



PHARMA EQUITY GROUP

Consolidated interim report 1 January – 30 September 2023

16 November 2023

Company Announcement no. 44

Key points (nine-month report ended 30 September 2023)

On 16 November 2023, the Board of Directors and Executive Management of Pharma Equity Group A/S ("PEG" or "the Group") have considered and approved the consolidated interim report for the period 1 January – 30 September 2023 ("Q1-Q3 2023 report"). The figures have neither been audited nor reviewed.

The transaction with Reponex Pharmaceuticals A/S

As further described in both the Q1 and the H1 2023 interim reports, the consolidated financial statements have been prepared applying the rules for reverse take-over where Reponex has been identified as the acquirer for accounting purposes.

New Board of Directors

At the extraordinary general meeting on 2 November 2023, the company's Board of Directors was supplemented by two highly qualified members with extensive experience in, among other things, finance, international relations, and investor communication. The two new members are Omar S. Qandeel and Martin Engell-Rossen.

Omar S. Qandeel is an international businessman who focuses primarily on social impact investments and project development together with Asian, European and Middle Eastern companies and governments.

Martin Engell-Rossen is best known as Denmark's leading political strategist. He has a strong background as former chief of staff in the Prime Minister's Office and special adviser to Prime Minister Mette Frederiksen. Martin Engell-Rossen was most recently Senior Vice President for Group Communication & Sustainability at Danfoss.

The Board of Directors now consists of Christian Vinding Thomsen (Chairman), Martin Engell-Rossen (Vice Chairman), Omar S. Qandeel, Lars Gundorph and Peter Vilmann.

Products and patents

Development and testing of the six drug candidates of the subsidiary Reponex Pharmaceuticals A/S (Reponex) has continued in Q3 2023 and with reference to Company Announcement No. 37 of 15 August 2023 and Company Announcement No. 41 of 31 October 2023 the Company have received grant of patent from United States Patent and Trademark (USPTO) for a method of treating a topical wound-healing composition. This application describes a method of treating a chronic wound by the topical application of a hydrogel containing granulocyte-macrophage colony-stimulating factor (GM-CSF), sucralfate and hyaluronan to accelerate wound healing. The patent is valid until 2039.



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Furthermore, with reference to Company Announcement No 42 of 31 October 2023, The European Patent Office (EPO) has issued an "Intention To Grant" for EU patent applications numbers 15724673.7 and 19701467.3.

The former application, which pertains to the wound-healing candidate RNX-022, describes a method for treating chronic wounds by applying a hydrogel containing granulocyte-macrophage colony-stimulating factor (GM-CSF), sucralfate, and hyaluronan to accelerate wound healing.

The latter application concerns the colorectal cancer candidate RNX-051 and describes a method for suppressing bacterial layers (biofilms) protecting the cancerous tumor or adenomas (potential tumors) from the body's immune system in the colon or rectum.

A Notice of "Intention to Grant" indicates that the EPO intends to issue the patents after certain standard procedural steps are completed, with the patents expected to be granted within 2 months, valid until 2035 and 2039, respectively.

Marketing and communication

PEG and Reponex intensified marketing and communication in several areas in Q3 2023. A completely new communication and marketing strategy has been rolled out, which has, among other things, resulted in several video presentations about Pharma Equity Group and about the Reponex Corporate Identity and about the repositioning strategy for the various drug candidates. Reference is made to our webpage [Video presentations - Pharma Equity Group](#).

The new strategy has, in November 2023, also resulted in release of a new logo of PEG and a new homepage. In relation to the drug candidates, 4 patient stories have been recorded on film, developed to increase the knowledge of PEG and Reponex.

Financial Summary

For the nine-months period ended 30 September 2023 Pharma Equity Group A/S realized a loss after tax of DKK 11.6 million, which is in line with expectations for the period. As of 30 September 2023, equity equals DKK 51.3 million.

Outlook

We maintain the previously announced expectations for 2023, a loss before tax in the range of DKK 18 million to DKK 22 million for the Group. The outlook does not reflect any potential gains/losses relating to the upcoming settlement of the Portinho S.A receivable.

Receivable from Portinho S.A.

The Group's receivable from Portinho S.A has a principal outstanding amount of EUR 9.55 million with a carrying value per 30 September 2023 of DKK 64 million.

Since 1 July 2023, the Company's Board of Directors and Executive Management have intensified their already close dialogue with the management of Portinho S.A. Based on this dialogue and the information received from Portinho S.A., it is expected that the receivable will be repaid shortly and probably no later



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than December 2023. New financial agreement terms have been agreed, which means that from 1 July 2023 the receivable will bear interest at 2% per quarter instead of 0.5%. See also Company Announcement No. 39 from 25 September 2023.

Capital resources

The Company has provided security to a number of financial creditors, including Sparekassen Sjælland-Fyn A/S, Nykredit A/S and private lenders, in the receivables from Portinho S.A. The due dates for the debts secured by the Portinho receivables will follow the concluded resolution plan.

As a result of the postponement of the payment from Portinho S.A., the Company has been working on possible bridge financing together with existing shareholders. Bridge financing as of 16 November 2023 has been created for DKK 6.5 million to support the company's operations for the foreseeable future. The intention is to obtain loan commitments in the level of DKK 20 million.

Contact person – Investor Relations

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

Inquiries regarding relations with investors and the stock market can be directed to:

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