

Annual report for 2023

Allarity Therapeutics A/S (In liquidation)
Venlighedsvej 1, 2970 Hørsholm
CVR no. 28 10 63 51

Adopted at the annual general meeting on 19 July
2024

Lars Lüthjohan
chairman

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Statement by liquidator on the annual report

The liquidator has today discussed and approved the annual report of Allarity Therapeutics A/S (In liquidation) for the financial year 1 January - 31 December 2023.

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

In my opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

In my opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the Company in general meeting.

Hørsholm, 5 July 2024

Liquidator

Lars Lüthjohan

Independent Auditor's Report

To the shareholders of Allarity Therapeutics A/S (In liquidation)

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023, and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the financial statements of Allarity Therapeutics A/S (In liquidation) for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet and notes, including summary of significant accounting policies.

Basis for Opinion

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 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 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

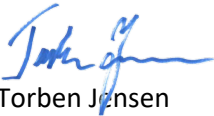
In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially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

Hellerup, 5 July 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no. 33 77 12 31



Torben Jensen
State Authorized Public Accountant
mne18651



Thomas Lauritsen
State Authorized Public Accountant
mne34342

Company details

The company

Allarity Therapeutics A/S (In liquidation)
Venlighedsvej 1
2970 Hørsholm

CVR no.: 28 10 63 51

Reporting period: 1 January - 31 December 2023

Domicile: Rudersdal

Liquidator

Lars Lüthjohan

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

General meeting

The annual general meeting is held at the Company's address on 19 July 2024.

Management's review

Business review

The Company holds shares in Allarity Therapeutics Inc. that at the end of December 2023 have a value of DKK 0.

Allarity Therapeutics Inc. is responsible for the liquidation expenses of Allarity Therapeutics A/S (in liquidation).

Financial review

The company's income statement for the year ended 31 December 2023 shows a loss of kDKK 406, and the balance sheet at 31 December 2023 shows equity of kDKK 83.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement 1 January - 31 December

	<u>Note</u>	<u>2023</u> DKK'000	<u>2022</u> DKK'000
Revenue		0	0
Other operating income		266	0
Other external expenses		-238	-583
Gross profit		28	-583
Profit/loss before net financials		28	-583
Impairment losses on financial assets		-432	-13.940
Financial costs		-2	-89
Profit/loss before tax		-406	-14.612
Tax on profit/loss for the year		0	0
Profit/loss for the year		-406	-14.612
		<u>2023</u>	<u>2022</u>
		DKK'000	DKK'000
Recommended appropriation of profit/loss			
Retained earnings		-406	-14.612
		-406	-14.612

Balance sheet 31 December

	<u>Note</u>	<u>2023</u> DKK'000	<u>2022</u> DKK'000
Assets			
Other fixed asset investments		<u>0</u>	<u>432</u>
Fixed asset investments		<u>0</u>	<u>432</u>
Total non-current assets		<u>0</u>	<u>432</u>
Other receivables		<u>144</u>	<u>434</u>
Receivables		<u>144</u>	<u>434</u>
Cash		<u>272</u>	<u>23</u>
Total current assets		<u>416</u>	<u>457</u>
Total assets		<u><u>416</u></u>	<u><u>889</u></u>

Balance sheet 31 December

	<u>Note</u>	<u>2023</u> DKK'000	<u>2022</u> DKK'000
Equity and liabilities			
Share capital		1.390	1.390
Share premium account		468.136	468.136
Retained earnings		<u>-469.443</u>	<u>-469.038</u>
Equity		<u>83</u>	<u>488</u>
Trade payables		333	200
Corporation tax		0	187
Other payables		<u>0</u>	<u>14</u>
Total current liabilities		<u>333</u>	<u>401</u>
Total liabilities		<u>333</u>	<u>401</u>
Total equity and liabilities		<u><u>416</u></u>	<u><u>889</u></u>
Uncertainty about the continued operation (going concern)	2		
Fair value disclosure	3		

Notes

1 Accounting policies

The annual report of Allarity Therapeutics A/S (in liquidation) for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B and the Accounting Standard on small enterprises.

The accounting policies applied are consistent with those of last year.

The annual report for 2023 is presented in DKK.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the Company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Other operating income

Other operating income comprise items of a secondary nature to the main activities of the Company, including forgiveness of debt and subsidies from other companies.

Other external expenses

Other external expenses include expenses related to administration etc.

Notes

1 Accounting policies

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to realised and unrealised capital/exchange gains and losses on liabilities and foreign currency transactions and amortisation of financial assets and liabilities.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Fixed asset investments

Other securities and investments, fixed assets

Investments are measured at fair value.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

Cash

Cash comprises cash and deposits at banks.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Notes

1 Accounting policies

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Foreign currency translation

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

Receivables and 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.

Notes

2 Uncertainty about the continued operation (going concern)

The Company is going to be liquidated. The liquidator is monitoring the Company's financial position and Allarity Therapeutics Inc. is responsible for the liquidation expenses of Allarity Therapeutics A/S (in liquidation).

The shares in Allarity Therapeutics Inc. have a value of approx. kDKK 0 at the end of December 2023

The Company is dependent on financial support from Allarity Therapeutics Inc. to cover liquidation expenses. It has been agreed between Allarity Therapeutics A/S (in liquidation) and Allarity Therapeutics Inc. in the Share & Purchase Agreement that Allarity Therapeutics Inc. will cover the liquidation expenses of Allarity Therapeutics A/S (in liquidation).

3 Fair value disclosure

Fair value of an asset or a liability that is measured at fair value, opening	<u>432</u>
Fair value adjustments recognised in the income statement	<u>-432</u>
Fair value of an asset or a liability that is measured at fair value, closing	<u>0</u>

Other Investments comprised of listed shares in Allarity Therapeutics Inc.

Some of the shares in Allarity Therapeutics Inc. were swapped for Allarity Therapeutics A/S (in liquidation) shares in January 2022. The value of the swapped shares were kDKK 16,576. The shares can only be disposed to the shareholders of Allarity Therapeutics A/S (in liquidation). The Company holds shares in Allarity Therapeutics Inc. valued at kDKK 0 that at the end of December 2023 have a value of DKK 0.