

NB Public Equity K/S
Strandvejen 125
2900 Hellerup

CVR-no. 31 76 17 86

Annual report for the financial year
1 January - 31 December 2024

Approved at the Company's annual general meeting on 19 May 2025
Chair of the meeting:

DocuSigned by:
Kristian Bojsen
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Kristian Bojsen

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Statement by General Partner

The General Partner has today discussed and approved the annual report of NB Public Equity K/S for the financial year 1 January - 31 December 2024.

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


In my opinion, the financial statements give a true and fair view of the financial position of the limited partnership at 31 December 2024 and of the results of the limited partnership's operations for the financial year 1 January – 31 December 2024.

Further, in my opinion, the Management's commentary gives a fair view of the development in the Company's operations and financial matters, the results for the year and the Company's financial position.

I recommend that the annual report be approved at the annual general meeting.

Hellerup, 5 May 2025

On behalf of the general partner, NB Public Equity Komplementar ApS:

Signed by:

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Vibeke Bisgaard Ackermann

Internal auditor's report

To the limited Partners and General Partner of NB Public Equity K/S

Opinion

We have audited the financial statements of NB Public Equity K/S for the financial year 1 January – 31 December 2024, comprising the income statement, balance sheet, statement of changes in equity and notes, including the summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2024 and of its financial performance for the financial year 1 January to 31 December 2024 in accordance with the Danish Financial Statement Act.

Basis of opinion

We conducted our audit in accordance with the Financial Supervisory Authority's executive order on auditing of the Danish Labour Market Supplementary Pension Scheme, AES - the Labour Market Occupational Diseases Fund, LID - the Employees' Capital Pension Fund (LD) and in accordance with international auditing standards as well as additional requirements applicable in Denmark. These require that we comply with ethical requirements and plan and perform our audit to obtain a high degree of certainty that the financial statements are free from material misstatement.

The audit is planned and executed such that we have assessed the business processes and Internal control procedures, including the risk management established by management relevant to the reporting process and significant business risks.

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The audit procedures performed depend on the auditor's judgement, including an assessment of the risks of material misstatement in the financial statements, whether due to fraud or error. In making these risk assessments, we consider internal controls relevant to the company's preparation of the financial statements that give a true and fair view. The Purpose is to design auditing procedures that are appropriate for the circumstances. An audit also includes evaluating the appropriateness of the accounting policies determined by management, the reasonableness of the management's accounting estimates, and the overall presentation of the financial statements.

Our audit has covered the material aspects and areas of risk, and we believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Internal auditor's report

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

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

Furthermore, it is our responsibility to consider whether the management commentary includes the Information required by relevant law and regulations.

Based on the work performed, we conclude that the management's commentary is in accordance with the financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We have not identified any material misstatement in the management commentary.

Copenhagen, 5 May 2025

Signed by:



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Per Graabæk Ventzel

Chief Audit Executive

Independent auditor's report

To the limited Partners and General Partner of NB Public Equity K/S

Opinion

We have audited the financial statements of NB Public Equity K/S for the financial year 1 January – 31 December 2024, which comprise Income statement, balance sheet, statement of changes in equity, and notes, including the summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the entity's financial position at 31 December 2024 and of its financial performance for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statement 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 this auditor's report. We are independent of the Entity 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.

General Partner's responsibilities for the financial statements

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

Independent auditor's report

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.

As part of an audit conducted in accordance with ISAs and the 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the General Partner.
- 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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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.

Independent auditor's report

Statement on the Management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

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

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Copenhagen, 5 May 2025

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR-no. 33 96 35 56

DocuSigned by:

Bill Haudal Pedersen

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Bill Haudal Pedersen
State Authorised Public Accountant
mne30131

Company details

The company	NB Public Equity K/S Strandvejen 125 2900 Hellerup CVR-no. 31 76 17 86 Established 4 September 2008 Financial year 1 January - 31 December
General Partner	NB Public Equity Komplementar ApS
Auditors	DELOITTE STATS-AUTORISERET REVISIONSPARTNERSELSKAB Weidekampsgade 6, 2300 København S

Financial highlights

In '000 DKK

	2024	2023	2022	2021	2020
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Key figures

Revenue	0	0	0	0	0
Operating profit/loss	608,995	24,182	-144,263	-274,551	117,038
Profit/loss of net financials	122	31	-1,122	-767	-191
Profit/loss for the year	609,117	24,213	-145,385	-275,318	116,847

Balance sheet total					
Total assets	1,249,927	640,797	616,583	991,937	1,267,251
Equity	1,249,901	640,784	616,571	991,910	1,267,228

Financial ratios					
Return on equity	64 %	4 %	-18 %	-24 %	17 %
Average full-time employees	0	0	0	0	0

Management commentary

Principal activities

NB Public Equity K/S (a limited partnership) was established on 4 September 2008 with the purpose of investing in publicly listed biotech companies that are involved in the development and/or sale of drugs or receive royalties or other payments related to such sales.

Financial review

The income statement for 2024 shows a profit of DKK 609,117,348 against a profit of DKK 24,213,340 last year, and the balance sheet at 31 December 2024 shows equity of DKK 1,249,901,356.

The result was as expected.

NB Public Equity K/S ("The Fund") primary source of income is realised and unrealised gains on its investments. The core investments of the fund were focused on the rare and highly promising biologic therapies vastly underappreciated. This strategy will be upheld until the financial value will approximate the real value. From a macro perspective the results were not reflected by macro trends such as fiscal policy, political shifts or changes in monetary policies. In particular the last factor has normally a large effect on biotech.

In the biopharmaceutical space, there continues to be a theme of overcrowding in many if not most therapeutic areas. In particular in oncology and also now emerging in Inflammation & Immunology there is a precipitous level of overinvestment. The result will be low / negative rates of return on investment in biotech, and specific areas shall be avoided. In terms of other macro events there is a trend to follow the re-arrangement of the global supply chains and the compartmentalization of the world markets.; China as a market and supplier of clinical study data has been all but eliminated, and the focus on the US is now higher than ever, just as it was last year. True innovation has its disproportionate reward in the US which effectively is subsidising global R&D. Europe is lagging with its "beggar thy neighbour" policy of low prices and state-controlled access to healthcare. This is expected to continue. The new US administration has the potential to disrupt this to a degree, given the zero-for-zero agreements in pharmaceutical tariffs there seems to be only political rather than free-trade arguments behind a disruption. The big success story that is the lighthouse for biopharma continues to be the endocrine area with GLP-1 as the main pull. There are considerable risks in this story that are completely underestimated and in addition to a massive pipeline of more than 100 clinical analogs, there is downside surprise here which could affect the entire sector.

In general, the outlook on biotech is moderately negative as the necessary restructuring trends will drag downwards and no clear unexpected winner will emerge. The fund hence focuses on niche investments that can overcome these large issues, obviously there are very few, and the natural position would not to be exposed in biopharma at all until the restructuring had taken place, investments have therefore to be regarded as being clear exceptions to the rule.

Management commentary

Operations

NB Public Entity Komplementar ApS participates in the limited partnership as a General Partner and is also the manager of the limited partnerships.

Investments

The limited partnership has traded shares in a number of publicly listed companies.

Events after the balance sheet date

No events have occurred after the financial year end which could significantly affect the limited partnership's financial position.

Commercial and financial risks

The limited partnership is focused on identifying rare investment opportunities that promise a return with limited loss potential. Returns are expected over the course of 2-4 years; hence it is too early to comment on recent additions. However, the long-term experience of this strategy has paid off with very limited losses realized over the period from inception of 2008 to date, and returns far in excess of the risk adjusted alternatives.

The limited partnership is exposed to general capital market fluctuations that affect the biopharmaceutical sector. Individual portfolio companies are furthermore subject to risks in the form of failure of key clinical development programs, disappointing product sales, disappointing royalties or other income streams, expiry of patents and generic competition, dilution of ownership by refinancing in poor capital markets, failure of management to be diligent while prudent and other general sector risks.

There is also a foreign exchange risk as the investments are in foreign currencies and as such subject to currency fluctuations

Influence on external environment

The entity have little to no influence on the external environment. The entity is a minority shareholder in all its investments. However, the entity uses its voting rights to influence the decisions in its investment companies in the direction that the management deems best.

Estimated results for 2025

Biotech and pharma stock markets continue to be volatile; however, the expected long-term returns are expected to be positive. For 2025 there are many sources of volatility in the environment such as political stability or lack thereof, health care reform and price regulation. In general, the degree of innovation that is able to produce strong clinical data and outcome, will determine the long-term returns and thus also affect 2025 positively whilst the overcrowding of companies will be a negative drag as discussed above.

Accounting policies

The annual report of NB Public Equity K/S for 2024 has been prepared in accordance with the provisions applying to medium-sized reporting class C entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The entity's cash flows are part of the consolidated cash flow statement for the parent company, ATP.

Presentation currency

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

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Fair value adjustment of other securities and investments

The item includes the year's fair value adjustment of other securities and investments.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. The items comprise interest realised and unrealised gains and losses on receivables, payables and transactions denominated in foreign currencies and interest income and expenses.

Tax for the year

As the individual limited partners include their profit or loss from the limited partnership in their respective income statements, the financial statements do not include taxes.

Accounting policies

Balance sheet

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses when there is objective evidence that a receivable has been impaired.

Other securities and investments

On initial recognition, securities and investments are measured at cost. Securities and investments are subsequently measured at fair value. The fair value is made up at the market value at the balance sheet date if the securities are listed and at a value made up using generally recognised valuation principles if the securities are unlisted.

Cash in bank

Cash comprises bank balances.

Other payables

Other payables are measured at net realisable value.

Financial ratios

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines on the calculation of financial ratios "Recommendations and Financial Ratios".

The financial ratios stated in the survey of financial highlights have been calculated as follows:

$$\text{Return on equity} = \frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$$

Financial statements 1 January - 31 December 2024

INCOME STATEMENT

Note	2024 DKK	2023 DKK
1 Fair value adjustments of other securities and investments	<u>608,995,199</u>	<u>24,182,065</u>
Operating profit/loss	608,995,199	24,182,065
Financial income	<u>122,149</u>	<u>31,275</u>
Profit/loss for the year	<u><u>609,117,348</u></u>	<u><u>24,213,340</u></u>
Proposed profit appropriation/distribution of loss		
Retained earnings	<u><u>609,117,348</u></u>	<u><u>24,213,340</u></u>

Balance sheet as of 31 December 2024

		ASSETS	
Note		2024 DKK	2023 DKK
	CURRENT ASSETS		
	Receivables		
	Receivables from NB Public Equity Komplementar ApS	23,616	11,189
	Dividend tax	<u>3,766,507</u>	<u>2,683,728</u>
	Total receivables	3,790,123	2,694,917
	Securities		
1	Other securities and investments	<u>1,240,303,257</u>	<u>637,443,817</u>
	Total securities	1,240,303,257	637,443,817
	Cash	<u>5,833,527</u>	<u>658,397</u>
	Total current assets	<u>1,249,926,907</u>	<u>640,797,132</u>
	TOTAL ASSETS	<u><u>1,249,926,907</u></u>	<u><u>640,797,132</u></u>

Balance sheet as of 31 December 2024

EQUITY AND LIABILITIES

Note	2024 DKK	2023 DKK
Equity		
Called capital	3,885,000,000	3,885,000,000
Distributions	-4,080,413,420	-4,080,413,420
Retained earnings	<u>1,445,314,776</u>	<u>836,197,428</u>
Total equity	1,249,901,356	640,784,008
Liabilities		
Current liabilities		
Other payables	<u>25,551</u>	<u>13,124</u>
Total current liabilities	<u>25,551</u>	<u>13,124</u>
Total liabilities	<u>25,551</u>	<u>13,124</u>
TOTAL EQUITY AND LIABILITIES	<u><u>1,249,926,907</u></u>	<u><u>640,797,132</u></u>

2 Number of employees

3 Related parties

Statement of changes in equity

DKK	Called capital	Distributions	Retained earnings	Total
Equity at 1 January 2023	<u>3,885,000,000</u>	<u>-4,080,413,420</u>	<u>811,984,088</u>	<u>616,570,668</u>
Paid through cash calls	0	0	0	0
Distributions during the year	0	0	0	0
Appropriation of profit/loss	<u>0</u>	<u>0</u>	<u>24,213,340</u>	<u>24,213,340</u>
Equity at 1 January 2024	<u><u>3,885,000,000</u></u>	<u><u>-4,080,413,420</u></u>	<u><u>836,197,428</u></u>	<u><u>640,784,008</u></u>
Paid through cash calls	0	0	0	0
Distributions during the year	0	0	0	0
Appropriation of profit/loss	<u>0</u>	<u>0</u>	<u>609,117,348</u>	<u>609,117,348</u>
Equity at 31 December 2024	<u><u>3,885,000,000</u></u>	<u><u>-4,080,413,420</u></u>	<u><u>1,445,314,776</u></u>	<u><u>1,249,901,356</u></u>

Notes

1 Fair value adjustments

	<u>Listed shares</u>
Fair value year end	1,240,303,257
Fair value adjustments in the income statement	608,995,199
Fair value adjustments in the equity statement	<u>0</u>
Fair value adjustments in total	<u><u>608,995,199</u></u>

2 Number of employees

The entity has no employees (2023: 0 employees)

3 Related parties

NB Public Equity K/S' related parties comprise the following:

Parties exercising control

<u>Related party</u>	<u>Domicile</u>	<u>Basis for control</u>
Arbejdsmarkedets Tillægspension (ATP)	Denmark	Interest in Limited Partnership
NB Public Equity Komplementar ApS	Denmark	General Partner

Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>	<u>Requisitioning of the parent company's consolidated financial statements</u>
Arbejdsmarkedets Tillægspension (ATP)	Denmark	www.atp.dk

Transactions with related parties

All transactions with related parties are made on arm's lengths terms.

In accordance with the Limited Partnership agreement, the General Partner pays for certain administrative expenses, such as deposit fees, audit and legal fees, etc. on behalf of the limited partnership.

Called capital and distributions made to the limited partners are included in the statement of changes in equity.