

Hørsholm, december 2024

Dear all,

We will soon welcome a new year; 2025.

2024 has been characterized by exciting clinical results, new patents, and a focus and prioritization of individual drug candidates. Preparing to start new studies in early 2025 has also been an area where considerable resources have been used. The latest studies are designed to provide useful knowledge for larger future studies and negotiations with license partners.

2024 was also the year in which the Company carried out a capital increase via a private issue. The directed issue was fully subscribed. The new shares were subscribed by a limited group of new and existing shareholders. The capital increase was necessary to ensure a satisfactory equity level and has at the same time helped to ensure capital availability and a more robust capital structure in the company.

In Company announcement no. 9 on 22 March 2024, PEG announced that they had entered into an agreement with Danske Bank on the exercise of price setting (Market Maker) and about Danske Bank Equity Research going forward as a share analyst on the PEG share. I assess that this is well spent. Since June 2024, Danske Bank has helped to increase the level of information and credibility in the share, which is positive.

I would recommend that as an investor you keep up with the news streams that are broadcast from the company on an ongoing basis (registration via the website), that you follow PEG and Reponex on LinkedIn and that you regularly read Danske Bank, Analyst Group, and HC. Andersen Capital's stock analysis and their assessment of the value of the PEG share. These can either be downloaded directly from the PEG website or via the individual analysis agency.

License Partners

In 2024, many resources were used in the preparation work to be able to enter into a collaboration with possible license partners in 2025. Pernille Lyngholm-Kjærby was hired in mid-April 2024 as Chief Business Development Officer in relation to identification and entry with license partners. Pernille's theoretical background is a Master of Pharmaceutical Science and an MBA (Business Education). Pernille has more than 20 years of experience within the Life Science industry. Pernille has been busy analyzing the market and identifying potential license partners, including key opinion leaders (KOLs). At the same time as Pernille's work on getting a license partner agreement in place, the Company also intends to enter into an agreement with an American agent who will help open the doors in the USA for interesting and possible license partners there.

Clinical results

In the clinical area, the company stated in announcement number 2 from 22 January 2024 that the European Patent Office (EPO) had approved EP patent application no. 3740286 in Reponex Pharmaceuticals A/S (Reponex). The patent relates to pharmaceutical compositions for eliminating bacterial promoters of colorectal cancer by intraluminal application (RNX-051).

On 5 March 2024, PEG in notification no. 6, announced that the European Patent Office (EPO) had decided to issue a patent for Reponex's drug to promote wound healing (RNX-022). The patent covers the treatment method which consists of topical application of a hydrogel containing granulocyte-macrophage colony-stimulating factor (GM-CSF), sucalfate, and hyaluronan to accelerate wound healing. The combination helps stimulate the proliferation of cells related to the healing process and tissue regeneration.

Reponex could in company announcement no. 11 on 5 April 2024 announce that they had received positive final results from the company's clinical phase-2 proof-of-concept trial with the drug candidate RNX-051, the MEFO study, based on the high-level summary received from the company's clinical site. Based on the results of the MEFO study, there appears to be a clear path forward to establish whether treatment with RNX-051 as a single and even repeated dose in patients with intestinal adenomas will lead to adenoma prevention.

For patients with colon cancer, it then seems relevant to investigate whether the changes in the composition of immune cells (increase) and cancer-promoting bacteria (reduction) can result in positive effects in a larger group of patients and whether combination trials with RNX-051 plus immunotherapy also may provide benefits for patients with colon cancer. These are some of the conditions that are looked at in the planning of new studies in Q1-2025.

On 23 October 2024, Reponex announced in company announcement no. 29, that the Japan Patent Office had issued a patent relating to patent application no. 7562413. The patent concerns Reponex's innovative treatment method for eliminating biofilm, which prevents the body's immune system from fighting cancerous tumors in the colon and rectum (RNX-051). Colorectal cancer is a significant public health problem in Japan, where both incidence and prevalence have increased in recent decades. Colorectal cancer is the most common form of cancer in Japan, which is due to an aging population, lifestyle changes, including dietary changes (increased consumption of red meat and processed foods), and limited physical activity.

On 13 December 2024, the Company announced in company announcement no. 32, that the board had made a decision on prioritizing clinical areas in its subsidiary, Reponex Pharmaceuticals A/S. The prioritization takes place on the basis of a number of fundamental commercial criteria, e.g. Medical necessity, patient recruitment, regulatory requirements, likelihood of success and requirements for both human and monetary

capital. On the basis of this evaluation, Reponex Pharmaceuticals A/S has chosen to focus on the 3 drug candidates:

- RNX-051 for colon adenomas and colon cancer
- RNX-011 for the treatment of peritonitis
- RNX-041 for the treatment of IBD (pouchitis)

Initiation of new studies:

In Q4-2024, the company and the clinical partners have used considerable resources on preparations and completion of the study protocols for submitting the clinical phase 2 trial applications to the authorities. The trial applications for RNX-011 will be submitted to the authorities at the beginning of Q1-2025. It is expected that the trial application for RNX-051 will be submitted at the end of Q1-25 or the beginning of Q2-2025. Milestones have been set in the new studies where data extraction in Q2-25 will, for example, be used in relation to conversations with a possible license partner.

RNX-041 is actively included in the 2nd part of the ongoing clinical phase 2 proof-of-concept study regarding the treatment of pouchitis.

Board members

In company announcement no. 31 from 29 November 2024, it was announced that Mette Frederiksen's former adviser, Martin Engell-Rossen, would henceforth be head of cabinet for Denmark's new EU commissioner, Dan Jørgensen in Brussels. Quite naturally, this necessarily meant saying goodbye to the board position in Pharma Equity Group. Since Martin Engell-Rossen became part of the board on 2 November 2023, he has contributed his knowledge of strategic communication and worked to strengthen Pharma Equity Group's visibility and level of awareness. The search is now on for a board member who can replace Martin Engell-Rossen.

Strengthening the organization

As a consequence of the Company's clinical focus and prioritization, announced in company announcement no. 32 from 13 December 2024, the collaboration with Professor Lars Otto Uttenthal was extended. In this connection, Lars Otto Uttenthal has joined as Reponex Pharmaceuticals A/S' medical director (CMO). Professor Uttenthal has been a significant contributor to the company's drug candidates and is registered as an inventor on the company's patents and patent applications for all of the focused clinical programs. Professor Uttenthal therefore has a thorough understanding of these innovative treatment paradigms. The company considers Professor Uttenthal's appointment as the company's

CMO as the best possible way to be able to face the complexity of the company's clinical development and the mechanisms of action of the drug candidates.

Professor Uttenthal is already the driving force in the company's IP protection and ongoing defense of patent applications in close cooperation with patent agencies and clinical sites. There is a close interaction between IP protection, study design, and obtained clinical data, which is continuously used proactively in the company's ongoing patent defense. In connection with the increased focus and prioritization, Christopher Burton has resigned from his position as CMO.

The company's receivables from Portinho S.A.

In 2024, the company's board of directors and management have once again used considerable resources to settle the company's receivables from Portinho S.A., which date from the time before the company was transformed into a pharmaceutical company.

This work continues with, among other things, assistance from both Danish and Portuguese legal advisers.

The group's receivables from Portinho S.A have a principal amount of EUR 9.55 million. with an accounting value per 30 September 2024 of DKK 58 million, which is unchanged compared to 31 December 2023. As announced in company announcement no. 39 of 25 September 2023, no. 46 of 28 November 2023, no. 7 of 20 March 2024 and no. 17 of 16 May 2024 is the payment from Portinho S.A. postponed compared to the original due date, which was 1 July 2023.

On 15 April 2024, the company submitted a summons to the Maritime and Commercial Court against Portinho S.A. with a demand for immediate payment of the receivable of DKK 9.55 million. euros plus interest. There is also an arbitration case pending against Interpatium at the Arbitration Institute (DIA) in connection with the related sale of the shares in Portinho S.A.

Capital ratio

The registered equity in the consolidated accounts on 30 September 2024 was 19.2 million. DKK With a budgeted cash burn of approx. 2 million DKK per month, a capital increase was necessary. In addition, it has been necessary to secure the capital availability in PEG and in Reponex, so that the development of the drug candidates could continue the development and progression that has been agreed.

Capital increase:

On 4/10-24, the Company's board of directors decided to issue 204,592,776 new shares (equivalent to nominally DKK 20,459,277.6) at a subscription price of DKK 0.25 per share. share corresponding to gross proceeds of DKK 51,148,194, of which conversion of

convertible debt for DKK 12,648,826. The directed issue is fully subscribed. The subscription rate of DKK 0.25 per share corresponds to a premium of approx. 20%

compared to the closing price on 3 October 2024. The new shares are subscribed by a limited group of new and existing shareholders

New investors

On 23 April and 14 October 2024, PEG received, under Section 38 of the Capital Markets Act, major shareholder notification that DMZ Holding ApS had acquired shares in Pharma Equity Group A/S. As a result, DMZ Holding ApS had increased their shareholding from 7.57% to over 10% in Pharma Equity Group A/S.

On December 18, 2024, Pharma Equity Group had 1,916 shareholders. This must be seen in relation to the end of 2023 when there were approx. 1,700 shareholders. There were approx. 1,165 shareholders in connection with the IPO back in March 2023. In total, there have therefore been 64% (751 new shareholders) more shareholders to the company from March 2023 to 18 December 2024. The company continues to work on strengthening marketing and communication, including the level of awareness of the company, so that even more new investors can come in, but it is a longer and heavier process.

All in all, 2024 has been a year of good news. Somewhat paradoxically, at the same time in 2024, as an investor, you have been able to observe a falling share in PEG, which has given rise to frustration and questions.

The PEG share must be described as an illiquid share, understood in the sense that there are not enough buyers in the share for the normal market conditions, known from larger companies such as Novo, to be present in relation to an effective price formation. 2 shareholders' sale of approx. 25 million shares over first the period from January to June 2024 and again from October to November 2024, was one of the main reasons why the PEG share experienced a significant drop. When there are not enough buyers for the share, then there is not the "normal" competition in the market and then it is supply and demand that determines the price of the share.

Marketing and communication

In Company announcement no. 9 from 22 March 2024, PEG announced that they had entered into an agreement with Danske Bank on the exercise of price setting (Market Maker) and in relation to Danske Bank Equity Research going forward as a share analyst on the PEG share. Unless your company is in the C25 index, today's companies pay themselves to have a stock analyst attached. However, this does not mean that they are less thorough or that the analyzes are not trustworthy. PEG does not have the opportunity

to determine what is written in Danske Bank's reports and analyses (unless they are factual corrections).

The company also intensified marketing and communication in several areas in 2024, including on social media. The starting point was the prepared communication and marketing strategy, mentioned in last year's newsletter. In 2024, several films were prepared with Professor Ismail Gögenur (professor, MD, and chief physician at Zealand University Hospital, Køge), which tells about the drug candidates RNX-011 (peritonitis), RNX-051 (colon adenomas and colon cancer) as well as RNX-041 (pouchitis and Crohn's colitis). This is both in relation to the individual diseases and also in relation to how Reponex works with these disease areas. The websites of both Pharma Equity Group and Reponex have also undergone another lift and review, which has taken place in an attempt to make the whole thing more investor-friendly. In 2024, a new platform for sending out newsletters has also been created, so that everyone interested has the opportunity to follow along.

In 2024, we had a major communications agency attached to the company. They have spent a lot of time preparing press releases, articles, etc., with which they have then gone to the major media, such as Børsen, Berlingske, Jyllandsposten, Politikken and pharma-related media companies such as Medwatch. The various media have, until now, unfortunately not thought that the news we have brought has been interesting enough for them to bring it. This meant that we also tried to buy ads with articles in, for example, Børsen.

After careful analysis and review of the resources used in 2023 and 2024 to increase awareness of the company, we have chosen to prioritize and focus differently in 2025, which means that it will be social media where the greatest focus will be in the future as it is through these media that we can see an increased approach of interested readers.

We have also, as a consequence of the above, chosen not to continue using platforms such as the Danish Shareholders' Association, Stokk.io, and Vækstaktier.dk.

In the future, the company will participate in presentations at Danske Bank, HC Andersen Capital, Analyst Group in Sweden, LinkedIn, Facebook, Youtube and Inderes. The presentations can be found on i.a. Youtube and on the website. At the same time, newsletters will be sent out regularly, which you can sign up for on the PEG website as usual.

With these words, I would like to thank the enormous effort made this year by our strong, skilled, and energetic team of employees in Reponex and Pharma Equity Group, thank you to the board of directors of the companies and to all the many skilled external consultants who have made a great effort.

We wish you all a Merry Christmas and a Happy New Year.



PHARMA EQUITY GROUP

Thomas Kaas Selsø, CEO