1,076,587	1,088,551
Exchange rate applied in reverse take-over	n.a	n.a
Diluted average number of shares (in thousands)	**1,076,587**	**1,088,551**
Earnings per share of DKK 1.00 (DKK)	**-0.02**	**-0.02**
Diluted earnings per share of DKK 1.00 (DKK)	**-0.02**	**-0.02**

10. Tangible assets, right-of-use assets and leasing liabilities

	31-12-2024 TDKK	31-12-2023 TDKK
Equipment		
Cost 01-01	89	16
Additions during the year	0	73
Disposals	0	0
Cost 31-12	**89**	**89**
Depreciation and impairment losses 01-01	34	16
Depreciation for the year	18	18
Disposals	0	0
Depreciation and impairment losses 31-122	**53**	**34**
Carrying amount 31-12	**37**	**55**
Right-of-use assets		
Cost 01-01	652	860
Additions	0	652
Disposals	0	-860
Cost 31-12	**652**	**652**
Depreciation and impairment losses 01-01	200	278
Depreciation for the year	217	200
Disposals	0	-278
Depreciation and impairment losses 31-12	**418**	**200**
Carrying amount 31-12	**234**	**452**
Leasing liabilities		
Balance 01-01	452	582
Additions	0	652
Termination of leases	0	-582
Interest	28	45
Payments	-245	-245
Balance 31-12	**234**	**452**
Leasing amounts included in the income statement		
Low value and short terms leases	0	0
Interest expense leases	28	45
Depreciation right-of-use assets	**217**	**200**
Total leasing costs	**245**	**245**

The fair value of the above financial assets and liabilities are deemed approximate to their book values due to their relative short-term nature as at 31 December 2024 and 31 December 2023 and where interest levels for interest bearing financial assets and liabilities are at arms-length-terms applying level 3 in IFRS 9 to determining fair values.

11. Financial assets and liabilities

Financial assets	31-12-2024 TDKK	31-12-2023 TDKK
Loans and other receivables (carried at amortised cost)		
Receivable Portinho S.A.	58,000	58,000
Other receivables	472	2,344
Cash and cash equivalents	4,234	4,231
Other short term financial assets	**62,706**	**64,575**
Total financial assets	**62,706**	**64,575**

Financial Liabilities	31-12-2024 TDKK	31-12-2023 TDKK
Financial liabilities carried at amortised costs		
Trade and other payables	5,920	12,401
Bank debt	1,192	4,085
Financial loans	1,519	17,847
Long term interest bearing liabilities	8,100	8,072
Total financial liabilities	**16,731**	**42,405**

12. Receivable Porthino S.A

	31-12-2024 TDKK	31-12-2023 TDKK
Development in principal and added interest		
Principal (EUR 9.55 millio)	71,300	71,300
Added interest beginning of year	7,801	3,999
Interest added for the year	6,505	3,802
Added interest end of year	14,306	7,801
Total principal and added interest	85,606	79,101
Development in carrying value		
Value beginning of year	58,000	0
Additions 24-03-2023	0	62,403
	58,000	62,403
Interest added for the year	6,505	3,802
Allowance adjustment for the year recognized	-6,505	-8,205
Value end of year	58,000	58,000

In 2024, the company's board of directors and management have once again used considerable resources to settle the company's receivables from Portinho S.A., which date from the time before the company was transformed into a pharmaceutical company.

The group's receivables from Portinho S.A have a principal amount of EUR 9.55 million. with an accounting value on 31 December 2024 of DKK 58 million, which is unchanged compared to 31 December 2023. As announced in company announcement no. 39 of 25 September 2023, no. 46 of 28 November 2023, no. 7 of 20 March 2024 and no. 17 of 16 May 2024 is the payment from Portinho S.A. postponed compared to the original due date, which was 1 July 2023.

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On 15 April 2024, the company submitted a summons to the Maritime and Commercial Court against Portinho S.A. with a demand for immediate payment of the receivable of DKK 9.55 million. euros plus interest. There is also an arbitration case pending against Interpatium at the Arbitration Institute (DIA) in connection with the related sale of the shares in Portinho S.A.

The receivable amount as per 31 December 2024 including agreed interest amounts to EUR 11,5 million corresponding to DKK 85.6 million. Interest rate is agreed to 2% per quarter and amounts to DKK 6,5 million for 2024. The interest amount has not been recognized as income in the 2024 report as - in the current situation - it is considered appropriate to defer income recognition of interest until interest has been paid.

In September 2024, a new valuation report from CBRE (Valuations & Strategic Advisory in Portugal) was prepared, which supports the recognized value of the receivable in Portinho of DKK 58 million. The receivable of DKK 58 million has considered that a lower amount than EUR 9.55 million + interest or the equivalent of approx. DKK 85.6 million is currently received including interest. Management has thus calculated the value of the receivable in various scenarios where the discount rate has considered the underlying risks.

Management's considerations regarding the measurement and recognition of the receivable have been assessed based on different scenarios for full repayment of the outstanding receivable. The different scenarios include, among other things, that:

- Wait for Portinho S.A to realize the shares or underlying assets so that the receivable can be redeemed
- A legal process has been initiated with legal action
- To take shares in Portinho S.A "back", and sell to a third party

Management has calculated the value for the various scenarios where the discount rate has considered the underlying risks. In the different scenarios, a discount rate of 15% p.a. and a time horizon of 3 years has been used.

The principal amount is €9.55m, corresponding to approx. DKK 71.3m. In addition, accrued interest has been calculated to a total of DKK 12.7m as of 31.12.2024, so that the total gross receivable amounts to DKK 85.6m. The receivable is valued at DKK 58m as of 31.12.2024.

13. Prepayments and other receivables	31-12-2024 TDKK	31-12-2023 TDKK
Intercompany receivables from parent company	0	0
Prepayments for drugs and consumables	695	413
Other prepayments	118	9
VAT receivable	350	1,990
Other receivables	123	354
Non-financial assets	**1,285**	**2,767**

14. Cash and cash equivalents	31-12-2024 TDKK	31-12-2023 TDKK
Bank deposits	4,234	4,231
Total	**4,234**	**4,231**

Bank deposit of TDKK 2,690 has been provided as security for debts in connection with the provision of collateral in connection with the capital reduction, see note 21 for further description.

15. Equity and development in number of shares

Share capital

PEG share capital consists of 1,227,556,659 ordinary shares of DKK 0.10 each. The shares are fully paid up. All shares are equally eligible to receive dividends and repayment of capital, and each share represents one vote at the shareholders' meeting.

Changes in number of shares and share capital PEG	Ordinary (A)-shares 1000 shares	B-Shares 1000 shares	Share capital TDKK
As per 01-01-2023	9,328	9,328	18,655
Convertible debt converted to share capital	1,768	1,768	3,535
Elimination of A/B share classes	11,095	-11,095	0
Bonus shares issued	22,190	0	22,190
Rights issue	1,237	0	1,237
Shares issued to Reponex shareholders	977,348	0	977,348
Total numbers of shares and share capital as per 31-12-2023	**1,022,965**	**0**	**1,022,965**

	Ordinary shares 1000 shares	Share capital TDKK
As per 01-01-2024	1,022,965	1,022,965
Share capital reduction transferred to special reserve	0	-920,668
Capital increase, pivate issue	204,592	20,459
Total numbers of shares and share capital as per 31-12-2024	**1,227,557**	**122,756**

Treasury shares

The Company holds 14,722 treasury shares (2023: 14,722) representing less than 0.01% of the share capital. No treasury shares have been acquired or sold in 2024. The reason for the insignificant treasury shares is historical.

Capital management policies and procedures.
The Company's primary long-term capital management objectives are to provide a satisfactory return to shareholders. In the short-term and mid-term, until Portinho receivable has been recovered, and until revenue will begin to flow-in and cash-flow from operations will be sufficient to cover investment activities and financial commitments, Management has a strong focus on securing the recoverability of the Portinho receivable, and to secure that sufficient funds are available to carry-out its development and other operating activities as planned in the short-term and mid-term.

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

In 2024, the Group issued subordinated convertible loans of TDKK 11,015 and financial loans of TDKK 13,099. On 11 October 2024 the share capital was increased by TDKK 204,592 at a share price of DKK 0,25. The proceeds TDKK 51,148 were used to repay subordinated loans by TDKK 12,648, financials loans by TDKK 25,810 and TDKK 12,690 in cash. Reference is made to company announcement no. 25 of 4 October 2024.

With reference to company announcement no. 19 of 3 June 2024 the Company's Extraordinary General Meeting resolved that the Company's share capital be reduced by nominally DKK 920,667,494.70 from nominally DKK 1,022,963,883.00 to nominally DKK 102,296,388.30, where the reduction will be placed in a special reserve within equity pursuant to section 188(1)(3) of the Danish Companies Act.

As reported in company announcement no. 24 of 4 October 2024, the capital reduction was executed on 4 October 2024 by a proportionate reduction of the nominal value of all the Company's shares, which means that the nominal value of the shares has been reduced from DKK 1.00 to DKK

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16. Subordinated convertible loans	31-12-2024 TDKK	31-12-2023 TDKK
Subordinated convertible loan	8,235	8,192
Amortised loan costs	-136	-354
Subordinated convertible loan - long term	8,100	7,838

The subordinated convertible loans were established in the period 5 September 2023 - 15 July 2024.

The loans were granted as subordinated loan capital and are therefore subordinated to PEG´s other creditors, except for any other corresponding subordinated loan capital.

The lenders' right to convert the loans into shares in PEG 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 remain without instalments until the expiry of the exercise period, after which PEG must repay the loans including interest within 60 days, though PEG may extend the loan period by 12 months.

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

For two of the subordinated convertible loans of total TDKK 2,000 interests must be paid on a quarterly basis and PEG. Furthermore, the lender of this loan can choose to be repaid in cash. Other terms are identical to the other loans.

The loans give the lenders the right to convert the loans into shares in PEG. The conversion rate is 1.00 per share of DKK 0.10. The new shares will be issued with the same rights as the existing shares.

If loans are converted, 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 PEG shares.

Interest is added to the loan balance and no instalments are paid until the exercise period commence, at which time the loans mature or are converted. The Company may extend the loan period by 12 months.
are converted. The Company may extend the loan period by 12 months.

After the capital reduction has been completed on 4 October 2024, the conversion rate changed to be DKK 0.10 per share of DKK 0.10 for those convertible loans, which were not converted to share capital in connection with the share issue, which also took place on 4 October 2024.

The loans are taken out as loans with conversion rights and not as equity contributions. Recognition has been made on the basis of the company's liquidity situation, where the added capital has been added in the form of convertible loans. The capital is recognized as a loan because it gives the depositors a better priority position than the shareholders, which indicates that until any conversion, it is a matter of debt. Loans have been taken out with a relatively high interest rate (3.25% per quarter), which is considered to be based on the company's credit risk and which on that basis represents an arm's-length interest rate, taking into account that the debt is also subordinated. In the event of conversion, accrual of interest also triggers the right to receive additional shares, which is considered to support that accrual of interest is a real obligation, which must thus be shown as an interest expense, and in order to ensure the correct relationship between interest cost and debt, it is considered most appropriate to consider the entire debt as debt until the loan is converted. It is therefore assessed that there are no elements in the loan terms that represent the value of the conversion right. It is the management's opinion that the right of conversion is merely a hedging instrument, and it is not considered to be a real risk/possibility of this being exercised.

17. Borrowings	Bank debt TDKK	Financial loans TDKK	Loans from related parties TDKK	Subordinated convertible debt TDKK	Total TDKK
Financial year 2023					
Carrying amount 01.01.2023	0	0	0	0	0
Non cash-changes:					
Borrowings PEG upon transaction date	7,411	11,828	1,519	0	20,758
Transfer of classification	0	1,519	-1,519	0	0
Transfer of loan amount	0	-1,000	0	1,000	0
Interest accrued	0	251	0	192	443
Loan costs capitalised as part of loans	0	0	0	-354	-354
Cash changes:					
Instalments	-3,326	0	0	0	-3,326
New loans	0	5,248	0	7,000	12,248
Carrying amount 31.12.2023	**4,085**	**17,847**	**0**	**7,838**	**29,769**
Breakdown of borrowings					
Long-term liabilities	0	0	0	7,838	7,838
Current liabilities	4,085	17,847	0	0	21,932
Carrying amount 31.12.2023	**4,085**	**17,847**	**0**	**7,838**	**29,769**
Average interest rate 2023 pa.	10.7%	4.5%	n.a.	13.3%	

	Bank debt TDKK	Financial loans TDKK	Loans from related parties TDKK	Subordinated convertible debt TDKK	Tota
Financial year 2024					
Carrying amount 01.01.2024	4,085	17,847	0	7,838	29,770
Non cash-changes:					
Transfer of loan amount	0	-1,000	0	1,000	0
Interest accrued	0	0	0	1,678	1,678
Loan costs capitalised as part of loans	0	0	0	-445	-445
Loan costs, amotization	0	0	0	663	663
Cash changes:					
Instalments	-2,893	-28,935	0	-12,649	-44,477
New loans	0	13,607	0	10,015	23,622
Carrying amount 31.12.2024	**1,192**	**1,519**	**0**	**8,100**	**10,811**
Breakdown of borrowings					
Long-term liabilities	0	0	0	8,100	8,100
Current liabilities	1,192	1,519	0	0	2,711
Carrying amount 31.12.2024	**1,192**	**1,519**	**0**	**8,100**	**10,811**
Average interest rate 2024 pa.	9.6%	14.0%	0.0%	13.3%	

The classification of long-term and short-term debt is based on the agreed payment plans. For some of the loans, repayment of the loans mirrors the payment received from Portinho S.A. Hence some parts of the repayment of debt can be deferred if no payments are received from Portinho S.A in 2025. See note 22 for further information.

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18. Other liabilities	31-12-2024 TDKK	31-12-2023 TDKK
A-tax (withholding tax) and other social costs	27	457
Holiday pay	229	109
Salaries and bonus	753	1,026
Other liabilities	591	389
Other liabilities - current	**1,599**	**1,981**

19. Related party transactions

PEG has debts to shareholders provided in the past of totally DKK 1.5 million, which will be settled when the Portinho S.A receivable is paid. These shareholders also hold interests in Portinho S.A. Interest expense for H1 2024 equals DKK 0. In connection with capital reduction (see note 20), these shareholders have claimed satisfactory security for the debt of total DKK 2.6 million including alleged interest of DKK 1.1 million. Referring to note 20 the Company disagrees that the debt is eligible for security other than the debt will be settled when the Portinho receivable has been paid, and the Company also disagrees that the debt is interest-bearing. On this basis, the Company has not recorded any interest costs related to the debt to the shareholders in question.

The law firm related to the current chairman of the Board of Directors; Christian Vinding Thomsen, has in 2024 received fees from PEG for legal assistance of DKK 1.3 million. (2023 DKK 1.8 million)

Member of the Board of Directors Peter Vilmann has in 2024 received fees from Reponex for consulting services fee of TDKK 0 (2023 TDKK 25).

The former vice-chairman of the Board of Directors Martin Engel-Rossen has in 2024 received fees for consulting services from PEG of TDKK 417 (2023 TDKK 167).

CVT Holding controlled by the chairman of the Board of Directors Christian Vinding Thomasen has in January 2024 issued a convertible loan to PEG of TDKK 500. The loan was converted to share capital on the 10-10-2024 TDKK 535 including interests. Reference is made to company announcement no 27 from 14-10-2024.

20. Capital resources

	Balance 31-12-2024 TDKK	Consequence of delay of Portinho payment TDKK	Capital resources with delay of Portinho payment TDKK
Short term financial assets:			
Receivable Portinho S.A.	58,000	-58,000	0
Other receivables	472	0	472
Current tax receivable	1,815	0	1,815
Cash and cash equivalents	4,234	0	4,234
Total short term capital assets	**64,522**	**-58,000**	**6,522**
Current Liabilities:			
Trade payables	4,085	0	4,085
Bank debt	1,192	-1,192	0
Financial loans	1,519	-1,519	1
Lease liabilities	234	0	234
Other liabilities	1,599	-229	1,370
Total current liabilities	**8,631**	**-2,940**	**5,691**
Total net cash outflow 2024 relating to current assets and current liabilities 31.12.2024	**55,891**	**-55,060**	**831**
Outlook 2025			
EBITDA			-1,751
*Expected net working capital impact, end 2025			-11,096
Interest costs			-1,798
Interest costs not payable in 2025			1,548
Repayment loans			-1,427
Total expected cash outflow 2025			**-14,524**
Additional capital recourses available:			
Financial loans, obtained in 2025			1,842
Tax refund			1,815
Cash start year,			1,535
Unused credit facilities			11,158
Total additional capital recourses			**16,350**
Expected net cash end 2025			**1,826**

*It is assumed that payments from expected new license partners will not be received until 2026 due to uncertainty about payment terms.

On 22 January 2024, the Board of Directors of Pharma Equity Group decided on the issuance of convertible loans in accordance with the authorization in the Company's Articles of Association under Article 4.3.A. With reference to company announcements no. 1 of 22 January 2024, no. 3 of 25 January 2024, no. 4 of 7 February 2024, no. 12 of 10 April 2024, no. 18 of 16 May 2024 and no. 22 of 16 July 2024, a total of DKK 11 million has been subscribed so far in 2024. The loans are granted as subordinated loans and are thus subordinated to the Company's other creditors, with the exception of any other equivalent subordinated loans. Please refer to note 17 for further details.

With reference to company announcement no. 19 of 3 June 2024 the Company's Extraordinary General Meeting resolved that the Company's share capital be reduced by nominally DKK 920,667,494.70 from nominally DKK 1,022,963,883.00 to nominally DKK 102,296,388.30, where the reduction will be placed in a special reserve within equity pursuant to section 188(1)(3) of the Danish Companies Act. As reported in company announcement no. 24 of 4 October 2024, the capital reduction was executed on 4 October 2024 by a proportionate reduction of the nominal value of all the Company's shares, which means that the nominal value of the shares has been reduced from DKK 1.00 to DKK 0.1.

With reference to the above, the capital reduction and the registration on 4 June 2024 on virk.dk, in which Pharma Equity Group A/S' creditors were encouraged to report their claims, including that the creditors can demand satisfactory security for non-due claims and payment of overdue claims, Pharma Equity Group A/S received two claims of DKK 87,580 and DKK 2,602,779, respectively, including alleged interest totaling DKK 1,105,634, for which security was requested. Pharma Equity Group A/S disagrees that the claims are eligible for security and that the claims are interest-bearing. To get the capital reduction registered, Pharma Equity Group A/S have after 30 September 2024 decided to establish security for the full amount even though the Company disagrees in the claims being eligble for demanding security and that the claims are interest-bearing.

Referring to company announcement no 25 of 4 October 2024 the Board of Directors has resolved to issue 204,592,776 new shares (corresponding to nominally DKK 20,459,277.6) at a subscription price of DKK 0.25 per share corresponding to gross proceeds of DKK 51,148,194, of which DKK 38,499,368 was received in cash and DKK 12,648,466 was conversion of convertible debt. Of the cash proceeds received, DKK 25,808,902 was used to reduce financial debt, whereby on a net basis, the cash position has been strengthened by DKK 12,690,466.

In case the Portinho S.A receivable will be paid in 2025, the Group will have sufficient funds to carry out its plans for 2025 without any need for searching for additional funding.

However, as described in note 2.1, the recoverability of the Portinho S.A receivable may take longer time than originally anticipated.

The table of capital resources on previous page reflects:

1) Net cash outflow from current assets and current liabilities as of 31.12.2024 which will be settled in 2025 based on the expectation that no cash inflow will result from the Portinho S.A receivable in 2025;

2) Cash outflow from the budget/outlook 2025 approved by the Board of Directors considering that revenue is not expected to be generated until late 2025;

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Notes to the consolidated financial statements

3) Cash inflow from the loans issued in the first part of 2025 and available credit facilities of a total of DKK 13 million;

4) Management will reduce costs for 2025 and thereby reduce cash outflow.

With the funding received so far in 2025 and with the available credit facilities, the Group has sufficient funds to carry-out its planned activities for 2025 and settle its financial commitments as they fall due in 2025, even without receiving any payment from Portinho S.A, Management concludes that it is appropriate to prepare the consolidated and parent company financial statements on a going-concern basis.

To further improve the Group's capital resources, the Company expects to establish additional convertible loans continuously over the year 2025, in accordance with the overall authorization in the articles of association. The Company currently has specific dialogue with several existing/new investors about further funding. In addition, Management is working strategically on a more comprehensive increase in the capital and the share capital structure going forward.

21. Assets pledged and provided as security

Portinho receivable with a carrying value of DKK 58m on 31 December 2024 (see note 13) is provided as security for bank debt with an amount up to DKK 1,2m, and secondarily as security for financial loans with an amount up to DKK 20m including unused drawing rights (amount per 31.12.2024 DKK 0)

Bank deposit of TDKK 2,690 (part of cash position TDKK 4,234 in the consolidated statement) has been provided as security for debts in connection with the provision of collateral in connection with the capital reduction, see note 21 for further description.

22. Contingent liabilities

To the best of management's knowledge, the Group 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.

As part of the reduction in share capital as described in note 21, two creditors demanded security for claims of DKK 87,580 and DKK 2,602,779, respectively, including alleged interest totaling DKK 1,105,634. Pharma Equity Group A/S disagrees that the claims are eligible for security and that the claims are interest-bearing. To get the capital reduction registered, Pharma Equity Group A/S have established security for the full amount in the form of bank guarantees. The claims, excluding alleged interest, are included in the financial statements as part of financial loans. The alleged interest has not been recognized in the financial statements as of 30 September 2024

After the capital reduction has been completed on 4 October 2024, the conversion rate has changed to be DKK 0.10 per share of DKK 0.10 for those convertible loans, which were not converted to share capital in connection with the share issue, which also took place on 4 October 2024.

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Notes to the consolidated financial statements

23. Financial risks and financial instruments

Risk management policy

Management manages the Group's financial risks. The management of the Group's risks is included in the management's day-to-day monitoring of the Group. The Group is exposed to various 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

Credit risk primarily relates to the Portinho S.A receivable which has been outstanding for multiple years. Reference is made to note 2.1 and 14 which in further detail describes background for the receivable still being outstanding and the fair value reassessment performed by management as of 31 December 2024. The maximum credit risk relating to the receivable corresponds to the carrying value, which has been determined based on a discounted basis based on assessed time frame before receivable at the latest expectedly will be recovered.

Interest rate risks

Bank loans, financial loans, loans from related parties and subordinated convertible debt all have a fixed interest rate, and hence the interest rate risk is deemed to be minimal, and hence sensibility disclosures are not deemed relevant.

Foreign currency risks

The Group incur certain costs in other currencies than DKK, though the level of such costs are limited, and hence the Group is not considered to be subject to special currency risks and exposures at the moment.

Liquidity risks

The Group's liquidity risks cover the risk that the Group is not able to meet its liabilities as they fall due. Reference is made to the information in note 22.

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

	Within 1 year TDKK	1-2 year(s) TDKK	2-5 years TDKK	Over 5 years TDKK	Total TDKK
As at 31 December 2023					
Trade payables	10,202	0	0	0	10,202
Bank debt	4,085	0	0	0	4,085
Financial loans	17,847	0	0	0	17,847
Loans from related parties	0	0	0	0	0
Subordinated convertible debt	0	0	7,838	0	7,838
Lease liabilities	217	0	0	0	217
Other payables	1,981	234	0	0	2,215
Total	34,332	234	7,838	0	42,404

	Within 1 year TDKK	1-2 year(s) TDKK	2-5 years TDKK	Over 5 years TDKK	Total TDKK
As at 31 December 2024					
Trade payables	4,085	0	0	0	4,085
Bank debt	1,192	0	0	0	1,192
Financial loans	1,519	0	0	0	1,519
Subordinated convertible debt	0	8,100	0	0	8,100
Lease liabilities	234	0	0	0	234
Other payables	1,599	0	0	0	1,599
Total	8,631	8,100	0	0	16,730

All financial liabilities as of 31 December 2024 and 2023 are measured at amortized cost.

The classification of long-term and short-term debt is based on the agreed payment plans. For some of the loans, repayment of the loans mirrors the payment received from Portinho S.A. Hence some parts of the repayment of debt can be deferred if no payments are received from Portinho S.A in 2025. See note 22 for further information.

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Notes to the consolidated financial statements

24. Fee to the group auditor

Fee to the group auditor	2024 TDKK	2023 TDKK
Statutory audit	289	275
Other assurance engagements	0	250
Tax and VAT advisory services	15	25
Other services	84	70
Fee to the Group auditor	388	620

BDO Statsautoriseret Revisionsaktieselskab has been auditors for PEG for both 2023 and 2024. In this note. The 2024 other assurance engagements represent high level review work relating to Q1, Q2 and Q3 interim quarterly reports (without issue of any assurance reports) and accounting advisory.

25. Adoption of the annual report for publication

At the board meeting held on 20 March 2025, the Board of Directors adopted the Annual Report for publication. The Annual Report is presented for the shareholders' approval at the annual shareholders' meeting to be held on 16 April 2024.

26. Events occurring after the balance sheet date

At the beginning of 2025, the Group's capital preparedness was further strengthened by the establishment of loans and loan commitments of approx. DKK 13 million. Based on the expected cash burn for the year, this gives the Group a runway of more than 12 months.

The Group's capital preparedness is expected to be further strengthened on an ongoing basis in 2025 through the establishment of convertible loans or other equivalent financing. The company has an ongoing dialogue with several existing and new investors about financing in both the short and long term.

On 28 February 2025, Pharma Equity Group A/S announced in company announcement no. 1 that the current CEO, Thomas Kaas Selsø, will resign from his position as CEO of Pharma Equity Group A/S and its subsidiary Reponex Pharmaceuticals A/S with effect from 31 March 2025. At the same time, it was announced that Christian Henrik Tange has been appointed as the new CEO of Pharma Equity Group A/S with effect from 1 April 2025. It was also announced that Sebastian Bo Jakobsen has been appointed CEO of the subsidiary Reponex Pharmaceuticals A/S with effect from 1 April 2025.

Parent Company Financial Statements

Parent Company Statement of comprehensive income

Note		Note Group	PEG 2024 TDKK	PEG 2023 TDKK
3	**Revenue**		1,500	450
	Production costs		0	0
	Gross profit		1,500	450
	Administrative costs		-9,280	-5,119
	Operating profit/loss (EBIT)		-7,780	-4,669
2,10	Allowance Portinho receivable		0	-12,750
5	Financial income		238	0
6	Financial expenses		-4,937	-1,892
	Profit/loss before tax		-12,478	-19,311
7	Tax on profit/loss for the year		0	0
	Net profit/loss for the year		-12,478	-19,311
	Other comprehensive income/loss		0	0
	Total comprehensive income/loss		-12,478	-19,311

Parent Company Financial Statements

Parent Company statement of financial position

Note	ASSETS	Note Group	31-12-2024 TDKK	31-12-2023 TDKK
	Non-current assets			
2, 9	Investment in subsidiary		689,030	689,030
	Total non-current assets		**689,030**	**689,030**
	Current assets			
10	Receivable Portinho S.A.		58,000	58,000
14	Receivable group companies		9,404	0
11	Other receivables		185	797
12	Cash and cash equivalents		3,789	2,293
	Total current assets		**71,378**	**61,090**
	Total assets		**760,408**	**750,120**

Note	EQUITY AND LIABILITIES	Note Group	31-12-2024 TDKK	31-12-2023 TDKK
	Share capital	15	122,756	1,022,964
	Other reserves		623,934	-311,760
	Total equity		**746,689**	**711,204**
	Subordinated convertible debt	16-17	8,100	7,838
	Total long-term liabilities		**8,100**	**7,838**
	Trade payables		2,574	7,543
	Payable to group companies		0	1,416
	Bank debt	17	1,192	4,085
	Financial loans	17	1,519	17,847
13	Other liabilities		333	187
	Total current liabilities		**5,619**	**31,078**
	Total liabilities		**13,719**	**38,916**
	Total equity and liabilities		**760,408**	**750,120**

Parent Company Financial Statements

Parent Company statement of changes in equity

Statement of changes in equity

01-01-2023 - 31-12-2023	Share capital	Share premium account	Reserve for capital reduction	Other reserves	Total equity
Equity as at 01-01-2023	18,655	0	0	27,390	46,045
Net profit/loss	0	0	0	-19,311	-19,311
	0	0	0	-19,311	-19,311
Convertible debt converted to share capital	3,535	0	0	0	3,535
Bonus shares issued	22,190	0	0	-22,190	0
Rights issue	1,237	0	0	0	1,237
Shares issued to Reponex shareholders 24-03-2023	977,348	0	0	-288,318	689,030
Share issue costs	0	0	0	-9,332	-9,332
Dividends	0	0	0	0	0
Transactions with owners	**1,004,309**	**0**	**0**	**-319,839**	**684,470**
Equity as at 31-12-Sunday	**1,022,964**	**0**	**0**	**-311,760**	**711,204**

Statement of changes in equity
01-01-2024 - 31-12-2024

Equity as at 01-01-2024	1,022,964	0	0	-311,760	711,204
Net profit/loss	0	0	0	-12,478	-12,478
	0	0	0	-12,478	-12,478
Capital increase from private issue	20,459	30,689	0	0	51,148
Costs related to capital increase	0	-3,184	0	0	-3,184
Share capital reduction transferred to special reserve	-920,667	0	920,667	0	0
Transfer of share premium to other reserves	0	-27,504	0	27,504	0
Transfer of special reserve to other reserves	0	0	-920,667	920,667	0
Dividends	0	0	0	0	0
Transactions with owners	**(900,208)**	**0**	**0**	**948,172**	**47,964**
Equity as at 31-12-2024	**122,756**	**0**	**0**	**623,934**	**746,689**

Parent Company Financial Statements

Parent Company cash flow statement

Note		Note Group	2024 TDKK	2023 TDKK
	Profit/loss before tax		**-12,478**	**-19,311**
	Adjustment of non-cash transactions:			
	Allowance relating to Portinho		0	12,750
	Financial income		-238	0
	Financial expenses		4,937	1,892
	Change in working capital		-10,006	1,279
	Net cash used in operating activities before net financials		**-17,786**	**-3,390**
	Financial income received		238	0
	Financial expenses paid		-4,066	-1,718
	Net cash used in operating activities		**-21,613**	**-5,108**
	Net cash used in investing activities		**0**	**0**
	Proceeds from subordinated convertible debt		11,015	8,000
	Repayment subordinated convertible debt		-11,624	0
	Repayment bank loan		-2,893	-3,324
	Repayment financial loan		-29,426	-1,000
	Financial loans, obtained		13,099	6,613
	Share issue costs paid		-8,210	-4,307
	Proceeds from direct issue		51,148	1,237
	Net cash received from financing activities		**23,110**	**7,219**
	Total cash flows for the year		**1,496**	**2,111**
	Cash and cash equivalents beginning of year		2,293	182
	Cash equivalents end of year		**3,789**	**2,293**
	Cash and cash equivalents, end of year, comprise:			
	Cash and cash equivalents		3,789	2,293
	Total		**3,789**	**2,293**

Parent Company Financial Statements

Notes to parent financial statement

Parent Company Financial Statements

Notes to parent financial statement

1 Significant accounting policies and significant accounting estimates and assessments

1.1 Basis of preparation

The separate financial statement of the parent company has been prepared in accordance with International Financial Reporting Standards as adopted by the EU (IFRS) and additional requirements under the Danish Financial Statements Act (Class D).

The accounting policies for the financial statements of the parent company are unchanged from the previous financial year. The accounting policies are the same as for the consolidated financial statements with the supplementary accounting policies for the parent described below. For a description of the accounting policies of the Group, please refer to the consolidated financial statements.

Note disclosures have only been included in the Parent Financial Statement where amounts differ from the consolidated financial statements.

The parent company financial statements are presented in DKK, which is considered the functional currency of the parent company.

2. Significant accounting estimates and judgements

For 2024, Management has especially applied significant accounting estimates and judgements in the following areas:

Investment in subsidiary

Investments in subsidiary is recognised and measured at cost. The investment is examined at year-end for any impairment indicators. In the event of any indication of impairment, an impairment test is performed.

As of 24 March 2023, PEG acquired 100% of the share capital in Reponex Pharmaceuticals A/S ("Reponex" by issuing 977,347,625 shares of DKK 1 each in a rights issue to the shareholders of Reponex.

For legal purposes, the transaction price for Reponex was agreed to DKK 1.5 bn. For accounting purposes, the transaction price is based on the the market price for the issued shares at the first day of listing on 28 March 2023, as this is considered to approximate and to be the best estimate of the market price for the shares when these were legally issued on 24 March 2023. On this basis the purchase price for Reponex was determined to equal DKK 689m.

On 31 December 2024, the market capitalization of Pharma Equity Group A/S was approx. DKK 220m which implies that the value of the investment in Reponex could be impaired. Reference is made to note 9, investment in subsidiary for further considerations.

Portinho S.A

Reference is made to notes 2.1 and 13 in the consolidated financial statements where it is described that Management has assessed the net realizable value of the receivable to be DKK 58 million. On this basis the Company has in 2023 recognized an allowance of DKK 12,8m to the principal amount.

3. Revenue

	2024 TDKK	2023 TDKK
Management fees from Reponex	1,500	450
Total	**1,500**	**450**

4. Staff costs

	2024 TDKK	2023 TDKK
Wages and salaries	1,643	1,172
Pensions	64	40
Social security costs	3	5
Total	**1,709**	**1,217**

Staff costs are presented as follows in the income statement:

Administrative costs	1,709	1,217
Total	**1,709**	**1,217**

	2024 Number	2023 Number
Average number of employees in the period	1	1
Total	**1**	**1**

Remuneration of Key Management	2024 TDKK	2023 TDKK
Board of Directors	1,104	763
CEO	605	454
Other Key Management Personnel	0	0
Total	**1,709**	**1,217**

5. Financial income

	2024 TDKK	2023 TDKK
Interest income on assest measured at cost	11	0
Interest from group company	227	0
Foreign exchange gains, net	1	0
Total	**238**	**0**

Parent Company Financial Statements

Notes to parent financial statement

6. Financial expenses

	2024 TDKK	2023 TDKK
Interest expenses on liabilities measured at cost	4,931	1,841
Interest to group company	6	51
Total	**4,937**	**1,892**

7. Tax

	2024 DKK	2023 DKK
Tax on profit/loss for the year:		
Current tax	0	0
Change in deferred tax	-1,910	-5,388
Deferred tax asset not capitalized	1,910	5,388
Total	**0**	**0**
Reconciliation of effective tax rate:		
Loss before tax	-12,478	-19,311
Tax computed on the loss before tax at a tax rate of 22%	-2,745	-4,248
Permanent differences	0	1
Change in non-capitalized deferred tax asset	2,745	4,248
Total - Effective tax rate (0.0%)	**0**	**0**

	2024 TDKK	2023 TDKK
Deferred tax is related to the following assets and liabilities:		
Deferred taxes arising from temporary differences are summarised below:		
Amortized loan costs	30	78
Reservation for loss receivables	-2,805	0
Tax losses carried forward	-29,080	-27,143
Deferred tax asset not capitalized	31,855	27,065
Total deferred tax	**0**	**0**

The Company has an accumulated tax loss of DKK 131m, the value of which equals DKK 29m (tax rate 22%). The value of the tax losses has not been recognized on the balance sheet. Any recognition awaits that the Company will become profitable on a sustainable basis.

Tax losses incurred after 24 March 2023 can also be used by Reponex, in which case, Reponex would pay a tax contribution for the use of the Company's tax losses.

8. Financial assets and liabilities

Financial assets	31-12-2024 TDKK	31-12-2023 TDKK
Loans and other receivables (carried at amortised cost)		
Receivable Portinho S.A.	58,000	58,000
Receivable group companies	9,404	0
Other receivables	185	797
Cash and cash equivalents	3,789	2,293
Other short term financial assets	**71,378**	**61,090**
Total financial assets	**71,378**	**61,090**

Financial liabilities	31-12-2024 TDKK	31-12-2023 TDKK
Financial liabilities carried at amortised costs		
Trade and other payables	2,908	7,730
Payable to group companies	0	1,416
Bank debt	1,192	4,085
Financial loans	1,519	17,847
Loans from related parties	0	0
Subordinated convertible debt current liability	0	0
Subordinated convertible debt long-term liability	8,100	7,838
Total financial liabilities	**13,719**	**38,916**

The fair value of the above financial assets and liabilities are deemed approximate to their book values due to either their relative short-term nature as at 31 December 2024 and 31 December 2023 or where interest levels for interest bearing financial assets and liabilities are at arms-length-terms applying level 3 in IFRS 9 to determining fair values.

9. Investment in subsidiary

	31-12-2024 TDKK	31-12-2023 TDKK
Cost as at 01-01	689,030	0
Additions	0	689,030
Total	**689,030**	**689,030**

The subsidiary consists of Reponex Pharmaceuticals A/S (Hørsholm, Denmark) that has been 100% owned since 24 March 2023. Reference is made to company announcement no. 16 of 24 March 2023.

Reponex Pharmaceuticals A/S had in 2024 a loss of DKK 11.9 million Equity amounted on 31-12-2024 DKK -8.8 million.

For legal purposes, the transaction price for Reponex was agreed to be DKK 1.5 billion. For accounting purposes, the transaction price is based on the fair value of the market price for the issued shares on the first day of listing on 28 March 2023, as this is considered to approximate and to be the best estimate of the market price for the shares when these were legally issued on 24 March 2023. On this basis the purchase price for Reponex was determined to equal DKK 689 million

Parent Company Financial Statements

Notes to parent financial statement

Specification of cost price of the investment in Reponex	
Transaction price 977,347,625 shares of each DKK 1.57	1,534,435
Value adjustment to fair value in connection with the transaction	(845,405)
Total	**689,030**

The value of the investment has been subject to an impairment test where it is concluded that the investment is not impaired. Reference is made to note 2.

The Pharma Equity Group share is assessed to be illiquid with relatively few buyers and sellers, which is also described as a less efficient market. The Pharma Equity Group share is exposed to high volatility and large spreads in relation to sell and buy prices. If it is a question of the market for a smaller listed share, then the "market" is not necessarily the same as for a larger listed company and thus the pricing is not necessarily correct as the market does not necessarily consist of a larger number of buyers and sellers.

The price of the Pharma Equity Group share has been falling in 2024. It is the management's opinion that the price decline is primarily due to a small number of shareholders' divestment of the share with approximately 30 million shares, which due to the illiquidity in the share, affected the price significantly as there are no buyers in the market for a large number of shares being sold. This puts downward pressure on the share price. The price decline has occurred without any bad clinical news on the part of the Company. The Pharma Equity Group share is monitored by a number of equity analysts (Danske Bank Equity Research, Analyst Group in Sweden and HC Andersen Capital in Denmark), who continuously analyze the stock.

Pharma Equity Group has carried out impairment tests of the drug candidates in the subsidiary Reponex Pharmaceuticals A/S. In the impairment test, the management has considered the factors included in the WACC calculation, such as the risk-free interest rate, the market's risk premium and Beta. Specific business risks such as risk in relation to the size of market shares, risk in relation to the pricing of a finished product, the size of royalty rates, etc. are also included in the impairment test. The impairment test in total and for the individual drug candidates shows an NPV value that is significantly higher compared to the share price as of 31.12.2024.

10. Receivable Portinho S.A	31-12-2024 TDKK	31-12-2023 TDKK
Receivable Portinho S.A.	58,000	58,000
Total	**58,000**	**58,000**

Reference is made to note 2 of the parent company financial statements and note 2.2 and 13 in the consolidated financial statements.

11. Other receivables	31-12-2024 TDKK	31-12-2023 TDKK
VAT	185	797
	185	797

The net carrying value of other receivables is considered to be a reasonable approximation of fair value.

12. Cash and cash equivalents	31-12-2024 TDKK	31-12-2023 TDKK
Bank deposits	3,789	2,293
Total	**3,789**	**2,293**

13. Other liabilities	31-12-2024 TDKK	31-12-2023 TDKK
A-tax (withholding tax) and other social securities	27	143
Salaries	306	44
Other liabilities - current	**333**	**187**

14. Related party transactions

Reference is made to note 19 in the consolidated financial statements for transactions with related parties. Note 19 in the consolidated financial statements does not reflect transactions between the parent company and Reponex, which are eliminated in the consolidated financial statements. Thise transactions can be summarized as follows:

	2024 TDKK	2023 TDKK
Management fees from Reponex	1,500	450
Interest expense to Reponex	6	51
Interest expense from Reponex	227	0
Debt to Reponex at 31.12.	0	1,416
Receivable from Reponex at 31.12.	9,404	0

15. Contingent liabilities

As from 24 March 2023, the parent company became jointly taxed with Reponex with the parent company as the administration company of the joint taxation. According to the joint taxation provisions of the Danish Corporation Tax Act, as from 24 March 2023 the parent company is therefore liable for income taxes etc. for the jointly taxed entities, and obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. Corporate income tax payable for the Danish jointly taxed companies amounted to DKK 0k of 31 December 2024.

Parent Company Financial Statements

Notes to parent financial statement

16. Financial risks and financial insruments

Financial risks and financial instruments	Within 1 year	1-2 year(s)	2-5 years	Over 5 years	Total
As at 31 December 2023					
Trade payables	7,543	0	0	0	7,543
Payable to group companies	1,416	0	0	0	1,416
Bank debt	4,085	0	0	0	4,085
Financial loans	17,847	0	0	0	17,847
Subordinated convertible debt (see note 25)	0	0	7,838	0	7,838
Other payables	187	0	0	0	187
Other payables	0	0	0	0	0
Total	31,078	0	7,838	0	38,916

	Within 1 year	1-2 year(s)	2-5 years	Over 5 years	Total
As at 31 December 2024					
Trade payables	2,574	0	0	0	2,574
Bank debt	1,192	0	0	0	1,192
Financial loans	1,519	0	0	0	1,519
Subordinated convertible debt (see note 24)	0	8,100	0	0	8,100
Other payables	333	0	0	0	333
Total	5,619	8,100	0	0	13,719

Reference is made to note 23 in the consolidated financial statements.

All financial liabilities as at 31 December 2024 and 2023 are measured at amortized cost.

The classification of long-term and short-term debt is based on the agreed payment plans. For some of the loans, repayment of the loans mirrors the payment received from Portinho S.A. Hence some parts of the repayment of debt can be deferred if no payments are received from Portinho S.A in 2025. See note 20 in the consolidated financial statements for further information.

PHARMA EQUITY GROUP

End of report

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