

Vascudyne Europe A/S

H.C. Andersens Boulevard 11, 1, 1553 København V

Annual report

2024

Company reg. no. 43 72 98 10

The annual report was submitted and approved by the general meeting on the 19 May 2025.

Richard Francis Murphy
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

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Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of Vascudyne Europe A/S for the financial year 2024.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations for the financial year 1 January - 31 December 2024.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

København V, 19 May 2025

Managing Director

Richard Francis Murphy

Board of directors

Claude Richard Amos
Chairman

Nicolas Hugo Eric Oltramare

Zeeshan Hayder Syedain

Independent auditor's report

To the Shareholders of Vascudyne Europe A/S

Opinion

We have audited the financial statements of Vascudyne Europe A/S for the financial year 1 January - 31 December 2024, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for the Company. The financial statements are prepared under 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 31 December 2024, and of the results of the Company's operations for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for conclusion

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 Financial Statements" section of our report. 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 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 about 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 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 financial statements.

Independent auditor's report

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 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 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.

Statement on Management's Review

Management is responsible for Management's Review.

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

Independent auditor's report

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 19 May 2025

Martinsen

State Authorised Public Accountants
Company reg. no. 32 28 52 01

Leif Tomasson

State Authorised Public Accountant
mne25346

Company information

The company	Vascudyne Europe A/S H.C. Andersens Boulevard 11, 1 1553 København V Company reg. no. 43 72 98 10 Established: 21 December 2022 Financial year: 1 January - 31 December
Board of directors	Claude Richard Amos, Chairman Nicolas Hugo Eric Oltramare Zeeshan Hayder Syedain
Managing Director	Richard Francis Murphy
Auditors	Martinsen Statsautoriseret Revisionspartnerselskab Øster Allé 42 2100 København Ø
Parent company	Vascudyne Inc. 296 Chester Street Saint Paul, Minnesota 55107 USA

Management´s review

Description of key activities of the company

The key activities are to assist the USA mother company in commercializing regenerative acellular in-vitro grown “allograft” tissue applications by way of being the legal counterpart for European clinical trials and be the driver for European regulatory approvals.

In 2023 and up until mid year 2024 the activity level has been low as the company is still awaiting its European regulatory designation. The first European clinical trials are planned for 2025.

Significant changes in the company's activities and financial matters

There have been no significant changes in activities and financial matters.

The gross loss for the year totals DKK -554.862 against DKK -1.321.304 last year. Income or loss from ordinary activities after tax totals DKK -1.190.959 against DKK -2.142.661 last year. Management considers the net profit or loss for the year satisfactory.

To finance the company Vascudyne has provided a loan of that first will have to be repaid when Vascudyne Europe A/S has obtained market permissions and turns profitable from selling Vascudyne products in the European markets.

Accounting policies

The annual report for Vascudyne Europe A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Income statement

Gross loss

Gross loss comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

The enterprise will be applying IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Other external expenses comprise expenses incurred for distribution, sales, advertising, administration, premises, loss on receivables and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Statement of financial position

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Prepayments

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

Accounting policies

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Income statement

All amounts in DKK.

<u>Note</u>	1/1 2024 - 31/12 2024	21/12 2022 - 31/12 2023
Gross profit	-554.862	-1.321.304
1 Staff costs	-720.820	-503.194
Operating profit	-1.275.682	-1.824.498
Other financial income	395.772	155.056
2 Other financial expenses	-311.049	-473.219
Pre-tax net profit or loss	-1.190.959	-2.142.661
Net profit or loss for the year	-1.190.959	-2.142.661
Proposed distribution of net profit:		
Allocated from retained earnings	-1.190.959	-2.142.661
Total allocations and transfers	-1.190.959	-2.142.661

Balance sheet at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2024</u>	<u>2023</u>
Current assets		
Trade debtors	40.655	0
Other receivables	295.237	348.608
Prepayments	7.552	211.425
Total receivables	<u>343.444</u>	<u>560.033</u>
Cash and cash equivalents	<u>4.420.637</u>	<u>5.042.968</u>
Total current assets	<u>4.764.081</u>	<u>5.603.001</u>
Total assets	<u>4.764.081</u>	<u>5.603.001</u>

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2024</u>	<u>2023</u>
	Equity		
	Contributed capital	400.000	400.000
	Results brought forward	-3.333.621	-2.142.661
	Total equity	-2.933.621	-1.742.661
	Liabilities other than provisions		
3	Payables to group enterprises	7.579.560	7.263.319
	Total long term liabilities other than provisions	7.579.560	7.263.319
	Trade creditors	69.889	18.815
	Other payables	48.253	63.528
	Total short term liabilities other than provisions	118.142	82.343
	Total liabilities other than provisions	7.697.702	7.345.662
	Total equity and liabilities	4.764.081	5.603.001
4	Contingencies		

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2024	400.000	-2.142.661	-1.742.661
Profit or loss for the year brought forward	<u>0</u>	<u>-1.190.960</u>	<u>-1.190.960</u>
	<u>400.000</u>	<u>-3.333.621</u>	<u>-2.933.621</u>

Notes

All amounts in DKK.

	1/1 2024 - 31/12 2024	21/12 2022 - 31/12 2023
1. Staff costs		
Salaries and wages	618.735	440.626
Pension costs	90.000	60.000
Other costs for social security	12.085	2.568
	<u>720.820</u>	<u>503.194</u>
 Average number of employees	 <u>2</u>	 <u>1</u>
2. Other financial expenses		
Financial costs, group enterprises	308.392	234.235
Other financial costs	2.657	238.984
	<u>311.049</u>	<u>473.219</u>
3. Payables to group enterprises		
The loan will first have to be repaid when Vascudyne Europe A/S has obtained market permissions and turns profitable from selling Vascudyne products in the European markets.		
4. Contingencies		
Contingent assets		
There is an unrecognized deferred tax asset of approximately t/DKK 730.		