

**Company announcement**

No. 20/2023

8 November 2023

Herlev

**Orphazyme A/S**

Lyskær 8 A

DK-2730 Herlev

[www.orphazyme.com](http://www.orphazyme.com)

Company Registration No. 32266355

**Business update October 2023:**

Unless otherwise stated, comments in this announcement refer to performance from continuing operations from 1 January – 31 October 2023.

- Net loss for the 10 months ended October 2023 totaled DKK 29 million.
- Per October 30, 2023, Orphazyme held cash totaling DKK 14 million after the payment of the US settlement of USD 2 million.
- A reverse stock split was decided at an extraordinary general assembly 2 November 2023 and is currently in process, with an expected annual cost saving of approximately DKK 400.000 in listing fees.
- The board of directors is still in the initial stage of meetings with different stakeholders to find new activities for the company.
- As mentioned in company announcement 12/2023 the board is in process to investigate different options to strengthen its current capital structure in order to secure sufficient capital to be able to invest in activities related to biopharmaceutical research and development and/or participate in partnerships or co-operate with other businesses or invest in an asset not related to biotech activity.
- With a current share price below the nominal value it is analyzed and concluded that the company need to lower the nominal value to enable different options for the board to strengthen the capital structure. Therefore following this announcement a separate announcement will be send with a call for an extraordinary general meeting with a proposal to lower the nominal value per share and hence also the share capital with the total net accumulated loss in the company of DKK 23 million and a potential reserve of DKK 7 million which is expected to cover the costs relating to the search of a new activity.
- The proposal to reduce the share capital will also accommodate the requirements in section 119 in the Danish Company Act to reestablish the share capital now that the company has lost more than 50% of the share capital.

- In connection with the reverse stock split it is estimated that 2.5 – 3.0 million shares potentially will be delivered to the Company as part of the reverse stock split. At the extraordinary general meeting, which will be called immediately after this announcement, the board will propose that these shares are divested immediately at the best obtainable price. Any shareholders that are interested in acquiring some/all of these shares should contact the Company.

### **Outlook**

The financial outlook for the year is unchanged. For the full-year 2023 we still expect an operating loss in the range of DKK 30 – 35 million. We still expect to end 2023 with DKK 6 - 10 million in cash.

Yours sincerely,

Orphazyme A/S

The Board of Directors

Herlev, November 8th, 2023

For additional information, please contact.

Orphazyme A/S

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