

Acesion Pharma ApS

Annual Report 2024

The Annual General Meeting adopted the annual report on June 19, 2025

A handwritten signature in blue ink, appearing to be 'Nils Bang', written over a horizontal line.

Chairman of the meeting: Nils Bang, Gorrissen Federspiel

Acesion Pharma ApS – CVR no. 34 08 37 38
Nordre Fasanvej 215, 2000 Frederiksberg

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Company details

Company

Acesion Pharma ApS
Nordre Fasanvej 215
2000 Frederiksberg

Central Business Registration No (CVR): 34 08 37 38

Registered in: Frederiksberg

Financial year: January 1 - December 31

Board of Directors

Jørgen Søberg Petersen (Chairman)

Benjamin Bruno Thorner

Nik Economopoulos

Timothy Michael Shannon

Executive Management

Anders Gaarsdal Holst (CEO)

Auditors

EY Godkendt Revisionspartnerselskab

CVR No 30 70 02 28

Dirch Passers Alle 36

Postboks 250

2000 Frederiksberg

Management’s Statement

The Board of Directors and Executive Board have today considered and adopted the Annual Report of Acesion Pharma ApS for the financial year January 1 – December 31, 2024.

The Annual Report has been prepared in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements under the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position at December 31, 2024 of the Company and of the results of the Company’s operations and cash flows for 2024.

Further, in our opinion, the Management's review gives a fair assessment of the development in the Company's activities and financial matters, results for the year, cash flows and financial position as well as a description of material risks and uncertainties that the Company face.

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

Copenhagen, June 10, 2025

Executive Management

DocuSigned by:

317A07ED4A36423
Anders Gaarsdal Holst
CEO

Board of Directors

DocuSigned by:

37288F4A2AB544F
Jørgen Søberg Petersen
Chairman

Signed by:

2BF4717E66B84D4
Nik Economopoulos

DocuSigned by:

4C89AF3551814FE
Benjamin Bruun Thøner

DocuSigned by:

E71B83A678D242B
Timothy Michael Shannon

Independent auditor's report

To the shareholders of Acesion Pharma ApS

Opinion

We have audited the financial statements of Acesion Pharma ApS for the financial year January 1 – December 31, 2024, which comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including material accounting policy information. The financial statements are prepared in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements, or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on our procedures, we conclude that the Management's review is in accordance with the 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 the Management's review.

Management's responsibilities for the financial statements

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

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and 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 the financial statements.

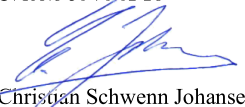
As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Copenhagen, June 10, 2025

EY Godkendt Revisionspartnerselskab
CVR No 30 70 02 28


Christian Schwenn Johansen
State Authorised Public Accountant
Mne33234


Anders Roe Eriksen
State Authorised Public Accountant
Mne46667

Management's Review

Primary activities

The activities of Acesion Pharma ApS consist of the development of more efficacious and safer drugs for the treatment of atrial fibrillation (AF), the most common type of cardiac arrhythmia.

Development in activities and finances

Effective, safe and tolerable pharmacological treatment for atrial fibrillation (AF) remains an unmet need. Acesion Pharma ApS is aiming to develop more efficacious and safer drugs for the medical treatment of AF. The scientific background is based on the novel concept of treating AF by inhibiting so-called SK channels. These are ion channels are present in the heart where they are relevant for regulating the cardiac rhythm. Blocking this ion channel with a targeted drug molecule constitutes a novel and promising target for developing improved treatment of AF.

The Company's lead program, AP31969 is being developed for the maintenance of sinus rhythm in patients suffering from AF. During 2024 the Company has advanced AP31969 through Phase 1 and prepared for the further clinical development, including the planning for a Phase 2 clinical trial which is expected to be initiated in 2025.

Acesion Pharma ApS delivered net losses of DKK 43,033 thousand (2023: DKK 42,849 thousand) due to significant investments in pre-clinical work as well as human clinical trials on the leading therapy candidates.

Uncertainty relating to recognition and measurement

Acesion Pharma's Management has assessed that there are key accounting estimates related to determining fair value of the Syndicate Loan from Vækstfonden in note 4.3 and share-based compensation as described in note 1.2 to the financial statements.

Going concern uncertainty

As of December 31, 2024, the Company's available liquidity, comprised of cash and cash equivalents, was DKK 100,153 thousand and total equity was DKK 89,642 thousand. For the year ending December 31, 2024 the Company incurred a net loss of DKK 43,033 thousand.

The Company monitors its funding position on an ongoing basis to ensure that it has access to sufficient funds to meet its forecasted cash requirements, including investing in platforms and clinical programs for the pipeline. Analyses are run to reflect different scenarios including, but not limited to, cash runway, human capital resources and pipeline priorities in order to identify risks to future liquidity and to enable Management to take corrective actions and allow the Company to continue as a going concern at least 12 months from the balance sheet date.

Based on this assessment Management has prepared the financial statements presented herein based on assumption of being a going concern.

Subsequent events

In June 2025 the Company secured a commitment from the investors in the Company's Series B to invest the tranche 2 of the Series B. The EURM 25 tranche 2 funding will be used to fund the Phase 2 clinical trial with AP31969.

No other events that could significantly affect the financial statements have occurred after the reporting period closing date.

Financial statements

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Financial statements January 1 - December 31

Statement of profit or loss

Note	DKK '000	2024	2023
2.1/2.3	Research and development expenses	(52,309)	(48,510)
2.2/2.3	General and administrative expenses	(4,936)	(4,510)
	Operating loss	(57,245)	(53,020)
4.6	Financial income	2,960	1,006
4.6	Financial expenses	(1,649)	(3,811)
	Net loss before tax	(55,934)	(55,824)
6.1	Income taxes	12,901	12,975
	Net loss for the year	(43,033)	(42,849)
	Attributable to:		
	Shareholders of Acesion Pharma	(43,033)	(42,849)

Statement of other comprehensive income

Note	DKK '000	2024	2023
	Net loss	(43,033)	(42,849)
	<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>		
	None	-	-
	Total comprehensive income	(43,033)	(42,849)
	Attributable to:		
	Shareholders of Acesion Pharma	(43,033)	(42,849)

Financial statements January 1 – December 31**Balance sheet**

Note	DKK'000	Dec 31, 2024	Dec 31, 2023
	ASSETS		
3.1	Property, plant and equipment	1,290	1,683
	Leasehold deposits	135	155
	Total non-current assets	1,425	1,838
3.2	Receivables	1,667	2,088
6.1	Tax receivables	12,901	12,909
	Cash and cash equivalents	100,153	149,104
	Total current assets	114,721	164,101
	TOTAL ASSETS	116,146	165,939
	EQUITY AND LIABILITIES		
4.2	Share capital	115,238	115,238
	Share premium	297,523	297,523
	Accumulated deficit	(323,119)	(281,962)
	Total equity	89,642	130,799
4.3	Borrowings	7,433	13,449
4.3	Bonus derivative	-	-
4.7	Lease liabilities	329	590
	Total non-current liabilities	7,762	14,039
4.3	Borrowings	7,892	8,704
4.7	Lease liabilities	260	207
4.5	Trade payables	5,444	9,477
3.3	Other liabilities	5,146	2,713
	Total current liabilities	18,742	21,101
	Total liabilities	26,504	35,140
	TOTAL EQUITY AND LIABILITIES	116,146	165,939

Financial statements January 1 - December 31**Cash flow statement**

Note	DKK'000	2024	2023
	Net loss for the year	(43,033)	(42,849)
3.5	Adjustments for non-cash items	(11,943)	(9,186)
3.4	Changes in net working capital	(1,180)	969
	Changes in non-current financial assets – leasehold deposits	21	(77)
	Interest received	2,960	1,006
	Interest paid	(5)	(8)
	Income taxes received	12,909	13,505
	Cash flows from operating activities	(40,271)	(36,640)
3.1	Purchase of property, plant and equipment	-	(899)
	Cash flows from investing activities	-	(899)
	Proceeds of issues of shares and other equity securities	-	151,859
	Transaction costs related to issuance of shares	-	(2,220)
4.7	Repayment of borrowings	(8,394)	(1,899)
4.7	Leasing installments	(253)	-
	Cash flows from financing activities	(8,647)	147,740
	Changes in cash and cash equivalents	(48,918)	110,201
	Cash and cash equivalents, beginning of year	149,104	39,026
	Exchange rate adjustments on cash and cash equivalents	(33)	(123)
	Cash and cash equivalents, year-end	100,153	149,104

Financial statements January 1 - December 31, 2024**Statement of changes in equity**

Note	DKK'000	Share capital	Share premium	Accumulated deficit	Total
	Equity at December 31, 2022	70,496	190,406	(237,919)	22,983
	Net loss for the year	-	-	(42,849)	(42,849)
	<i>Transactions with owners:</i>				
4.2	Issuance of shares for cash	44,742	107,117	-	151,859
	Transaction costs related to issuance of shares	-	-	(2,220)	(2,220)
	Share-based compensation expenses	-	-	1,026	1,026
	Equity at December 31, 2023	115,238	297,523	(281,962)	130,799
	Net loss for the year	-	-	(43,033)	(43,033)
	<i>Transactions with owners:</i>				
	Share-based compensation expenses	-	-	1,876	1,876
	Equity at December 31, 2024	115,238	297,523	(323,119)	89,642

Financial statements January 1 – December 31, 2024

Notes

1 Basis of preparation

This section summarizes Acesion Pharma ApS' ('Acesion Pharma' or the Company) accounting policies and key accounting judgements and estimates. Additionally, this section provides information about the overall basis of preparation that Acesion Pharma considers useful and relevant for understanding the financial statements.

1.1 Accounting policies

Acesion Pharma is a privately-owned biotech company focused on development of novel treatments for atrial fibrillation (AF), the most common cardiac arrhythmia.

The Company is a limited liability company incorporated and domiciled in Denmark with its registered office located at Nordre Fasanvej 215, 2000 Frederiksberg, Denmark.

The financial statements for the year ended December 31, 2024 with comparative figures for the year ended December 31, 2023 were authorized of issuance with a resolution of the Board of Directors on June 10, 2025.

The financial statements have been prepared on the historical cost basis except from where otherwise stated. Acesion Pharma's accounting policies are described in each of the individual notes to the financial statements or in section 1.1.

Notes including item specific accounting policies

Section 2 – Operating activities

- 2.1 Research and development expenses
- 2.2 General and administrative expenses
- 2.3 Employee benefit expenses
- 2.4 Share-based compensation

Section 3 – Operating assets and liabilities

- 3.1 Property, plant and equipment
- 3.2 Receivables
- 3.3 Other payables

Section 4 – Capital structure and financial matters

- 4.2 Share capital
- 4.3 Borrowings and debt instruments
- 4.4 Fair value measurement
- 4.6 Financial income and expenses

Section 6 – Other disclosures

- 6.1 Taxation

Applying materiality

When preparing the annual report, Management seeks to improve the value of the information in the report by focusing on information that will provide an understanding of the Company's performance in the reporting period and the financial position at year-end. The goal is to present information that is considered of material importance for our stakeholders, rather than generic descriptions.

Disclosures that are required by IFRS are included in the annual report, unless the information is considered of immaterial importance to users of the annual report.

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS® Accounting Standards) as adopted by the EU and additional requirements under the Danish Financial Statements Act.

The financial statements are presented in Danish Kroner ("DKK").

The financial statements have been prepared on a going concern basis using a historical cost basis.

All financial assets and liabilities are measured at amortized cost unless otherwise stated.

New accounting policies and disclosures

Acesion Pharma applied for the first time, certain standards and amendments, which are effective for annual periods beginning on or after January 1, 2024. The following standards and amendments became effective as of 1 January 2024:

- Amendments to IFRS 7 Financial Instruments and IAS 7 Statement of Cash Flows relating to disclosures relating to supplier finance arrangements.
- Amendments to IFRS 16 Leases relating to lease liability in a sale and leaseback.

- Amendments to IAS 1 Presentation of Financial Statements relating to (i) classification of liabilities as current or non-current (ii) classification of liabilities as current or non-current – deferral of effective date, and (iii) non-current liabilities with covenants.

The amendments had no material impact on Acesion Pharma's financial statements.

New accounting policies and disclosures effective in 2025 or Later

At the date of these financial statements, a number of new and amended standards and interpretations have not yet entered into force or have not yet been adopted by the EU. Therefore, they are not incorporated in the financial statements.

Of the new and amended standards and interpretations have not yet entered into force, only IFRS 18 Presentation and Disclosure in Financial Statements, expected to have a material impact on future financial statements of Acesion Pharma.

Operating segments

Acesion Pharma is managed and operated as one business unit, which is reflected in the organizational structure. No separate lines of business or separate business entities have been identified with respect to any of the product candidates or geographical markets and therefore no segment information is currently disclosed in the internal reporting.

Foreign currency

Translation of foreign currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment, in which the Company operates (functional currency). The functional currency of the Company is Danish Kroner (DKK).

Transactions denominated in foreign currencies are translated into the functional currency at the monthly average exchange rates. Monetary items denominated in foreign currencies are translated into the functional currency at closing rates ruling at the reporting date.

All foreign currency gains and losses are recognized in the statement of profit or loss under "Financial income" and "Financial expenses".

Non-monetary items in foreign currency which are measured at cost at the balance sheet date are translated using the rates of exchanges at the date of the transaction.

Presentation currency

The Company has chosen to present the financial statements in DKK.

Cash flow statement

The cash flow statement is presented in accordance with the indirect method, with a starting basis of net loss for the year. Cash flows for the year are presented as cash flows from operating, investing and financing activities and include the changes in net cash flows for the year along with cash and cash equivalents at the beginning and end of the reporting period.

Cash flows from operating activities

Cash flows from operating activities comprise the profit or loss for the year, adjusted for non-cash items such as share-based payment expenses, depreciations, provisions and changes in the working capital and leasehold deposits, financial expenses paid and financial interest received, and amounts paid and received regarding income taxes.

Cash flows from investing activities

Cash flows from investing activities comprise payments related to additions and disposals of property, plant and equipment.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from proceeds from issuance of new shares and related costs, debt installments and lease installments.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and bank deposit accounts. The change in such bank deposit accounts is presented under financing activities in the cash flow statement. Financial resources consist of cash and cash equivalents.

1.2 Key accounting estimates and judgements

The use of reasonable estimates and judgements is an essential part of the preparation of the financial statements. Given the uncertainties inherent in the Company’s funding activities, Management must make certain key accounting estimates regarding valuation and judgements on the reported amounts.

The key accounting estimates identified are those that have a significant risk of resulting in a material adjustment to the measurement of assets and liabilities in the following reporting period. Management bases its estimates on historical experience and various other assumptions that are held to be reasonable under the circumstances. The estimates and underlying assumptions are reviewed on an ongoing basis. If necessary, changes are recognized in the period in which the estimate is revised. Management considers the key accounting estimates to be reasonable and appropriate based on currently available information.

Management regards the accounting estimates listed below as the key accounting estimates and judgements used in the preparation of the financial statements.

Notes including management’s estimates and judgements

	Estimates	Judgements
Section 1 – Basis of preparation		
1.3 Financing and going concern assumptions	-	X
Section 2 – Operating activities		
2.4 Share-based compensation	X	-
Section 4 – Capital structure and financial matters		
4.3 Borrowings and debt instruments	X	X

1.3 Financing and going concern assumptions

As of December 31, 2024, the Company’s available liquidity, comprised of cash and cash equivalents, was DKK 100,153 thousand and total equity was DKK 89,642 thousand. For the year ending December 31, 2024 the Company incurred a net loss of DKK 43,033 thousand.

The Company monitors its funding position on an ongoing basis to ensure that it has access to sufficient funds to meet its forecasted cash requirements, including investing in platforms and clinical programs for the pipeline. Analyses are run to reflect different scenarios including, but not limited to, cash runway, human capital resources and pipeline priorities in order to identify risks to future liquidity and to enable Management to take corrective actions and allow the Company to continue as a going concern at least 12 months from the balance sheet date.

Based on this assessment Management has prepared the financial statements presented herein based on assumption of being a going concern.

1.4 Subsequent events

In June 2025 the Company secured a commitment from the investors in the Company’s Series B to invest the tranche 2 of the Series B. The EURM 25 tranche 2 funding will be used to fund the Phase 2 clinical trial with AP31969.

No other events that could significantly affect the financial statements have occurred after the reporting period closing date.

Accounting policies

If after the balance sheet date, but prior to the date of the Board of Director’s approval of the financial statements, the Company obtains information about conditions that existed at the balance sheet date, the Company assesses if the information affects the amounts recognized in the financial statements.

The Company will adjust the amounts recognized in its financial statements to reflect any adjusting events obtained after the balance sheet date and update the disclosures that relate to those conditions in light of the new information.

For non-adjusting events after the balance sheet date, the Company will not change the amounts recognized in its financial statements, but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

2 Operating activities

2.1 Research and development expenses

Note	DKK'000	2024	2023
2.3	Employee benefit expenses, excluding share-based compensation	(8,986)	(9,096)
2.3/2.4	Share-based compensation expenses	(1,189)	(684)
	External expenses	(41,778)	(38,717)
3.1	Depreciation	(356)	(13)
	Total research and development expenses	(52,309)	(48,510)

The Company's research and development expenses consist mainly of employee benefits and external expenses related to clinical and pre-clinical research and development activities and consumables as well as expenses related to intellectual property rights.

Substantial portions of Acesion Pharma's clinical studies are performed by third-party laboratories, medical centers, contract research organizations and other vendors, or collectively "CROs". These CROs generally bill monthly or quarterly for services performed. For studies, the Company accrued expenses based upon estimated percentage of work completed and the contract.

The estimates depend on the timeliness and accuracy of the data provided by the CROs regarding the status of each program and total program spending. The Company evaluates the estimates to determine if adjustments are necessary or appropriate based on information we receive.

Intellectual property

The Company actively seeks to create, maintain and protect intellectual property and proprietary information and technology that is considered important to the Company's business, which includes seeking and maintaining patents covering proprietary technology, product candidates, proprietary processes and any other inventions that are commercially and/or strategically important to the Company's business development.

Accounting policies

Research and development expenses

Research and development expenses include wages and salaries, share-based compensation, external research and development expenses, expenses relating to obtaining and maintaining patents and premises, other expenses, including IT and depreciation, relating to research and development, enhancements and maintenance of the Company's technology platforms.

The research activities are comprised of activities performed before filing an investigational new drug (IND) or equivalent and necessary pre-clinical activities for such product candidates. All research expenses are recognized in the period in which they are incurred.

The development activities are comprised of the activities performed following the filing of an IND or equivalent clinical-enabling activities for such product candidates, including but not limited to, research and clinical research activities. In line with industry practice, internal and subcontracted development costs are expensed as they are incurred. Due to significant regulatory uncertainties and other uncertainties inherent in the development of new products, development expenses do not qualify for capitalization as intangible assets until marketing approval by a regulatory authority is obtained or considered highly probable.

2.2 General and administrative expenses

Note	DKK'000	2024	2023
2.3	Employee benefit expenses, excluding share-based compensation	(1,798)	(1,646)
2.3/2.4	Share-based compensation expenses	(687)	(342)
	External expenses	(2,414)	(2,522)
3.1	Depreciation	(37)	-
	Total general and administrative expenses	(4,936)	(4,510)

The Company's general and administrative expenses consist mainly of employee benefits and external expenses related to legal advisors, financial consultants, auditors and other administrative services.

Accounting policies

General and administrative expenses include wages and salaries, share-based compensation, depreciations relating to the leased domicile, other expenses, including IT and depreciation, relating to the management, corporate and business development, and administration of the Company.

2.3 Employee benefit expenses

Note	DKK'000	2024	2023
	Wages and salaries	(10,553)	(10,470)
2.4	Share-based compensation expenses	(1,876)	(1,026)
	Other social security expenses	(62)	(60)
	Other staff expenses	(169)	(212)
	Total	(12,660)	(11,768)
2.1	Research and development expenses	(10,175)	(9,780)
2.2	General and administrative expenses	(2,485)	(1,988)
	Total	(12,660)	(11,768)
	Average number of full-time employees	7	7
	Number of employees by country at end of period:		
	Denmark	11	12
	Total employees at end of period	11	12

Refer to note 5.1 for remuneration of the Board of Directors and Executive Management.

Accounting policies**Share-based compensation expenses**

The Company has granted warrants to the Board of Directors, Executive Management and employees under various share-based incentive programs. The fair value of the warrants at grant date is recognized as an expense in the statement of profit or loss over the vesting period. Such compensation expenses represent calculated values of warrants granted and do not represent actual cash expenditures. A corresponding amount is recognized in shareholders' equity as the warrant programs are designated as equity-settled share-based compensation transactions. Reference is made to note 2.4 Share-based compensation.

2.4 Share-based compensation

On 8 March 2024, the Company issued a new warrant program. Hence, costs recognized in 2024 relate to both historical and new grants. See further description below.

Accounting policies

The Company has granted warrants to the Board of Directors, Executive Management, employees and consultants, who provides services similar to employees of the Company as share-based incentive programs. The fair value of the warrants at grant date is recognized as an expense in the statement of profit or loss over the vesting period as an employee expense. Such compensation expenses represent calculated values of warrants granted and do not represent actual cash expenditures. A corresponding amount is recognized in shareholders' equity as the warrant programs are classified as equity-settled share-based compensation transactions.

The total amount to be expensed is determined by reference to the fair value at grant date of the warrants granted. The fair value is not adjusted for future changes in the fair value of the equity awards that may occur over the service period. The grant date is defined as the date at which the parties agree to the contractual terms. When measuring fair value the entity:

- Includes any market performance conditions (e.g. the entity's share price)
- excludes the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- includes the impact of any non-vesting conditions (e.g. the requirement for employees to save or hold shares for a specific period of time).

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of warrants that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

On 8 March 2024, the Company, without cancelling or modifying former warrant programs, issued a new warrant program (A-share warrants) under which a mechanism was put in place ensuring that the respective warrant holders can only exercise warrants from either former programs or the new program. The Company therefore has multiple warrant programs that run 'in parallel'.

The expense recognized by the Company for warrant programs running in parallel and where management believes that both programs will vest, is determined based on:

- a) the grant date fair value of the old programs under the original vesting terms, plus
- b) the incremental fair value of the new warrant program, as at its grant date (being its fair value of the new program less the fair value of the old programs at that date), over the vesting terms of the new program.

The incremental fair value is recognised in the statement of profit or loss over the vesting period.

Significant accounting estimates

Estimating the fair values for the equity instruments granted in relation to the share-based payment arrangement of the Company requires careful consideration of appropriate valuation models.

Usually, an option valuation model is applied for determining fair value of warrants. Acesion Pharma uses the Black & Scholes-Merton European call option pricing model when measuring the fair value of the A-share warrants. However, as only B-shares had been issued over the years prior to the grant date, the value of A-shares was derived from the B-share capital increases in November 2016 and January 2019, respectively where the relative ownership of the company was affected. The fair values of warrants related to the grants afforded between the two dates, have been estimated using a linear interpolation. The value of the A-shares have also been estimated using the Black-Scholes option pricing model.

Use of the Black-Scholes pricing model requires the input of subjective assumptions such as:

- Estimation of the price of an Acesion A-share. As Acesion is not listed on a stock exchange the estimated fair value of the warrants at the date of grant, using the Black-Scholes model, has been established by assuming that the value of Acesion's shares is the price per share determined at the latest financing round of B-shares and considering additional relevant facts and circumstances.
- The expected stock price volatility: As it is not possible to estimate the expected volatility of a non-public listed entity's share price, Acesion has estimated the fair value of its warrants by using the volatility of an appropriate peer group of listed biotechnology companies.
- The risk-free interest rate, which is based on the Danish government bonds having a yield with a maturity equal to the expected term of the option in effect at the time of grant.

- The expected life of warrants, which is based on vesting terms, expected rate of exercise and life terms in the current warrant program.

The fair values of the A-share warrants have been derived based on the following assumptions:

DKK	December 2018 grant	November 2019 grant	December 2020 grant	August 2022 grant	March 2024 grant
A-share price	9.08	7.43	5.39	1.00	1.00
Exercise price	20.00	22.00	5.39	1.00	1.15
Expected time to maturity	3.5 years	3 years	2.5 years	4.5 years	5 years
Risk free interest rate	(0.43)%	(0.65)%	(0.61)%	(1.66)%	(2.93)%
Volatility	117.3%	119.7%	124.7%	65%	60%
Expected dividend	0	0	0	0	0
Value of A-share warrant	5.51	3.83	3.62	0.46	0.62

The following schedule specifies the warrants (outstanding) granted by year as at 31 December, 2024:

DKK	Grant date fair value (DKK)	Number of outstanding warrants	Exercise price (DKK)	Remaining term to maturity
Grant date				
September 2017	6.42	161,334	20.00	2.0
December 2018	5.51	81,250	20.00	2.0
November 2019	3.83	399,719	22.00	3.0
December 2020	3.62	260,409	5.39	3.0
August 2022	0.46	7,512,079	1.00	2.0
March 2024	0.62	4,351,323	1.00	4.0
	-	12,766,114	-	-

Of which 9,850,728 warrants can be currently exercised.

The following schedule specifies the warrants (outstanding) granted by year as at 31 December, 2023:

DKK	Grant date fair value (DKK)	Number of outstanding warrants	Exercise price (DKK)	Remaining term to maturity
Grant date				
September 2017	6.42	161,334	20.00	3.0
December 2018	5.51	81,250	20.00	3.0
November 2019	3.83	399,719	22.00	4.0
December 2020	3.62	260,409	5.39	4.0
August 2022	0.46	7,512,079	1.00	3.0
	-	8,414,791	-	-

Of which 6,536,771 warrants can be currently exercised.

The following schedule specifies the outstanding warrants:

DKK	Number of warrants held by BoD	Number of warrants held by Executive Mgmt.	Number of warrants held by employees	Total outstanding warrants	Weighted average exercise price
Outstanding January 1, 2023	1,052,047	5,697,466	1,665,278	8,414,791	1.85
Transfers	-	-	-	-	-
Granted	-	-	-	-	-
Cancelled/lapsed	-	-	-	-	-
Outstanding December 31, 2023	1,052,047	5,697,466	1,665,278	8,414,791	1.85
Transfers	-	-	-	-	-
Granted	200,061	3,150,959	1,000,303	4,351,323	0.62
Cancelled/lapsed	-	-	-	-	-
Outstanding December 31, 2024	1,252,108	8,848,425	2,665,581	12,766,114	1.22

The warrants are exercisable at any time after vesting. The warrants expire between December 31, 2026 until December 31, 2028.

The share-based compensation expenses included in profit and loss amounts to DKK 1,876 thousand in 2024 and DKK 1,026 thousand in 2023 and are recognized as operating expenses.

3 Operating assets and liabilities

3.1 Property, plant and equipment

DKK'000	Buildings (Leases)	Laboratory equipment	Total
2024			
Cost at January 1	1,806	1,966	3,772
Additions during the year	-	-	-
Disposals during the year	(1,009)	-	(1,009)
Cost at December 31	797	1,966	2,763
Depreciation at January 1	(1,009)	(1,080)	(2,089)
Depreciation for the year	(243)	(150)	(393)
Depreciation reversed on disposals during the year	1,009	-	1,009
Depreciation at December 31	(243)	(1,230)	(1,473)
Carrying amount at December 31	554	736	1,290
Carrying amount of right-of-use assets at December 31	554	-	554
2023			
Cost at January 1	1,009	1,067	2,076
Additions during the year	797	899	1,696
Cost at December 31	1,806	1,966	3,772
Depreciation at January 1	(1,009)	(1,067)	(2,076)
Depreciation for the year	-	(13)	(13)
Depreciation at December 31	(1,009)	(1,080)	(2,089)
Carrying amount at December 31	797	886	1,683
Carrying amount of right-of-use assets at December 31	797	-	797

Depreciation included in the statement of profit and loss

Note	DKK'000	2024	2023
2.1	Research and development expenses	(356)	(13)
2.2	General and administrative expenses	(37)	-
	Total depreciation included in the statement of profit or loss	(393)	(13)
	Total depreciation of right-of-use assets	(243)	-

Accounting policies

Property, plant and equipment include laboratory equipment. Property, plant and equipment are measured at cost less accumulated depreciation and impairment. The cost includes the cost of acquisition and expenses directly related to the acquisition until such time when the asset is available for use.

Depreciation

Depreciation is calculated on a straight-line basis over the expected useful lives of the assets, which are as follows:

Assets	Useful life	Residual value
Buildings (Leases)	The lifetime of the underlying lease contract	Zero
Laboratory equipment	3-6 years	Zero

The useful lives and residual values are reviewed and adjusted if appropriate at the end of each reporting period.

Impairment

If circumstances or changes in the Company's operations indicate that the carrying amount of non-current assets in a cash-generating unit may not be recoverable, management reviews the asset for impairment. The basis for the review is the recoverable amount of the assets, determined as the greater of the fair value less cost to sell or its value in use.

Value in use is calculated as the net present value of future cash inflow generated from the asset. If the carrying amount of an asset is greater than the recoverable amount, the asset is written down to the recoverable amount. An impairment loss is recognized in the statement of profit or loss when the impairment is identified.

Right-of-use assets

The Company leases its office premises in Copenhagen. The current property lease contract was effective from February 15, 2024 and the contract is time-limited to February 14, 2029. The contract does not contain a non-cancellable period, and the Company may terminate the lease with a three months' written notice. The lease contracts does not provide a right, obligation, or an option to buy the office premises. The contracts contains both lease and non-lease components. The Company allocates the consideration in the contracts to the lease and non-lease components according to the specific pricing of the services in the agreements.

The lease agreements are recognized as a right-of-use asset and corresponding liability in accordance with IFRS 16 *Leases*.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Short-term and low value leases are not recognized as right-of-use assets.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the income statement over the lease period to ensure a constant periodic rate of interest on the remaining balance of the liability for each period.

The lease payments are discounted using the interest rate implicit in the lease. As that rate cannot be readily determined, the Company's incremental borrowing rate is used, being the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The Company applied a weighted average incremental borrowing rate of 7.8%, estimated as a combination of a mortgage loan with a 20-year maturity (which is the maximum length for office properties) and a bank loan at floating rate.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs and restoration costs.

Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

3.2 Receivables

DKK'000	Dec 31, 2024	Dec 31, 2023
VAT receivables	751	1,856
Prepayments	916	232
Total current receivables at December 31	1,667	2,088

Accounting policies

Other receivables and VAT receivables are measured at amortized cost less impairment. Prepayments include expenditures related to future financial periods and are measured at nominal value.

3.3 Other liabilities

DKK'000	Dec 31, 2024	Dec 31, 2023
Contract liabilities	4,066	1,610
Employee cost liabilities	772	795
Other liabilities	308	308
Total other current other liabilities at December 31	5,146	2,713

Accounting policies

Contract liabilities consist of CRO and vendor accruals. Employee cost liabilities are comprised of provision for holiday allowance, provision for salaries and other employee related provisions. Other liabilities consist of commitments. Other liabilities are initially measured at fair value adjusted for transaction costs. Subsequently, other liabilities are measured at amortized cost which generally corresponds to nominal value.

3.4 Changes in net working capital

Note	DKK'000	2024	2023
3.2	Change in prepayments	(684)	(135)
3.2	Change in VAT receivables	1,105	(1,251)
	Change in trade payables	(4,033)	4,437
3.3	Change in contract liabilities	2,456	(867)
3.3	Change in employee cost liabilities	(24)	(1,206)
3.3	Change in other liabilities	-	(9)
	Change in net working capital	(1,180)	969

Working capital is defined as current assets less current liabilities and measures the net liquid assets the Company has available for the business.

3.5 Adjustments for non-cash items

Note	DKK'000	2024	2023
	Reversals of non-cash items in the statement of profit or loss		
6.1	Income tax benefit	(12,901)	(12,975)
3.1	Depreciation	393	13
4.6	Interest income	(2,960)	(1,006)
4.6	Interest expenses	1,616	3,687
2.4	Share-based compensation expenses	1,876	1,026
	Other adjustments		
	Other adjustments, primarily exchange rate adjustments on cash and cash equivalents	33	123
	Other adjustments, non-identified difference in CF	-	(54)
	Total adjustments for non-cash items	(11,943)	(9,186)

For the purpose of presenting the cash flow statement, non-cash items with effect on the statement of profit or loss or balance sheet must be reversed to identify the actual cash flow effect from the operating activities. The adjustments are specified in the table above.

4 Capital structure and financial matters

4.1 Capital management

Since its inception, Acesion Pharma ApS has financed its operations through capital increases and convertible debt facilities as well as funding for research from government grants.

As of December 31, 2024 the Company had cash and cash equivalents of DKK 100,153 thousand as compared to DKK 149,104 thousand as of December 31, 2023. The current cash and cash equivalents are immediately liquid and held in various interest-bearing bank accounts.

As of December 31, 2024 the Company had debt of DKK 15,325 thousand (2023: DKK 22,153 thousand) from borrowings and debt instruments that were issued to investors to fund ongoing operations of the Company. See note 4.3 for additional information regarding the debt facilities.

Management is continually seeking to obtain additional funding, cf. note 1.3. The funding is anticipated to be a mix of equity financing with both existing and new institutional investors as well as government and scientific grants.

4.2 Share capital

On December 31, 2024, the share capital and authorised shares of the Company comprised 70,496,070 class A shares (70,496,070 in 2023) and 44,742,168 class B shares (44,742,168 in 2023) with a nominal value of DKK 1 each.

The A shares is ordinary shares and B shares are preference shares. The preference shares carry certain special rights, in case of distribution of dividends etc., and protection against dilution in case of certain issues of shares.

Every holder of preference shares has pre-emption rights in the event of issuance of new shares in the company. The pre-emption rights apply in proportion to the shareholdings at the time of the approval of the capital increase. If not all holders of preference shares wish to use this pre-emption right, the shares not subscribed for shall be offered pro rata to the holders of preference shares who decided to use their pre-emption rights.

Each share entitles the holder to cast one vote at general meetings in the Company.

	Number of shares	Share capital (DKK)
Share capital at January 1, 2023	70,496,070	70,496,070
Capital increase at September 15, 2023	44,742,168	44,742,168
Share capital at December 31, 2023	115,238,238	115,238,238
Share capital at December 31, 2024	115,238,238	115,238,238

4.3 Borrowings and debt instruments

Accounting policies

Acesion has in 2020 obtained one loan from Vækstfonden which included a bonus derivative.

The debt instruments (loan from Vækstfonden) include the following conversion options:

- A bonus payment given Acesion has received an investment.

All non-closely related embedded derivatives, which are conversion options have been separated from the host contract and accounted for as separately recognized derivatives at fair value through profit or loss with gains or losses being presented as part of financial items. All non-derivative loans are classified as a financial liability measured at amortized cost (net of transaction costs) until it is extinguished on conversion or redemption.

At initial recognition all instruments have been measured at fair value both in respect of the debt host contracts and the embedded derivatives. At subsequent measurement the debt host instruments are measured at amortized cost.

Subsequent to initial recognition, all embedded derivatives are accounted for as a derivative and thus, are measured at fair value through profit or loss. Any gains or losses are recognized as financial items.

All transaction costs are allocated to each component of the loan.

Debts

The Vækstfonden loan described above has been granted from government at below the prevailing market interest rate.

At initial recognition the loan is measured at fair value computed based on a market interest rate and the bonus element i.e. derivative have been measured at fair value. The difference between the proceeds received and the fair value of the loan including the bonus element is recognized as a government grant. The government grant is recognized as financial income when the conditions attached to the grant have been fulfilled. Subsequently, the loan is measured at amortized cost and the derivative is measured at fair value through profit and loss. Any gain or loss on the derivative is recognized as financial items.

Vækstfonden loan

Acesion has in September 2020 issued a loan including a government grant. The loan is not convertible into equity. The loan includes the following terms:

- Term: 72 months from issuance – repayment begins after 36 months.
- Interest coupon CIBOR 3 Month + 5% accruing over the term of the loan
- Loan currency: DKK 19,900 thousand
- Lender bonus element, where the principal under certain conditions are doubled. The bonus element is accounted for as a non-closely related derivative.
- In the event of a qualified sale, a bonus equal to the principal amount reduced by interest paid until that date will be paid to the lender.

Loans at December 31, 2024:

	Outstanding nominal amount (DKK)	Carrying amount	Effective interest rate	Government grant
DKK'000				
Issued				
Loan 1, issued 2020	19,900	15,325	24.9%	-
Bonus derivative	-	-	-	-
	19,000	15,325	-	-

At December 31, 2024, the fair value of the bonus derivative has been determined to be 0 DKK.

Other loans at December 31, 2023:

	Outstanding nominal amount (DKK)	Carrying amount	Effective interest rate	Government grant
DKK'000				
Issued				
Loan 1, issued 2020	19,900	22,153	24.9%	-
Bonus derivative	-	-	-	-
	19,900	22,153	-	-

At December 31, 2023, the fair value of the bonus derivative has been determined to be 0 DKK.

4.4 Fair value measurement

Accounting policies

Acesion measures derivatives at fair value as at each reporting date. When estimating the fair value of financial instruments, management applies the following fair value measurement hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 – Inputs for the asset or liability that are not based on observable market data.

Financial instruments measured on level 1 or 2

As at December 31 2024 and 2023, Acesion has no financial instruments measured in level 1 or 2.

The fair value of financial instruments measured on level 3

The bonus derivative is a level 3 instrument, see note 4.3.

Fair value hierarchy

Fair value of financial assets and liabilities at December 31, 2024:

DKK'000	Level 1	Level 2	Level 3	Total
Financial liabilities				
Bonus derivative	-	-	-	-
	-	-	-	-

Fair value of financial assets and liabilities at December 31, 2023:

DKK'000	Level 1	Level 2	Level 3	Total
Financial liabilities				
Bonus derivative	-	-	-	-
	-	-	-	-

Movement in level 3 fair value measurement:

DKK	2024	2023
At January 1	-	-
Fair value gain through profit and loss	-	-
Fair value loss through profit and loss	-	-
At December 31	-	-

Valuation methods and assumptions

At December 31, 2024 and 2023, Acesion has one type of derivatives measured at fair value, where fair value to a substantial degree based on unobservable input (level 3 measurement); Derivative including the bonus element.

The fair value of options is estimated using a Black and Scholes valuation model. This valuation method requires Management to make certain assumptions about the model inputs such as the underlying share price, expected term to maturity, volatility and interest rate.

Furthermore, fair value of the two loans issued in 2020 was determined as the present value of a probability weighting of the mutually exclusive settlement alternatives i.e. mandatory conversion at qualified investment or repayment/conversion at change of control at the weightings disclosed below.

Assumptions used when measuring fair value:

DKK	2024	2023
A-share price (previous B-shares)	1	1
Exercise price	1	1
Time to maturity	0	0
Risk free interest rate	0.0%	0.0%
Volatility	65%	65%
Dividend	0%	0%
Probability of repayment/mandatory conversion at qualified investment	15%	15%
Probability of repayment/conversion at change of control	80%	80%
Probability of conversion in a no investment scenario	5%	5%

For the derivative including a bonus element the fair value has been measured using a Monte Carlo option model. This valuation method requires Management to make certain assumptions about the model inputs such as the underlying share price, expected term to maturity, volatility and interest rate. The significant inputs are the ones mentioned above.

Other fair value disclosures

Fair value disclosure of loans measured at amortized cost, disclosed at level 3 measurement.

DKK'000	Carrying amount 2024	Carrying amount 2023	Fair value 2024	Fair value 2023
Loan from Vækstfonden	15,325	22,153	10,628	18,436
Total	15,325	22,153	10,628	18,436

Fair value of the loans is measured as the present value of expected future payments discounted at an interest rate including the credit risk on Acision.

4.5 Financial risks

The Company is exposed to multiple financial risks due to its operations. The financial risks primarily include currency, liquidity and interest risks. A risk with a potential financial implication of less than DKK 0.5 million is considered to have low potential impact.

The financial risk exposures are described in further detail below:

Risk exposure	Impact	What can go wrong	Mitigating actions taken by the Company
Foreign currency risk	Low	The exposure to foreign currency fluctuations is considered minor, as the majority of the Company's expenses are incurred in the functional currency (DKK) or currencies closely correlated to DKK. The most significant cash flows for the Company on a quantitative basis are, in descending order, DKK, EUR and USD.	The policy for managing foreign currency risks is to convert cash received from issuance of shares to currencies that match the denomination of budgeted costs.
Liquidity risk	Low	The exposure to liquidity risk primarily relates to the risk of failure to meet the Company's obligations when they become due, which could happen if current assets are not enough to cover the amount of short-term liabilities.	The policy in the Company for managing liquidity risks is to have cash sufficient to act appropriately in case of unforeseen fluctuations in liquidity. The Company's cash requirements for the forthcoming 12-month period are estimated monthly. Reference is made to note 1.3 regarding going concern considerations.
Interest rate risk	Low	The exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations.	The policy in the Company for managing interest rate risk is to have fixed rate loans. The Company has one loan with Vækstfonden at December 31, 2024 and 2023. The loan includes a fixed and variable interest rate. 5 % fixed rate and three months CIBOR variable interest rate.

The maturity analysis of financial liabilities as at December 31:

DKK'000	Less than 1 year	1-5 years	>5 years	Total
2024				
<i>Financial liabilities:</i>				
Borrowings	7,892	7,433	-	15,325
Leasing liabilities	260	329	-	589
Trade payables	5,444	-	-	5,444
Other payables	5,146	-	-	5,146
Total financial liabilities	18,742	7,762	-	26,504
2023				
<i>Financial liabilities:</i>				
Borrowings	8,704	13,449	-	22,153
Leasing liabilities	207	590	-	797
Trade payables	9,477	-	-	9,477
Other payables	2,713	-	-	2,713
Total financial liabilities	21,101	14,039	-	35,140

The financial liabilities include estimated or contractual interest rate payments.

4.6 Financial income and expenses

Note	DKK'000	2024	2023
	Financial income		
	Interest income, other	465	54
	Interest income, bank	2,495	952
	Total financial income	2,960	1,006
	Financial expenses		
	Interest expenses, other	-	(8)
	Interest expenses, bank	(5)	-
4.7	Interest expenses, leasing liabilities	(45)	-
4.3	Interest expenses, debt facilities	(1,566)	(3,680)
	Foreign exchange losses	(33)	(123)
	Total financial expenses	(1,649)	(3,811)
	Net financial items	1,311	(2,805)

Accounting policies

Net financial items include interest income and expenses, gains and losses on foreign currency transactions and surcharges.

4.7 Changes in liabilities arising from financing activities

	Non-cash changes							December 31, 2024
	December 31, 2023	Cash flows	Accumulated interest	Loss on debt recognition	Conversion of debt to equity	Gain on settlement/ fair value adj.	New lease	
Leasing liabilities	797	253	45	-	-	-	-	589
Borrowings	22,153	8,394	1,566	-	-	-	-	15,325
Bonus derivative	-	-	-	-	-	-	-	-
Total liabilities from financing activities	22,950	8,647	1,611	-	-	-	-	15,914

	Non-cash changes							December 31, 2023
	December 31, 2022	Cash flows	Accumulated interest	Loss on debt recognition	Conversion of debt to equity	Gain on settlement/ fair value adj.	New lease	
Leasing liabilities	-	-	-	-	-	-	797	797
Borrowings	20,372	(1,899)	3,680	-	-	-	-	22,153
Bonus derivative	-	-	-	-	-	-	-	-
Total liabilities from financing activities	20,372	(1,899)	3,680	-	-	-	797	22,950

Debt

For detailed information about the debt instruments, refer to note 4.3 Borrowings and debt instruments.

Leasing liabilities

The Company has entered into one operating lease contract relating to its new domicile in Copenhagen, Denmark.

As a result of the lease accounting due to adoption of IFRS 16, the Company has capitalized the only right of use asset being the domicile lease. The Company has recognized a liability to make lease payments (i.e. the lease liability) of DKK 797 thousand and an asset representing the right to use the underlying asset during the lease term (i.e. the right to use asset) of DKK 797 thousand. The liability was measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate. The lessee's weighted average incremental borrowing rate applied was 7.8%, estimated as a combination of a mortgage loan with a 20-year maturity (which is the maximum length for office properties) and a bank loan at floating rate.

5 Corporate governance

This section covers financial matters related to the system by which the Company is directed and controlled.

5.1 Remuneration to the Board of Directors and Executive Management

DKK'000	2024	2023
Remuneration to the Executive Management		
External consultant fees	977	781
Wages and salaries	5,028	4,862
Share-based compensation expenses	1,343	700
Total	7,348	6,343
Remuneration to the Board of Directors		
Wages and salaries	199	-
Share-based compensation expenses	200	124
Total	399	124

The Executive Management comprised of three members in 2024. The executive management is the key management personnel. One of the members are registered with the Danish Business Authority.

All members of the Board of Directors are registered with the Danish Business Authority.

Share-based compensation

In 2024, the total net share-based compensation expenses regarding remuneration to the Executive Management amounted to DKK 1,343 thousand compared with DKK 700 thousand in 2023. For further comments on the development in share-based compensation expense, refer to note 2.4 Share-based compensation.

5.2 Management's holding of shares and share-based instruments

At December 31, the Board of Directors and Executive Management held the following shareholdings in the Company:

Number of ordinary shares owned	2024	2023
Morten Grunnet (former board member)	10,000	10,000
Board of Directors in total	10,000	10,000
Number of ordinary shares owned	2024	2023
Anders Gaarsdal Holst	200,000	200,000
Torgeir Vaage	300,000	300,000
Ulrik Sørensen	310,000	310,000
Executive Management in total	810,000	810,000

As of December 31, the Board of Directors and Executive Management held the following warrants in the Company:

Number of warrants held	December 31, 2023	Transfers	Cancelled	Granted	December 31, 2024
Morten Grunnet (former board member)	1,009,872	-	-	-	1,009,872
Benjamin Thorner	-	-	-	200,061	200,061
Ingelise Saunders (former chairman)	42,175	-	-	-	42,175
Board of Directors in total	1,052,047	-	-	-	1,252,108
Anders Gaarsdal Holst (CEO)	2,259,056	-	-	1,650,502	2,259,056
Torgeir Vaage (CFO)	1,268,323	-	-	600,183	1,268,323
Ulrik Sørensen (COO)	1,959,245	-	-	900,274	1,959,245
Frans Wuite (former CEO)	210,842	-	-	-	210,842
Executive Management in total	5,697,466	-	-	3,150,959	5,697,466

5.3 Related party transactions

The Company's transactions with other related parties

DKK'000	2024	2023
Transactions with related parties (expenses)		
None	-	-
Balances with related parties at year-end (asset)		
None	-	-
Balances with related parties at year-end (liabilities)		
None	-	-

The Company's related parties comprise the significant shareholders of the Company, the Executive Management group, the Board of Directors and the close members of the family of these persons.

The Company has not granted any loans, guarantees, or other commitments to or on behalf of any of the members in the Board of Directors or Executive Management. Other than the remuneration and other transactions relating to the Board of Directors and Executive Management described in note 5.1 and 5.2 and capital increases on the same terms as other investors, no other significant transactions have taken place with the Board of Directors or the Executive Management during 2024 and 2023.

Shareholders

From May 28, 2021, Acesion Pharma's majority shareholder was Novo Holdings A/S, Tuborg Havnevej 19, 2900 Hellerup, Denmark. Novo Holdings is owned by Novo Nordisk Fonden, which is the ultimo parent company. The financial statements of Acesion Pharma is included in the consolidated financial statements of Novo Holdings A/S.

6 Other disclosures

The notes presented in this section are relevant for the overall understanding of the financial statements but are not relevant for the key themes in the financial statements.

6.1 Taxation

DKK'000	2024	2023
Current tax on net loss	12,901	12,909
Prior year adjustments, current tax	-	66
Total income tax benefit for the period	12,901	12,975
Reconciliation of effective tax rate to Danish statutory tax rate		
Statutory corporate income tax rate in Denmark	22,0%	22,0%
Adjustment of tax with respect to prior years	0,0%	0,1%
Extra deduction for research and development costs, cf. LL § 8B	1,6%	1,5%
Other non-deductible income	0,2%	0,0%
Other non-deductible costs, incl. Share-based compensation	(0,7%)	(0,4%)
Effective tax rate	23,1%	23,2%
Deferred tax in the balance sheet		
Deferred tax assets	16,026	16,026
Write-down of deferred tax assets	(16,026)	(16,026)
Deferred tax asset recognized in the balance sheet	-	-

As of 28 May 2021, the Company entered into the joint taxation with Novo Holdings A/S.

Income tax benefit for the year DKK 12,901 thousand and comprise of:

- Joint taxation income tax receivable related to utilization of tax loss for the period 1 January 2024 – 31 December 2024 amounting to DKK 12,901 thousand.

On December 31, 2024, the Company had tax loss carry-forwards in Denmark of DKK 72.8 million (December 31, 2023: DKK 72.8 million for income tax purposes, all of which can be carried forward infinitely according to Danish Corporate Income Tax Act. The tax loss carry-forwards are included in the above deferred tax assets.

As the tax loss carry-forward relates to the period before common control with Novo Holdings A/S, it is uncertain if this deferred tax asset can be utilised within a foreseeable future (3-5 years), and the carrying amount has not been recognised in the financial statements.

Accounting policies

Income tax

Tax for the year comprises current tax for the year and changes in deferred tax. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts recognised directly in equity is recognised directly in equity.

The income tax of the year comprises of the following:

- For the period 1 January 2024 – 31 December 2024, the entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption). Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Deferred taxes

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. Where the tax value can be determined according to alternative tax rules, deferred tax is measured on the basis of the planned use of the asset or the settlement of the obligation.

Deferred tax assets are measured at the value at which they are expected to be utilized, either through elimination against tax on future earnings or through a set-off against deferred tax liabilities. Deferred tax assets are set of within the same legal tax entity and jurisdiction.

Tax receivables

Current tax assets for the current and prior periods shall be measured at the amount expected to be recovered from the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Management's judgements

The Company is subject to corporate taxes in Denmark and is required to accrue for income taxes, deferred income tax assets and liabilities, and provisions for uncertain tax positions.

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expenses already recorded. As at December 31, 2024 and 2023, the Company has not recognized any provisions for uncertain tax positions.

The Company recognizes deferred income tax assets if it is probable that sufficient taxable income will be available in the future against which the temporary differences and unused tax losses can be utilized. Management has considered future taxable income in assessing whether deferred income tax assets should be recognized and has concluded that the deferred income tax assets do not meet the criteria for being recognized as assets in the balance sheet.