Annual report

2024

Abacus Medicine A/S, Kalvebod Brygge 35,
1560 Copenhagen V, Denmark, CVR no. 28 11 15 76

ABACUS MEDICINE GROUP

Purpose

We improve global healthcare through better access to medicine

It doesn't matter how good and efficient a given medicine is, if the patient doesn't have access to it.

Achieving universal access to affordable medicine remains challenging, and life-saving drugs are often in short supply across our primary market, Europe.

Abacus Medicine Group plays a vital role in improving access to medicine and additionally bringing significant savings to both patients and society.

Our flexible and efficient supply chain helps ease shortages by enabling the redistribution of surplus medicine from one EU country to other countries with more pressing needs.

By doing so, we contribute to the multifaced solutions needed to address these complex issues. United by this purpose, we work to ensure that modern, effective medicines are made more accessible to all.

We are innovative, dedicated, and we care.

Visit our website
abacusmedicinegroup.com

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Meet the people of Abacus

Throughout the report, you will meet a few of the more than 1,500 dedicated employees of the Abacus Medicine Group. Some are on the move to improve access to medicine. Others share their passions outside of work

Frontpage: Léon on his bike in Alkmaar, The Netherlands.

Business review

Our revenue grew 23% and EBITDA grew to an all-time record of EUR 50.5 million.

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Sustainability

We measure our progress to set targets and find areas to improve. See the updated ESG scores.

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Risk management

We carefully monitor and assess potential risks on an ongoing basis.

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20 years of continuous growth

In 2024, the Abacus Medicine Group celebrated two decades of **improving global healthcare by giving people better access to medicine.** We achieve this by supplying prescription medicine to millions of patients worldwide, and thereby lowering costs and improving access.

We are firmly positioned as a market leader in European **pharmaceutical trading**, and are growing our business in **pharmaceutical commercialisation services and wholesaling.**

Experience some of the milestones we have reached since 2004

2004
Abacus Medicine is founded by father and son, John and Flemming Wagner.
Revenue: EUR 0 million.

2009
We become the largest parallel importer of medicine to the Danish hospital network.
Revenue: EUR 19.8 million.

2010
Beyond borders: Sweden becomes our first export market.
Revenue: EUR 35.5 million.

2012
Abacus Medicine Hungary is established, and our first deliveries to Germany are made.
Revenue: EUR 51 million.

2017
Acquisition of Aposave (now Abacus Medicine Pharma Services).
Revenue: EUR 253 million.

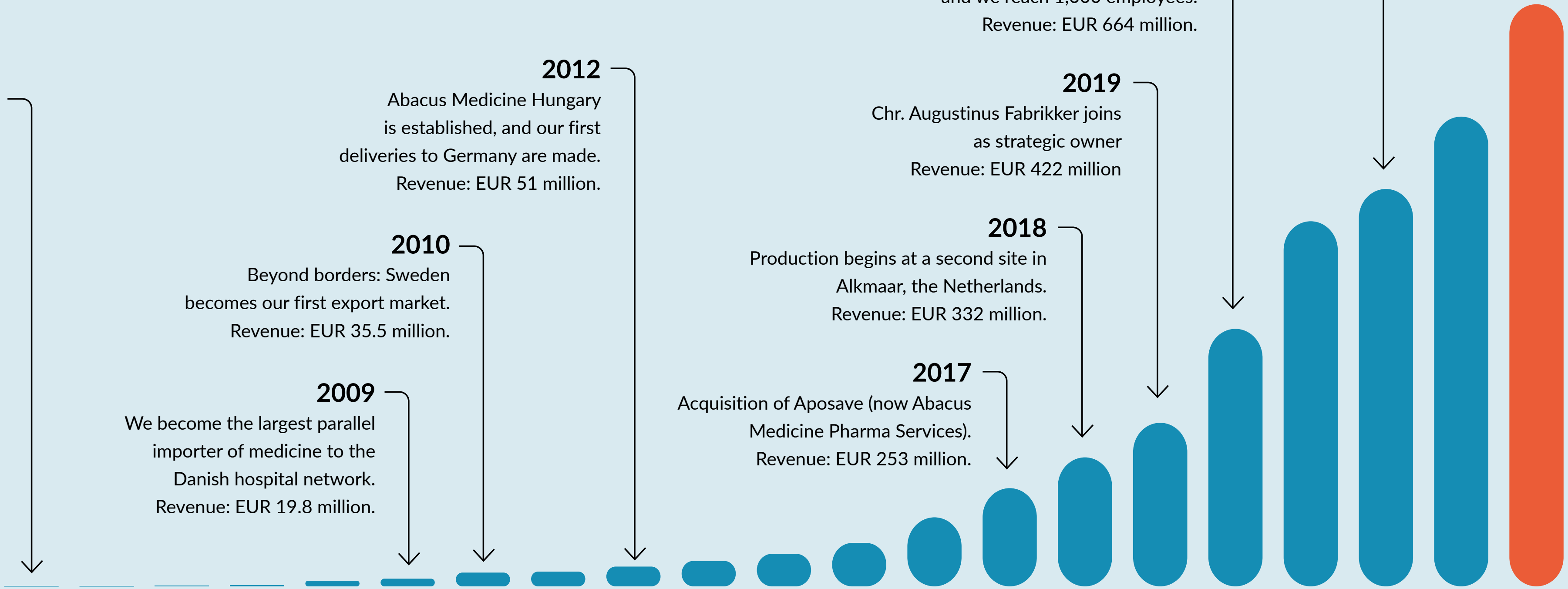
2018
Production begins at a second site in Alkmaar, the Netherlands.
Revenue: EUR 332 million.

2019
Chr. Augustinus Fabrikker joins as strategic owner
Revenue: EUR 422 million

2020
Pluripharm joins the group and we reach 1,000 employees.
Revenue: EUR 664 million.

2022
Group revenue surpasses 1 billion euros.
Revenue: EUR 1,024 million.

2024
The Abacus Medicine Group celebrates 20 years of providing better access to healthcare.
Revenue: EUR 1,487 million.



Letter to our shareholders

The Abacus Medicine Group continued profitable growth in a challenging global environment. Our business succeeded beyond expectations in 2024, and we are optimistic for the future.

Strong, organic growth has been the hallmark of the Abacus Medicine Group for 20 years – and 2024 was a particularly successful year even by those high standards, as we surpassed our own expectations.

We strengthened our existing business and gained market share, while expanding our geographical footprint to five new markets. We hired and onboarded many talented new colleagues, demonstrating our attractiveness as an employer. On the Board of Directors, we welcomed two new members: Sharon Curran and Alette Verbeek, who both bring extensive pharma industry experience.

We are now well ahead of schedule for many of the priorities set out in our strategy, Access26. Delivering double-digit revenue growth, strengthening existing businesses and expanding geographically faster than planned are clearly all causes for optimism.

We pursue profitable growth and are careful to avoid rigid thinking. When attractive business opportunities arise, we are willing to prioritise long-term potential over short-term profitability to ensure the foundation for stronger business going forward. There were several examples of this in 2024: We explored new cooperation models with potential partners in Pharma Services, we invested in our wholesale business by expanding capacity and capabilities at Pluripharm, and we assessed several acquisition opportunities.

This flexible approach is an active, strategic choice which helps us build resilience in times of rising volatility, uncertainty, complexity and ambiguity. We consider it essential to maintain multiple options as we operate in a world where political tensions are growing.

A thriving culture

The entrepreneurial spirit and openness to change are central elements of our company culture. These values have been key to our success until now and will be ever more important going forward. As we continue to grow and enter new markets in the years to come, we will focus on keeping these values at the core of everything we do. We will seek to instil this mindset throughout the organisation, as we welcome even more new colleagues with diverse backgrounds and professional experiences.

To this end, we are implementing a range of programmes to ensure that our culture is alive, increasingly visible and thriving. A strong culture is achieved and maintained only through living these values in all of our work, and thus training and supporting our managers to embed the company values in their daily leadership is particularly important.

Successful together

Celebrating our achievements together has always been a cornerstone of our company culture. As the Group grows, our commercial success creates better access to medicine and better healthcare for millions of people – and that is surely something to celebrate.

In 2024, we celebrated in style. The Abacus Medicine Group turned 20 years old and Pluripharm, which joined the family in 2020, marked its 40-years anniversary. There were numerous parties and events to mark these memorable occasions, providing all employees the opportunity to mix, toast our successes, and deepen professional relationships and friendships alike. We hosted a reception in Copenhagen for our business partners, many of whom have been part of the Abacus Medicine Group story right from the start. It was an honour and privilege to spend time with those who have had, and continue to have, such an integral role in the story of this company. We extend a heartfelt thank you to all our business partners, investors, suppliers, current and former employees, as well as everyone else who has contributed to the success of the Abacus Medicine Group over the years.

The world in 2025 and beyond appears to be set for increasingly challenging times. Our organisation has consistently proven its ability to deliver value, in many ways, and we see change as an opportunity. With our record of success and growth, we believe that the Abacus Medicine Group is ready to face whatever the future may bring.

The big picture

Kim heading to meet her colleagues in Alkmaar, the Netherlands

Financial highlights for the Group

In EUR'000, except for per share data	2024	2023	2022	2021	2020*
KEY FIGURES					
Revenue	1,486,964	1,210,354	1,023,978	940,740	663,501
Gross profit	171,022	144,128	105,542	81,535	67,557
Operating profit before depreciation, amortisation and special items (adjusted EBITDA)	50,545	47,510	26,161	16,562	12,959
Special items	0	0	0	0	-476
Operating profit before depreciation and amortisation (EBITDA)	50,545	47,510	26,161	16,562	12,483
Operating profit (EBIT)	37,494	35,566	14,724	6,404	5,347
Net finance costs	-15,988	-13,013	-6,093	-4,324	-3,929
Profit before tax	21,509	25,686	8,510	2,063	1,337
Profit for the year	17,621	20,042	5,819	415	433
Non-current assets	70,693	60,082	58,248	57,914	51,020
Current assets	286,611	258,858	174,728	157,662	168,507
Total assets	357,304	318,940	232,976	215,576	219,527
Portion relating to investments in items of property, plant and equipment	18,973	10,547	10,432	10,968	11,344
Portion relating to investments in intangible assets	38,109	36,669	33,148	32,440	30,130
Equity	95,895	80,866	60,991	54,646	53,024
Non-current liabilities	6,408	8,872	13,957	16,661	8,167
Current liabilities	255,001	229,202	158,028	144,269	158,336
Cash flow from operating activities	44,499	-13,919	30,399	31,405	-12,651
Cash flow from investing activities	-18,063	-7,515	-8,687	-9,597	-8,968
Portion relating to intangible assets	-8,473	-6,589	-6,635	-7,354	-6,858
Portion relating to tangible assets	-9,588	-2,081	-1,973	-2,327	-2,031
Cash flow from operating and investing activities	26,436	-21,434	21,712	21,808	-21,619
Cash flow from financing activities	-19,728	14,728	-15,508	-18,138	19,862
Total cash flow	6,708	-6,706	6,204	3,670	-1,757

In EUR'000, except for per share data	2024	2023	2022	2021	2020*
FINANCIAL RATIOS					
Revenue growth	22.9%	18.2%	8.8%	41.8%	57.4%
Gross margin	11.5%	11.9%	10.3%	8.7%	10.2%
Adjusted EBITDA margin	3.4%	3.9%	2.6%	1.8%	2.0%
EBITDA margin	3.4%	3.9%	2.6%	1.8%	1.9%
Operating profit (EBIT) margin	2.5%	2.9%	1.4%	0.7%	0.8%
Return on invested capital (ROIC)	21.3%	22.3%	9.4%	1.1%	1.7%
Adjusted return on invested capital (adjusted ROIC)	21.3%	22.3%	9.4%	1.1%	2.8%
Solvency ratio	26.8%	25.4%	26.2%	25.3%	24.2%
Return on equity	19.9%	28.3%	10.1%	0.8%	0.8%
Earnings per share, EUR	1.7	1.9	0.6	0.0	0.0
Diluted earnings per share, EUR	1.6	1.9	0.5	0.0	0.0
OTHER FIGURES					
Number of employees at year-end	1,505	1,324	1,279	1,148	1,073
Average number of full-time employees	1,370	1,196	1,140	1,052	912
Invested capital	141,022	147,093	101,531	113,013	127,825
Net interest-bearing debt	45,127	66,227	40,540	58,367	74,801
Marketing authorisations (licences)	11,238	9,902	9,364	8,162	6,224

* Figures relating to Pluripharm are consolidated as from 29 July 2020.

Financial ratios are calculated in accordance with the definitions in section "Definition of key figures and ratios". The calculation of Earnings per share and diluted earnings per share is based on the guidelines in IAS 33.

Business review

The Abacus Medicine Group has been a growth machine for 20 years and further accelerated in 2024: We exceeded our target for organic revenue growth and generated record-high free cash flow. The strong financial performance allowed us to invest early for future growth.

Group revenue grew 23% to EUR 1,487 million, which was significantly higher than our outlook going into the year. The result was driven by high growth in both the Pharma Wholesale and the Pharma Trading divisions.

We recorded sales in 35 markets globally in 2024, the main ones being in Europe. There are significant differences between the national health care systems here, a fact that often results in large variations from market to market. This year, the positive trends outweighed the negative.

We continued our geographic expansion and supplied medicine to customers in five new European markets.

New opportunities also arose during the year, particularly for the Pharma Wholesale business. We decided to pursue these zealously and won many new customers as a result.

Investing early for future growth

We had planned a high level of investments in 2024, and we went beyond these already ambitious goals to take advantage of further opportunities for growth.

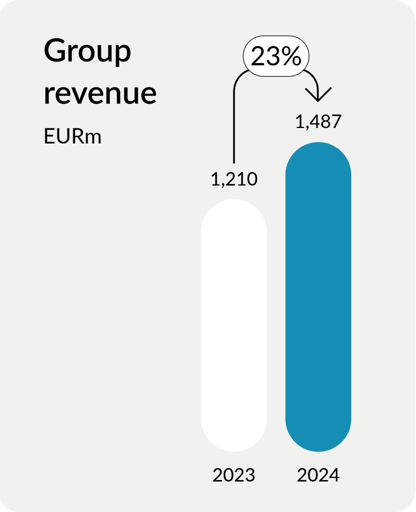
We identified and explored these opportunities during the year and decided to accelerate investments in selected elements of our Access26 strategy, including building capabilities in the Pharma Services division.

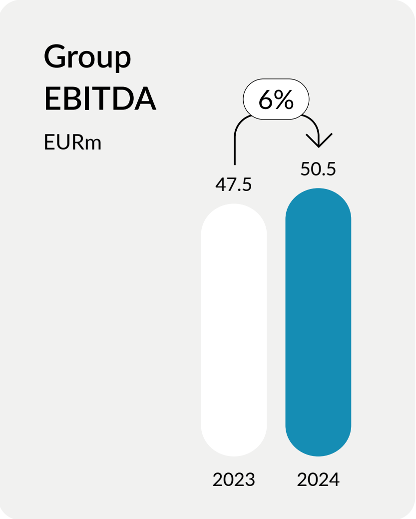
Our future investments will be primarily in two areas: Digital and people.

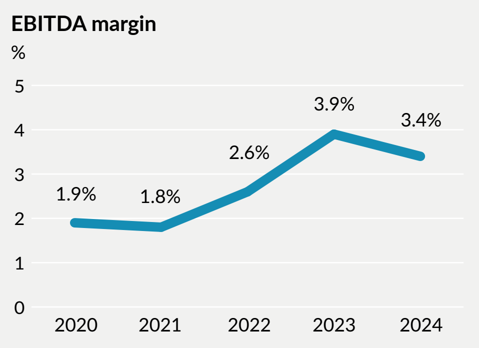
A strong digital infrastructure is vital for our ability to keep growing our business and in 2024, we expanded and upgraded our global IT organisation. We also successfully implemented a suite of new tools for the purchase and sales departments in the Pharma Trading and Pharma Services divisions, and these are enabling smoother daily execution of trades.

We launched a new strategy for People & Culture, hiring more people to help us manage employee development and build the organisation necessary for continued high growth in the years to come. We onboarded 181 additional employees in 2024, including many who brought entirely new skills to the organisation. Our new colleagues include specialists in fields such as talent acquisition and Learning & Development, among others. Selling, General and Administrative (SG&A) costs, of which staff costs is the largest component, rose 25% from the year before.

The combination of high revenue growth and our decision to accelerate investments in our digital platform and additional employees had an impact on the Group's profitability.







EBITDA grew to EUR 50.5 million, which was an all-time record and within the range of our outlook. The EBITDA margin of 3.4% dipped below our outlook but was in fact the second highest in the last five years. We believe this confirms a long-term trend towards a higher level of profitability for the Group, driven by increasing advantages of scale.

Profit for the year was EUR 17.6 million.

The combination of EBITDA growth and our ongoing focus on improving the operational process flows resulted in a record free cash flow generation of EUR 26.4 million.

Pharma Trading and Pharma Services
The combined revenue in the Pharma Trading and Pharma Services divisions grew 17% to EUR 1.0 billion, from EUR 876 million in 2023.

Demand for medicine at lower prices remained high in our European core markets throughout the year, and the combined gross profit margin for Pharma Trading and Pharma Services was 13.6% compared to 13.5% in 2023. There was good momentum in the Pharma Services division, where sales cycles can be 12 months or more, and we signed partnership agreements with a number of new pharmaceutical companies.

Our ability to increase sales in both existing and new markets must be matched by our production capabilities. We need to repack, store, and distribute ever larger amounts of medicine each year while always adhering to stringent quality standards. We have been running a multi-year programme to expand capacity and achieve productivity gains, an effort that will continue in 2025.

EBITDA for the Pharma Trading and Pharma Services divisions was EUR 45.6 million, against EUR 42.2 million the year before.

Pharma Wholesale
It was an exceptional year for the Pharma Wholesale division, with revenue growing 35% to EUR 494 million, against EUR 367 million the year before. There were shifts in market share among the four leading Dutch medicine wholesalers and Pluripharm emerged as one of the winners. Through 2024 and into early 2025, we have had the pleasure of welcoming more than 100 new pharmacy customers, both independent and several regional chains.

Pluripharm also delivered strong organic growth in key value-added services for pharmacies, such as Central Fill and handling contracts with healthcare insurers.

The large number of new customers meant Pluripharm celebrated its 40 year anniversary with its highest ever revenue and production volumes. We expect the trend to continue in 2025 and have initiated large-scale construction work to accommodate this rapid growth, with expansion and complete modernisation of our warehouse, production facilities and offices in Alkmaar in the Netherlands. When the new facilities become fully operational in 2025, we will already have many of the customers to utilise the additional capacity.

We decided to operate with a larger than normal operational setup and additional manpower, to ensure continuing strong service for our existing and new pharmacy customers throughout the construction. These temporary costs weighed on gross profits and the EBITDA margin for Pharma Wholesale, which was 1.0% in 2024 against 1.4% in 2023. EBITDA was EUR 5.0 million in 2024 against EUR 5.3 million the year before.


Robert from Denmark is going places. He earned his motorbike licence this year.

Outlook 2025

We expect to build on our strong momentum with another year of solid double-digit revenue growth, while continuing ambitious investments in future opportunities.

The Abacus Medicine Group expects to build further on the strong momentum of 2024 and maintain its track record of high organic revenue growth in 2025. We expect organic revenue growth in the range of 14-18%, based on our sizeable investments in both existing businesses and new markets, coupled with favourable long-term trends for the healthcare industry.

Given our strong execution and market opportunities, we decided in 2024 to accelerate our investments in selected elements of our Access26 strategy. In 2025, we will continue to invest in operational capacity, our digital platform and additional employees to deliver profitable growth. We expect to generate solid absolute EBITDA growth this year, and the EBITDA margin to develop more gradually to a range between 3.3% and 3.7%.

Pharma Trading and Pharma Services
We anticipate yet another year of double-digit revenue growth in the Pharma Trading division, with additional sales coming from both existing and new markets as well as an improved position in lower-price medicines. We expect significant EBITDA growth at consistent margins.

In the Pharma Services division, we will further accelerate our investments in organisational capabilities to develop the partnership pipeline.

Pharma Wholesale
We expect to gain further market share in the Dutch retail pharmacy and hospital markets, leading to double-digit revenue growth in the Pharma Wholesale division. We signed several new customer agreements at the end of 2024 and in the beginning of 2025, further reinforcing both our momentum and confidence.

Revenue growth is expected to lead to higher EBITDA. We will make significant investments during 2025 to expand and completely modernise our warehouse, production and office facilities in Alkmaar, the Netherlands, and these will have an impact on the EBITDA margin.

Group outlook

Organic revenue growth

14-18%

Revenue, EURbn

1.65-1.75

EBITDA margin

3.3-3.7%

Sustainability in the Abacus Medicine Group

More information can be found in our Sustainability Report 2024

Embedding sustainability in our operations is part of our Access26 strategy. In 2024, we prepared for alignment with the Corporate Sustainability Reporting Directive (CSRD) and addressed the growing demand for sustainable practices from our stakeholders.

The world around us is changing rapidly. How we care for it and the people in it is becoming ever more important to society and governments, and regulations are evolving to reflect this focus – and the Abacus Medicine Group is evolving its sustainability efforts to reflect this.

We acknowledge the significant link between our environmental, social and governance (ESG) and business performance and take a proactive approach to integrate sustainability strategically within our processes and operations. This creates value for both our company and the society in which we operate.

We view the Corporate Sustainability Reporting Directive as a driver for ESG and thus an oppportunity to generate value for the Abacus Medicine Group. An increased focus on ESG will advance our sustainability initiatives and expand our non-financial data reporting.

In 2024, we continued to work on finalising our first Double Materiality Assessment to ascertain which ESG topics are material to us. The assessment will be reviewed and incorporated into our first CSRD report

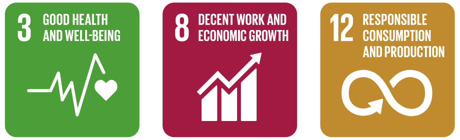
in the Annual Report for 2025. We have continued our collaboration with an external consultancy firm to ensure that we are well prepared for the new requirements, working closely together to define our sustainability targets and enhance our governance structures.

Our Sustainability Steering Committee (SSC), which includes stakeholders from a broad range of business functions across the Abacus Medicine Group, is an integral part of our strategic approach to sustainability and ESG. The SSC takes a project-based approach to all sustainability related topics and is involved in the CSRD implementation.

Contribution to the UN Sustainable Development Goals

Our business model addresses global and national medicine shortages and price increases, thereby helping to relieve the pressure on healthcare systems brought on by an ageing population and higher costs. In this way, our business creates real value for our customers, including patients, wholesalers, pharmacies, hospitals and societies.

The Abacus Medicine Group supports the UN Sustainable Development Goals (SDGs), three of which are particularly related to our core business: SDG 3 (Good Health and Well-being), SDG 8 (Decent Work and Economic Growth) and SDG 12 (Responsible Consumption and Production).



We believe that we can deliver most impact in these areas through the knowledge, products and solutions we provide to our customers and the wider society. Adopting sustainable practices, whether large or small, can have a significant impact in the long run.

People and community

Moving healthcare. Moving you. This is our employer brand and the promise we make to all current and future employees - a workplace focused on not only providing meaningful jobs but also meaningful relationships between people.

In 2024, we continued our growth, welcoming 181 new employees globally. As we expand, it remains a top priority to ensure that the Abacus Medicine Group remains a good place to work.

The Abacus Medicine Group often promotes internal talent to leadership positions that require fundamental skills. We have initiated our internal Fundamental Leadership Development Training, in which 38 employees participated in 2024, to support this.

We also kicked off our Global Mentor Programme aimed at early career employees. This programme connects leaders and employees across our locations to provide a space for colleagues to realise opportunities and to build on their professional development by learning from the experience and insights of others.

All members of our Senior Management Team, as well as new leaders, have been trained to live up to the promise in our employer brand.

We firmly believe that conscious inclusion and diversity awareness is an everyday practice that all employees should apply, and actively work towards that. We have launched an inclusive project team initiative and a playbook on how to create diverse teams and ensure an inclusive environment.

In May 2024, we celebrated Diversity and Inclusion week globally, focusing on conscious inclusion and unconscious biases. It included a myriad of different activities across locations, with the overall aim of helping us all be more conscious and aware of the value of both diversity and inclusion.

Data Ethics

We protect fundamental rights in relation to personal data. Our Personal Data and Privacy Policy and Guidelines for Handling of Personal Data, see section. 99d of the Danish Financial Statements Act, can be found on our website. These ensure that we comply with laws and regulations in relation to the protection of personal data. Since 2023, data ethics are a part of the Abacus Medicine Group's Personal Data and Privacy Policy, because we believe that it is important to consider the ethical dimension of fundamental human rights when we use technology.

In our Sustainability Report 2024, we highlight all statutory measures relating to environmental impact, diversity and compliance in accordance with section 99a of the Danish Financial Statements Act and section 54, part 6, of the UK Modern Slavery Act.

Read it here

Katja's passion for teamwork kicks off both on the field and at work

ESG Data

Environment	Unit	Target	2024	2023
Direct Greenhouse Gas Emissions (Scope 1)	Metric tonnes CO_2e		235.3	216.9
Electricity Consumption	kwh		2,654,055	2,449,906
Renewable Electricity Share	%		62.9	31.0
Indirect Greenhouse Gas Emissions (Scope 2)				
Market-based	Metric tonnes CO_2e		318.1*	642.6
Location-based	Metric tonnes CO_2e		540.6	632.9
Social				
Employee Headcount	Number of employees		1,505	1,324
Full-time Equivalents	Number of FTEs		1,370	1,196
Gender Diversity All Employees	% of women		58.7	60.0
Gender Diversity Senior Mgmt.	% of women		23.0	23.1
Gender Diversity Executive Mgmt.	% of women		37.5	30.0
Employee Turnover Rate	%		16.1	13.8
Employee Survey Participation Rate	%	85.0	80.0	80.0
Employee Engagement Score	Index 1-4	>3.5	3.2/4	3.2/4
Governance				
Gender Diversity, Board of Directors	% of women		29.0	14.0
Whistleblower cases	Number		1	0

Historical data is not available for all metrics for all years.
The ESG data has not been subject to an audit. Please note that the diversity numbers in this table cover the entire Abacus Medicine Group.
* Market-based CO_2e emissions have decreased in 2024 due to a change in our energy mix.

More information can be found in our Sustainability Report 2024

Rory connects medicine to patients in Kildare, Ireland

Our business

Business model

Better access to medicine – both physical and financial. In many different ways.

Too many people do not have access to the medicine they need.

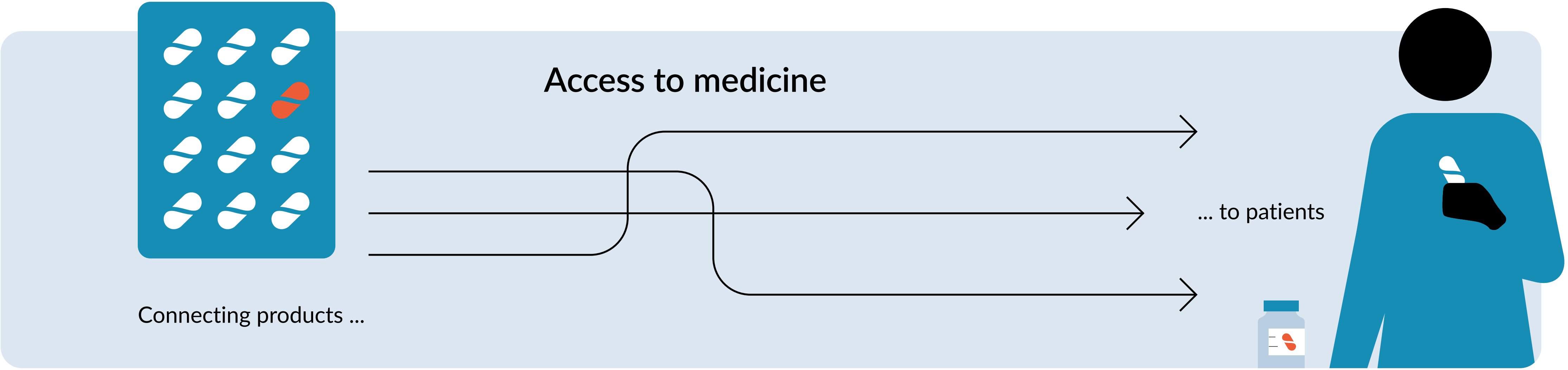
It is a large and growing problem. In some countries, it takes years before new medicines are launched, and in other countries, there are regular shortages of pharmaceuticals that are nominally available, but out of reach in practice.

The reasons for this are complex and often interconnected, and include supply chain disruptions, manufacturing issues, regulatory hurdles and demand exceeding supply. Regardless of the cause, the problem is real.

The Abacus Medicine Group strives to be part of the solution. We provide a range of services that create better access to medicine for wholesalers, hospitals, pharmacies, pharmaceutical companies - and, ultimately, for patients.

We organise our activities in three divisions: Pharma Trading, Pharma Services, and Pharma Wholesale. Each has distinct core capabilities which are supported by shared, cross-company competencies such as logistics, data analytics and our specialised sourcing network.

Our business operates in many different ways, depending on the needs of our customers. It is united by the common purpose of improving global healthcare through better access to medicine.



Pharma Trading

Independent distribution of medicine at a lower cost.

Pharma Trading, the largest of the Abacus Medicine Group's three divisions, focuses on arbitrage trading of medicine based on price differences across Europe. There are often substantial price differences between identical pharmaceutical products in different markets. By trading between these countries, a practice also known as parallel distribution, we spur competition and help decrease the costs of prescription medicine. This brings significant savings for public and private healthcare providers.

The Pharma Trading division also includes Abacus Medicine Clinical Trial Services, which offer comparator medicine to pharmaceutical and biotech companies for their clinical trials.

Multi-market presence

Abacus Medicine is the largest European independent distributor of medicine by geographical reach, and we are working systematically to serve patients in more countries.

Our dynamic trading business rests on a carefully designed operating model:

- Data intelligence: We monitor and analyse thousands of products every day. Our trading expertise and digital infrastructure for data analysis and predictive modelling are industry-leading.
- Sourcing: We purchase products worth millions of euros each month through our network of more than 200 certified suppliers across the EU. This specialised network, built over many years, is an important competitive advantage.
- Production: More than 800 employees in operations and quality assurance in Hungary and the Netherlands ensure compliance when we repack and trade medicine across borders.
- Logistics: We operate a pan-European supply chain together with our transportation partners.
- Sales and business development: Our successful multi-market strategy is built on in-depth knowledge of the healthcare system of each national market, including mechanisms for pricing and reimbursement.

Growing European presence

The Abacus Medicine business model rests on the often substantial price differences in different markets for identical pharmaceutical products.

The map shows an example of the pharmacy purchase price of a single tablet of a specific prescription medicine.

Abacus Medicine has the largest geographical reach of all independent European distributors of medicine, and we are working systematically to increase our footprint.

Pharma Services

Making new medicine available faster in more markets.

Orphan, Rare and Ultra-rare diseases affect only very small numbers of people. Abacus Medicine Pharma Services specialises in the commercialisation of treatments for these diseases, thereby helping addressing the issue of bringing much-needed medicine to affected patients in a cost-efficient manner.

We achieve this through offering biotech and pharmaceutical firms an end-to-end solution for the rare disease product lifecycle. This simplifies the complex issues involved in multi-market drug launches and helps bring innovative medicines to market faster in more EU countries. Launching faster in more markets helps more patients with access to better treatments.

Our unique suite of services builds on the Group's expansive knowledge of the EU market and covers the entire product lifecycle from market access and field medical affairs to pan-European distribution. By partnering with Abacus Medicine Pharma Services, biotech and pharmaceutical companies maximise the clinical and commercial potential of their assets.

Mirum and AMPS: A remarkable, multi-market partnership

Abacus Medicine Pharma Services (AMPS) and US-headquartered Mirum Pharmaceuticals (Mirum) agreed to partner in September 2024 regarding the commercialisation of LIVMARLI® (maralixibat) oral solution, which addresses rare liver diseases, in the Nordic markets.

Under the agreement, which demonstrates both companies' commitment to improve supply of rare disease treatments, AMPS will exclusively promote, market, sell, distribute and commercialise Mirum's LIVMARLI in Denmark, Finland, Iceland, Norway, and Sweden.

"This partnership underscores the shared vision and joint commitment of both companies to bring meaningful medications to those who need them most," says Gary Kahn, Vice President of Business Development for Abacus Medicine Pharma Services.

Tackling debilitating diseases together
LIVMARLI is approved with orphan designation in Europe to treat patients aged 2 months and older with cholestatic pruritus caused by Alagille syndrome (ALGS), as well as to treat patients aged 3 months and older with progressive familial intrahepatic cholestasis (PFIC).

ALGS and PFIC are inherited, life-threatening rare diseases in which bile cannot drain properly from the liver, resulting in a build-up of bile acid in the liver and blood. This accumulation can cause progressive liver damage, cirrhosis and end-stage liver disease.

"Our combined expertise and resources will enable us to make substantial progress in addressing the challenges faced by the ALGS and PFIC communities in the Nordics," says Gary Kahn.

Pharma Wholesale

Supplying medicine and services to pharmacies and hospitals.

The Pharma Wholesale division supplies medicine, medical devices and services to pharmacies and hospitals through its largest business unit, Pluripharm.

This wholesale operation is the main revenue driver, and it provides a platform for offering independent pharmacies a range of other services, such as contract negotiations with health insurers.

Pluripharm celebrated its 40-year anniversary in 2024 as a long-term dedicated partner for independent Dutch pharmacies and a valued supplier to Dutch hospitals.

The anniversary year 2024 has been a big success welcoming 100 new public pharmacies as wholesale customers. One of the reasons for the influx of many new pharmacies is unique industry-leading service offerings which differentiates Pluripharm in the industry.

In 2024, Pluripharm also invested in refurbishment of the offices and modernisation and expansion of the warehouse in order to service even more customers in the future.

In 2024, we made significant progress on the modernisation and expansion of the Pharma Wholesale warehouse and offices in Alkmaar, the Netherlands.

The large-scale project aims to accommodate the growing volumes in Pharma Wholesale and ensure improved service for our customers.

Watch the video to explore a visualisation of the new facilties and exterior, designed to support our future growth.

Market insights

Europeans are spending more money on medicines every single year.

We need more pharmaceuticals to treat ever more prevalent diseases among our ageing population – for example, the number of new cancer cases in Europe each year is projected to rise from 4.5 million today to 5.3 million by 2040[1]. As a result, the EU's total pharmaceutical expenditure is expected to rise further from the current €230 billion annually[2].

The biggest discussion related to public healthcare in 2024 was how to pay for high-volume blockbusters that are prescribed to large numbers of patients, including new categories of weight-loss drugs. But small patient groups can be expensive, too. New treatments, such as cell and gene therapies, have great potential but lifetime costs per patient can often run into millions of euros. Most orphan drugs and rare disease medicines are generally very expensive, too.

The number of new cancer cases in Europe each year is projected to rise from 4.5 million today to 5.3 million by 2040

These costs must compete for space in European budgets, which are already being stretched by lacklustre economic growth, investments in the transition to green energy and growing geopolitical risks, which bring rising defence expenditures.

This creates increased demand for the savings on pharmaceuticals that come from parallel distribution, and the regulatory landscape across the EU has been stable to positive, with national variations.

Large-scale, regulatory revision
The pharmaceutical industry is highly regulated, and EU rules are now up for revision.

The European Commission has proposed substantial reforms, which are generally considered to be the largest revision in 20 years. These aim at faster and more equal access to medicine for citizens in all EU member states, with measures to reduce shortages and broaden access to rare disease treatments.

The Abacus Medicine Group is well positioned to support this ambition across the industry value chain. Our Pharma Services division partners with pharmaceutical manufacturers for multi-market drug launches to bring innovative medicines to market faster. The Pharma Trading division improves access for pharmacies and hospitals and reduce healthcare costs.

This ongoing regulatory process will include consultations with many stakeholders, and the Abacus Medicine Group and our industry association Affordable Medicines Europe are actively involved in these discussions. The consensus view is that new legislation is unlikely to be agreed and ready for adoption before 2026.

Tight labour markets
The Abacus Medicine Group is committed to being an attractive employer with a strong employer brand. The many new skilled colleagues who joined us in 2024 is a strong witness of our brand position.

In other parts of our industry, labour markets are tight. One example is that in many countries pharmacies are in a constant struggle to find qualified staff[3], and our customer support and sales representatives can confirm this trend from their daily business.

As the leading supplier of central-fill services in the Netherlands, our Pharma Wholesale division provides one possible solution. This involves central picking, labelling and packaging of multiple medicines for individual patients, which are then distributed to the pharmacy as a single order in a specially designed bag.

With central-fill the pharmacies can handle a larger workload with the same number of employees, freeing up time for customer service and advice – demonstrating another way in which the Abacus Medicine Group supports both patients and healthcare systems.

[1] Data from the World Health Organization's International Agency for Research on Cancer (IARC).
[2] IQVIA (2021)
[3] "Fachkräfte-Engpassanalyse 2023". Bundesagentur für Arbeit.

Strategy

The Abacus Medicine Group aims to continue generating substantial, profitable growth in the coming years.

Access26, our business strategy, provides guidance through 2026. In 2024, we achieved and even exceeded our goal of double-digit revenue growth.

Our strategy will help us maintain this positive momentum in the coming years. We seek profitable growth through a flexible approach with room to opt for long-term investments over short-term profitability when attractive business opportunities arise.

We will continue to drive growth by:

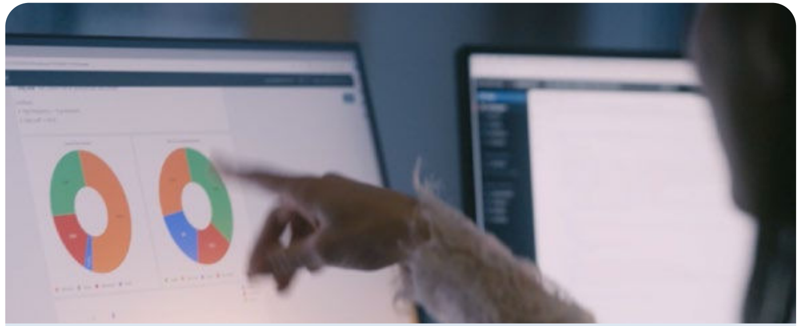
- Strengthening our existing businesses and expanding them further.
- Developing and launching new services and offerings.

Our Pharma Wholesale and Pharma Services divisions will evolve into major contributors to our revenue and profit, helping us create a more balanced business across the Group.

Investing in people, skills and digital excellence

Our growth strategy is supported by significant strategic investments in our organisation, which provide a strong foundation for continued revenue growth. Our efforts rest on two main pillars: Digital excellence through a unified digital foundation and The employee experience.

With these initiatives, we are convinced that we can achieve our ambitious goals and further reinforce the Abacus Medicine Group's position as a leader in improving healthcare through better access to medicine.



Digital excellence through a unified digital foundation

We are continuously investing in our digital capabilities. By leveraging best-in-class off-the-shelf applications and a modern data management platform with our own tailored platforms, we can support the development of our business with new solutions that drive faster decision-making and improved efficiency.

This is delivered through a cloud-based infrastructure that allows for scaling our platforms effectively to support growth, streamlining processes, and implementing new machine learning and generative technologies that can support the organisation.

The employee experience

We are committed to developing our employees and maintaining a strong organisational culture. This is underpinned by an expanded suite of initiatives to support the growth of our team members and ensure that the Abacus Medicine Group remains an employer of choice. This includes:

- Comprehensive learning and development programmes for employees.
- Expanded leadership development programmes for managers, including core skills such as diversity and inclusion, collaboration and empowerment.
- Robust employer branding, talent acquisition and onboarding initiatives. We plan to hire many new employees, who will bring the right competencies and cultural fit to help drive our growth across multiple countries, to support our ambitions.

Governance

Martin on his way to meet a customer in Berlin, Germany

Corporate governance

Abacus Medicine A/S strives to exercise and maintain good corporate governance to ensure accountability and transparency for our employees, shareholders and other stakeholders.

Corporate governance structure

In accordance with Section 111(1) of the Danish Companies Act, Abacus Medicine A/S' management is comprised of a Board of Directors and a Chief Executive Management Team. The corporate governance structure of Abacus Medicine comprises the General Meeting, the Board of Directors, the Audit Committee, the Remuneration Committee, the Chief Executive Officer (CEO), the Chief Executive Management Team and the Senior Management Team.

General meeting and voting

The shareholders of Abacus Medicine A/S exercise their control over the company at the general meetings and are responsible for electing the members of the Board of Directors. All shares are equal and carry one vote each.

Wagner Family Holding ApS holds around 58% of the shares and is the majority shareholder of Abacus Medicine A/S. Flemming Wagner, the CEO of Abacus Medicine A/S and a member of the Board of Directors, is the ultimate majority shareholder of Wagner Family Holding ApS. Chr. Augustinus Fabrikker Aktieselskab, the other major shareholder, holds around 35% of the shares in Abacus Medicine A/S. Chr. Augustinus Fabrikker Aktieselskab is wholly owned by Augustinus Fonden.

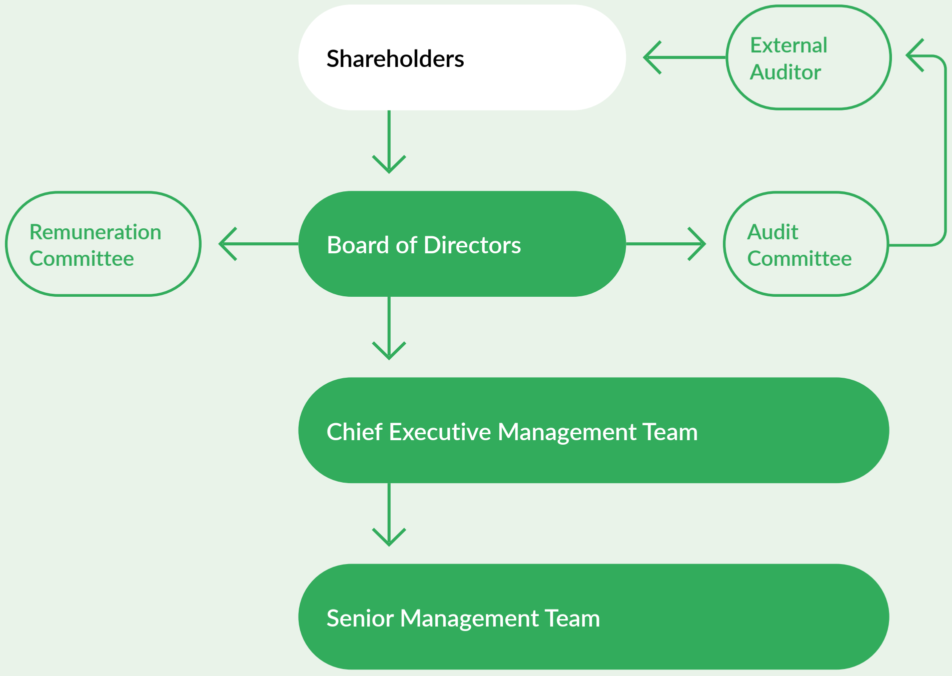
A number of Board members and current and former employees together represent around 7% of the shares.

The Board of Directors

The Board of Directors is responsible for the overall strategic management and proper organisation of Abacus Medicine A/S's business and operations. In this regard, the Board of Directors supervises the company's activities, ensuring that the company operates properly and observes its Articles of Association, general policies, guidelines and other applicable rules and regulations.

The Board of Directors comprises seven members, who are all elected by the shareholders at the Annual General Meeting.

Corporate Governance structure




The Chief Executive Management Team

Abacus Medicine A/S strives to keep the Board of Directors independent to the greatest extent possible. By the end of 2024, four of seven of board members were considered independent according to the guidelines of the Danish Committee on Corporate Governance.

Audit Committee

The Audit Committee is a supervisory body established by the Board of Directors to provide insight and expertise on matters related to financial reporting and internal controls. The committee monitors Abacus Medicine A/S' financial reporting process and internal control measures, revises the financial statements, supervises the external auditors and assesses risks.

The Audit Committee works in close collaboration with the Board of Directors and the Group Finance Department. The members of the Audit Committee are appointed from among the members of the Board of Directors. They serve one-year terms.

Remuneration Committee

The Remuneration Committee is an advisory committee established by the Board of Directors. It makes recommendations on salaries paid to the Board of Directors and the CEO and provides advice regarding bonus schemes. The members of the Remuneration Committee are appointed from among the members of the Board of Directors. They serve one-year terms.

CEO and Chief Executive Management Team

The CEO is responsible for the day-to-day management of Abacus Medicine. The CEO is supported in this duty by the Chief Financial Officer (CFO), the Chief Legal Officer (CLO), the Chief Commercial Officer (CCO), the Chief Information Officer (CIO), the Chief Operating Officer (COO), the Chief People Officer (CPO) and the CEO of Pluripharm Groep BV, who together form the Chief Executive Management Team. The responsibilities and obligations of the Chief Executive Management Team are set out in the Management Instructions, adopted annually by the Board of Directors.

Senior Management Team

The Chief Executive Management Team is assisted in its daily work by the Senior Management Team, which currently consists of 61 members representing all departments of the Abacus Medicine Group. The Senior Management Team has the overall leadership responsibility for all departments, and is responsible for cascading strategy downwards and ensuring information flows upwards.

Control measures and supporting tools

The Board of Directors is responsible for the existence of, and compliance with, adequate internal control measures. These control measures and supporting tools consist of these layers:

- Corporate Governance
- Boards of Directors and Committees
- Legal and Regulatory Framework
- Policies and Procedures
- Organisational Hierarchy
- Monitoring and Internal Control
- Transparency and Accountability

Board of Directors

Jens Albert Harsaae
Chair

Jens Harsaae is a professional board member and chair of LanguageWire, Group Online, Plus Pack and IIH Nordic, as well as a non-executive director of NIRAS. Previously, Jens Harsaae was Marketing Director at Procter & Gamble Western Europe and Partner and Managing Director of the Boston Consulting Group in Denmark.

Anders K. Bønding
Board member

Anders Bønding is founder and partner at Greystone Capital Partners, an experienced chair and board member and former Global Head of Corporate Finance at Danske Bank.

Sharon Curran
Board member

Sharon Curran is an experienced non-executive board member at Norgine Ltd and Circassia Pharmaceuticals Plc. Formerly, she was Vice President of Global Marketing at Abbvie, where she led franchises in neurosciences and niche/orphan diseases. Sharon has held roles at Novo Nordisk, Eli Lilly, and Abbott.

Mark Johnston
Board member

Mark Johnston is Managing Director of Chr. Augustinus Fabrikker. Besides this, he is chair of the board of Fritz Hansen, and board member at Veo Technologies

Troels Peter Troelsen
Board member

Troels Peter Troelsen is a professional board member, former CEO and chair of large food companies and listed companies and former associate professor at Copenhagen Business School (CBS).

Alette Verbeek
Board member

Alette Verbeek is Senior Vice President of Global Strategic Partnering & Head of EU at Zai Lab. Previously, Alette held leadership roles within Business Development and M&A at MSD and Novartis, where she drove commercial strategy in hospital and specialty care, as well as diversity and inclusion initiatives. She began her career as a pharmacist in the Netherlands.

Flemming Wagner
Board member

Prior to founding Abacus Medicine A/S in 2004, Flemming Wagner was CEO of RAMCON A/S. He holds an Executive MBA and an MSc in biochemistry.

Attendance at meetings

● Present
○ Absent

Name (male/female)	Board meetings	Audit Committee meetings	Remuneration Committee
Jens Albert Harsaae (m)[3]	100% ●●●●●●●●●●●●●		100% ●●●●
Anders K. Bønding (m)	100% ●●●●●●●●●●●●●	100% ●●●●	
Sharon Curran (f)[4]	100% ●●●●●		
Mark Johnston (m)	100% ●●●●●●●●●●●●●	100% ●●●●	100% ●●●●
Troels Peter Troelsen (m)	100% ●●●●●●●●●●●●●	100% ●●●●	
Alette Verbeek (f)[4]	100% ●●●●●		
Flemming Wagner (m)	100% ●●●●●●●●●●●●●		100% ●●●●
Niels Smedegaard (m)[2]	100% ●●●		
Michala Fischer-Hansen (f)[1]	100% ●●		

1 Stepped down February 2024
2 Stepped down March 2024
3 Elected Chair from March 2024
4 Elected Member from October 2024


Alette Verbeek and Sharon Curran joined the Board of Directors in October 2024

Chief Executive Management Team

Flemming Wagner
Chief Executive Officer (CEO)

Prior to founding Abacus Medicine A/S in 2004, Flemming Wagner was CEO of RAMCON A/S. He holds an Executive MBA and an MSc in biochemistry.

Maria Addis
Chief Financial Officer (CFO)

Maria Addis joined in 2022 and has previously held CFO positions at Watch Medier and The Whole Company. As a trained auditor, she worked 10 years for PwC and holds an MBA degree from the Henley Business School.

Marianne J. Christensen
Chief People Officer (CPO)

Marianne J. Christensen has been with Abacus Medicine since 2017. Prior to becoming CPO in 2024, she was Global HR Director. She holds an MSc in Human Resource Management and has been working in HR for the last 13 years.

Allan Dinesen
Chief Operating Officer (COO)

Allan Dinesen joined in 2022 and brings many years of international experience in supply chain, production and warehouse operations, including 13 years at the parallel importer Orifarm. He holds an Executive MBA degree and a BSc in Engineering.

Frederik Heupel
Chief Commercial Officer (CCO)

Frederik Heupel has been with Abacus Medicine since 2013. Prior to becoming CCO in 2021, he was Director of Sales & Business Development. He holds a double MSc degree in Management and Applied Economics and Finance.

Lene B. McCormick
Chief Legal Officer (CLO)

Lene McCormick has been with Abacus Medicine since 2015. She is an Attorney and Qualified as a UK solicitor (QLTT) with previous experience from law firms in Denmark and the United Kingdom.

Léon Tinke
CEO Pluripharm

Léon Tinke joined Pluripharm in 2018. Prior to becoming CEO of Pluripharm in 2020, he was Director of Pharmacy. He is chair of the trade association of full-line wholesalers in the Netherlands and holds MSc's in Econometrics, Marketing and Administrative Informatics.

Sune Vorre
Chief Information Officer (CIO)

Sune Vorre joined in 2023 and brings many years of experience in both IT and Business Development, including his latest position as CIO at Dagrofa, one of Denmark's largest retailers. He has an MSc in Management of Technology.

Gender composition 2024

The Abacus Medicine Group has a strategic focus on conscious inclusion to enable balanced gender representation at all levels of the organisation.

Since 2023, we have reported on gender distribution in management. This reporting focuses solely on management employed by Abacus Medicine A/S.

Board of Directors
In 2024 Niels Smedegaard and Michala Fischer-Hansen relinquished their positions on the Board of Directors of Abacus Medicine A/S, and we welcomed Alette Verbeek and Sharon Curran in their place. These changes resulted in Abacus Medicine A/S reaching the diversity target set out in our Annual Report 2023 (two women and five men on the Board) almost two years ahead of time.

Abacus Medicine A/S focuses on fostering an inclusive and diverse culture and annually reviews the composition of the Board.

Other managerial positions (1 & 2)
Management level 1 comprises the CEO. Management level 2 includes individuals employed by Abacus Medicine A/S, who have managerial responsibilities, and who report directly to management level 1.

Abacus Medicine A/S has set a target of a 40/60 gender distribution, meaning a minimum of 40% of the underrepresented gender in management level 1 & 2 positions in 2029.

The existing disparity in the gender composition management levels 1 & 2 is in part caused by the CEO having taken over the role as managing director for a division on an interim basis. This means the CEO temporarily has more direct reports represented in management level 2 positions.

	Board of Directors		Other managerial positions (1&2)	
	2023	2024	2023	2024
Total number of members	7	7	9	12
Underrepresented gender in %	14	28	33.3	25
Target figure in %	28	28	40	40
Year of fulfilment of target figure	2026	2024	2026	2029

Reno is a Quality Assurance Officer in the Netherlands and also plays the bass

Risk management

We continually monitor and assess potential risks to the company. Our Enterprise Risk Management approach aims to identify and regularly report on relevant risks, mitigating them where possible and foster a strong culture of risk awareness across the organisation.

Our risk management approach
As a global company, we are exposed to a variety of risks that are inherent to our business. These include financial, operational, regulatory and sustainability risks, the managing of which is an integrated part of our management activities.

The Abacus Medicine Group's risk management structure is rooted in processes for early risk identification followed by risk analysis, risk assessment and risk mitigation planning. This structure provides a detailed overview of key short-term and long-term risks.

Every six months, the Chief Executive Management Team presents an update on key risks to the Board of Directors of Abacus Medicine A/S and recommends any necessary risk-mitigating activities and action plans for approval. The Audit Committee of Abacus Medicine A/S oversees that the Chief Executive Management Team has established a risk management process that can address all relevant risks.

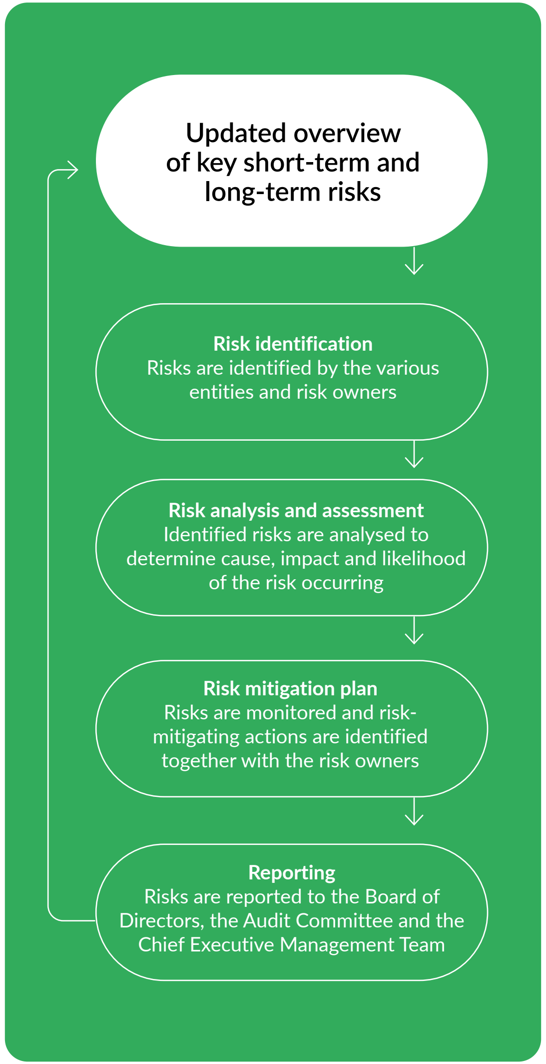
Our enterprise risk management structure
The Board of Directors of Abacus Medicine A/S approves the overall risk framework. The Board of Directors monitors the development of the total strategic risk exposures and individual risk factors, and verifies compliance with the overall risk policy.

The Chief Executive Management Team determines risk management policies and strategies for the individual risks and implements risk-mitigating actions. The Chief Executive Management Team also ensures consistency between the risk management framework and business objectives, monitors the development of key risks and makes resources available to implement efficient risk management.

The Risk Management Board monitors the development in key risks and risk-mitigating activities and reports to the Chief Executive Management Team and the Board of Directors on risk-mitigating activities. Local risk owners identify, assess, quantify and record risks, which are reported regularly to the Risk Management Board. The local risk owners make suggestions on how to address risks and monitor initiated risk management activities.

The members of the Risk Management Board are appointed from among the Chief Executive Management Team and the Senior Management Team of the Abacus Medicine Group.

Our risk assessment in 2024
In 2024, the Risk Management Board and the Chief Executive Management Team reviewed and assessed all identified risks and risk mitigation plans. The key risks were presented to the Board of Directors, which then investigated ways to best implement the necessary risk-mitigating measures, focusing on ensuring optimum realisation of the Abacus Medicine Group's strategic objectives.

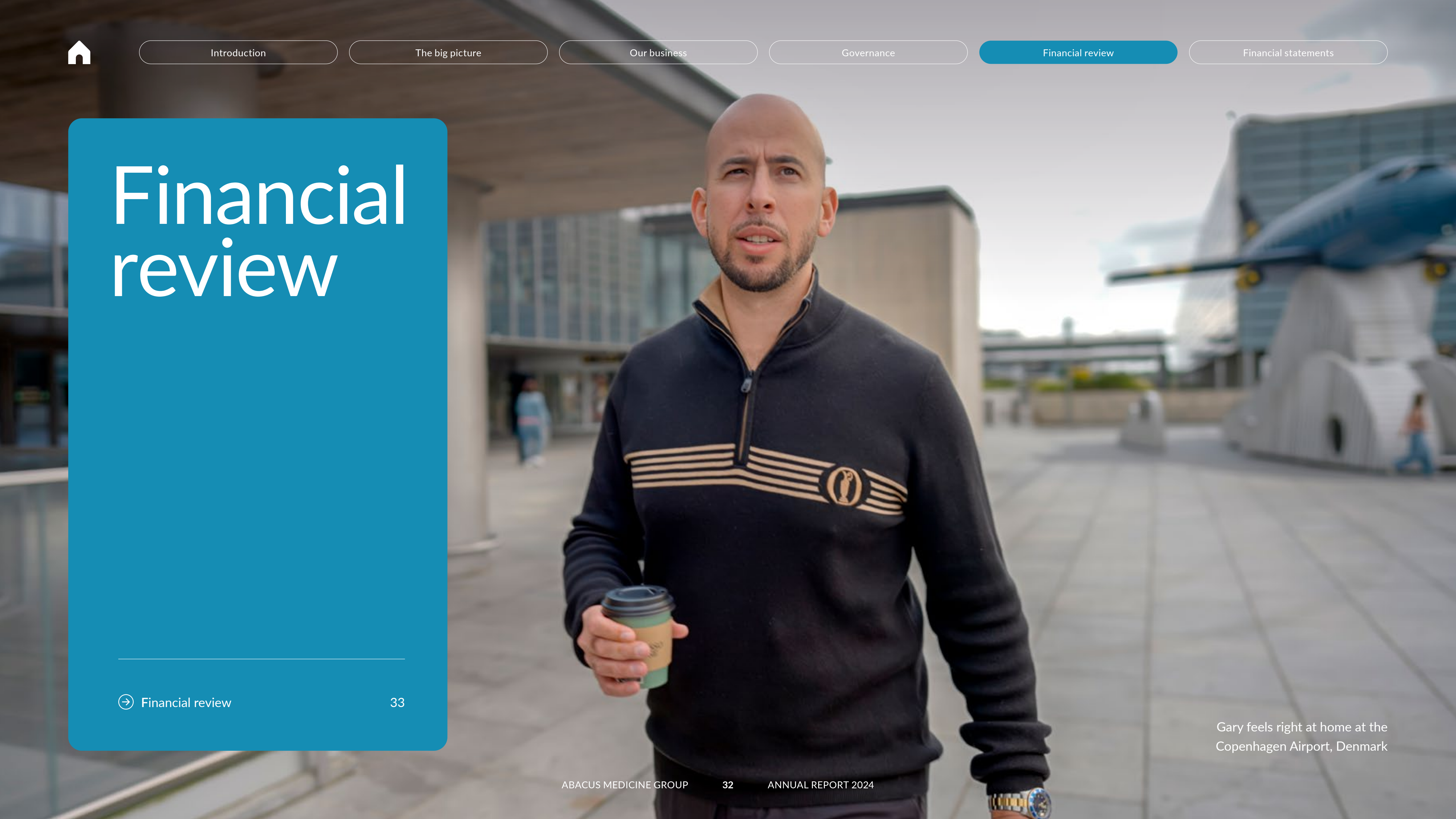


Key risk factors

	Capacity constraints	Compliance and regulatory risks	Funding and liquidity risks
Description	The continued growth and increasing volumes in Pharma Trading and Pharma Wholesale put pressure on our production capacity in Hungary and the Netherlands – as well as on workforce.	The Abacus Medicine Group is required to meet all legal standards set by national and EU authorities. Abacus Medicine A/S and other companies of the Abacus Medicine Group are approved as parallel distributors of pharmaceuticals by the relevant authorities and hold manufacturer and distribution licences, which entitle the companies to repack and distribute pharmaceuticals. Parallel distribution companies are subject to the same strict quality and safety requirements as the original manufacturers of pharmaceuticals. Failure to comply with regulations may result in prosecution, lawsuits, fines or ultimately loss of licences.	Fundamental liquidity risks may occur if the Abacus Medicine Group does not manage to have sufficient liquidity at its disposal. For instance, such a risk could materialise as a result of unavailability of lines of credit, loss of existing cash resources, inability to access the financial markets or strong fluctuations in the operating business. In addition, the Abacus Medicine Group's existing financial liabilities could limit the cash flows available to the operating business, and defaults on the payment of financial liabilities could result in one or more companies in the Abacus Medicine Group becoming insolvent.
Mitigation	• Constant focus on optimising our production flow through improved manual and automated processes. • Investments in warehouse and equipment in the Pharma Wholesale business The assessment of the likelihood of capacity constraint risks occurring, as well as the potential financial impact, remains unchanged from last year.	• The Abacus Medicine Group's Quality Management System (QMS) describes our policies and commitment to quality. It ensures compliance and our licence to operate. • Standard procedures and training are in place to ensure adherence and compliance with applicable laws and regulations as well as continuous improvements and prevention of breaches. • Authority inspections and internal quality audits are conducted on a routine basis at the production sites in Hungary and the Netherlands. When issues are identified, root causes are investigated and necessary corrective and preventive actions are implemented. The assessment of the likelihood of compliance and regulatory risks occurring, as well as the potential financial impact, remains unchanged from last year.	• The objective of liquidity management is to ensure that the company remains solvent at all times, to ensure compliance with bank covenants and to ensure sufficient financial flexibility by holding adequate liquidity reserves and free lines of credit. • Credit and factoring facilities are continually being monitored in order to secure that they develop in line with the company's business needs. Funding and liquidity risks remain unchanged from last year regarding potential financial impact.

	IT security risks	Market and commercial risks	Supply chain and sourcing
Description	The threat posed by IT criminals is still significant. There is a continuous increase in cyber threats against all companies and countries, supported by assessments from the Danish Center for Cyber Security (CFCS). The latest risk assessment from CFCS rates the risk of cyber-crime as 'Very High' - the highest category on their scale. The increasing national and international activities of the Abacus Medicine Group increase the risk profile.	The financial performance of the Abacus Medicine Group is impacted by geopolitical risks, and market and commercial developments such as potential market commoditisation, patent expiry of products, new legislation, product price adjustments, and the risk of expiry of products in inventory.	The Abacus Medicine Group is highly dependent on a reliable network of suppliers. A loss of key suppliers, interruptions in the availability of sufficient supply, disruption to the supply chain or the inability of the Abacus Medicine Group to source the required number of pharmaceutical products within a given price range could adversely affect the company's business operations.
Mitigation	• Launch of an IT security department, specifically handling cyber threats led by a new Head of IT Security & Compliance. • Constant focus on increasing maturity and resilience against the threat of cyber attacks through ongoing investment in the protection of data and IT systems. • Implementation of a 24/7 Detection and Response service by an external provider. • The IT Security status is continuously being evaluated and presented to the Audit Committee on a quarterly basis. The overall assessment of the IT security risks is considered very high.	• Our multi-European market approach provides flexibility in case of changes in any one market. • We seek to optimise our inventories to minimise the possible impact of unexpected price changes. • We have a proactive approach, which highlights products in inventory that are approaching expiry. The market and commercial risks remain unchanged from last year regarding potential financial impact.	• Agile purchasing orders provide the possibility of switching purchase orders to other suppliers or countries. The assessment of the likelihood that supply chain and sourcing risks may occur, as well as the potential financial impact, remains unchanged from last year.

Financial review



Gary feels right at home at the Copenhagen Airport, Denmark

Financial review

The Abacus Medicine Group delivered another year of strong revenue growth in 2024. Strong operational performance led to record high EBITDA and free cash flow generation.

Group performance

Abacus Medicine Group once again delivered a year of growth in both revenue and EBITDA. Organic revenue growth of 23% soundly exceeded the 2024 outlook of 8-12%, driven by strong execution in the Pharma Trading and Pharma Wholesale divisions.

EBITDA reached a record high of EUR 50.5 million. This was within our outlook and an increase at a lower rate than revenue due to high investments in strategic opportunities. As a result, the EBITDA margin of 3.4% was below the expected range of 3.7-4.1%.

Strong operational performance and net working capital management more than offset our investements leading to a record free cash flow generation of EUR 26.4 million in 2024.

The Pharma Trading business continued to deliver robust revenue growth in both new and existing markets, and our efforts to build a strong sales pipeline for the Pharma Services division continued with focus on long-term revenue growth.

In the Pharma Wholesale division, our Dutch full-line wholesaler Pluripharm continued last year's impressive performance, as revenue grew 35% to a historical record. We attracted more than 100 new pharmacy customers, including independents as well as several regional chains.

Revenue

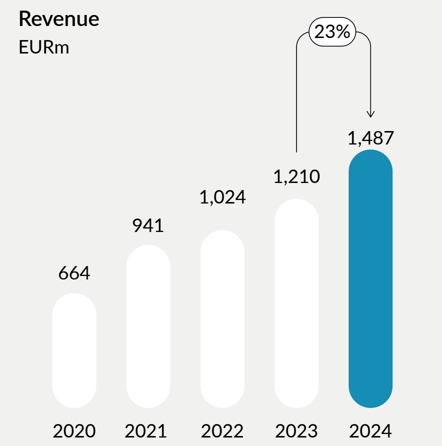
EUR'000	2024	2023	Growth
Pharma Trading and Pharma Services	1,020,988	875,639	17%
Pharma Wholesale	494,310	366,915	35%
Elimination	-28,334	-32,200	
Revenue	**1,486,964**	**1,210,354**	**23%**

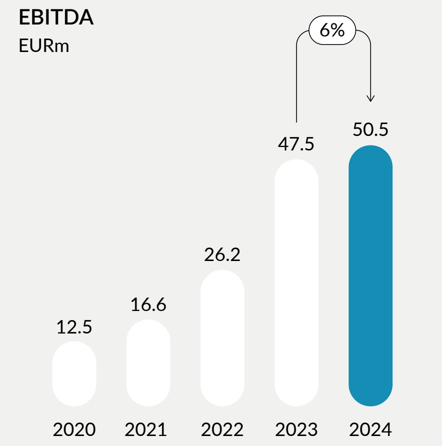
Group profitability

Gross margin decreased by 0.4 percentage points to 11.5% primarily due to a combination of higher-than-expected group revenue growth and a lower gross margin in the Pharma Wholesale division. Here, Pluripharm delivered strong market share gains in the generally low-margin and highly competitive pharma wholesale market.

Gross profit

EUR'000	2024	2023	Growth
Revenue	1,486,964	1,210,354	23%
Cost of sales	-1,315,942	-1,066,226	23%
Gross profit	171,022	144,128	19%
Gross margin	11.5%	11.9%	





Selling, general and administrative (SG&A) expenses increased by 25% compared to 2023, as we identified several strategic opportunities in 2024 and chose to further accelerate investments in selected elements of our Access26 strategy.

SG&A expenses EUR'000	2024	2023	Growth
Other external costs	-40,539	-29,972	35%
Staff costs	-79,938	-66,646	20%
SG&A expenses	-120,477	-96,618	25%
SG&A margin	8.1%	8.0%	

EBITDA grew by 6% to a record of EUR 50.5 million. The decrease in gross margin and the accelerated investments in SG&A led to a 0.5 percentage point decrease in the EBITDA margin to 3.4%.

EBITDA EUR'000	2024	2023	Growth
Gross profit	171,022	144,128	19%
SG&A expenses	-120,477	-96,618	25%
EBITDA	50,545	47,510	6%
EBITDA margin	3.4%	3.9%	

We continued to improve our financial stability in 2024 with the leverage ratio decreasing by 0.4 to 1.0.

Division performance

The EBITDA margin in Pharma Trading and Pharma Services decreased by 0.3 percentage points due to the accelerated investments in SG&A.

In Pharma Wholesale there was a 0.4 percentage point EBITDA margin contraction, and hence a flat EBITDA development. Despite significant market share gains, especially among independent and group pharmacies, the costs associated with a larger-than-normal operational setup and additional manpower during the expansion of our facilities resulted in lower gross margins.

EBITDA EUR'000	2024	2023	Growth
Pharma Trading and Pharma Services	45,556	42,192	8%
Pharma Wholesale	4,989	5,318	-6%

EBITDA margin %	2024	2023	Change
Pharma Trading and Pharma Services	4.5%	4.8%	-0.3%
Pharma Wholesale	1.0%	1.4%	-0.4%

In his spare time, Dutch colleague Eugene practices kickboxing

Leverage

We continued to improve our financial stability in 2024 with the leverage ratio decreasing by 0.5 to 0.9. This was achieved primarily due to strong cash flow generation, leading to a lower net interest-bearing debt position. Our current leverage ratio is well within our comfort zone and leaves headroom for future investments in all three business divisions.

Despite this lower net interest-bearing debt position, the impact from higher interest rates led to higher financing costs in 2024. As a result, net financing costs increased to EUR 16.0 million from EUR 13.0 million in 2023.

Return on equity

The EUR 20.0 million profit for the year in 2023 was bolstered by extraordinary income from associates of EUR 3.0 million. In 2024, profit for the year was EUR 17.6 million as solid operational performance was offset by the increase in financing expenses. The Abacus Medicine Group has historically chosen to retain earnings and reinvest them in the company, and in line with this, equity increased in 2024 and contributed to a decrease in return on equity of 8.4 percentage points to 19.9%.

Cash flow and working capital

The Abacus Medicine Group delivered a record free cash flow generation in 2024 of EUR 26.4 million due to the combination of improved EBITDA and the ongoing focus on improving the operational process flows. The strong cash flow from operating activities more than offset our investments in multiple areas during 2024.

Cash flow EUR'000	2024	2023	Growth
Cash flow from operating activities	44,499	-13,919	-420%
Cash flow from investing activities	-18,063	-7,515	140%
Free cash flow	**26,436**	**-21,434**	

Cash flow from operating activities was positively impacted by our tight management of working capital. As a result, we managed to lower the working capital to revenue ratio to a record low of 7%. Although the inventory level grew in absolute numbers, our ongoing focus on optimising operational process flows paid off and we succeeded in lowering the inventory level relative to revenue by 2 percentage points.

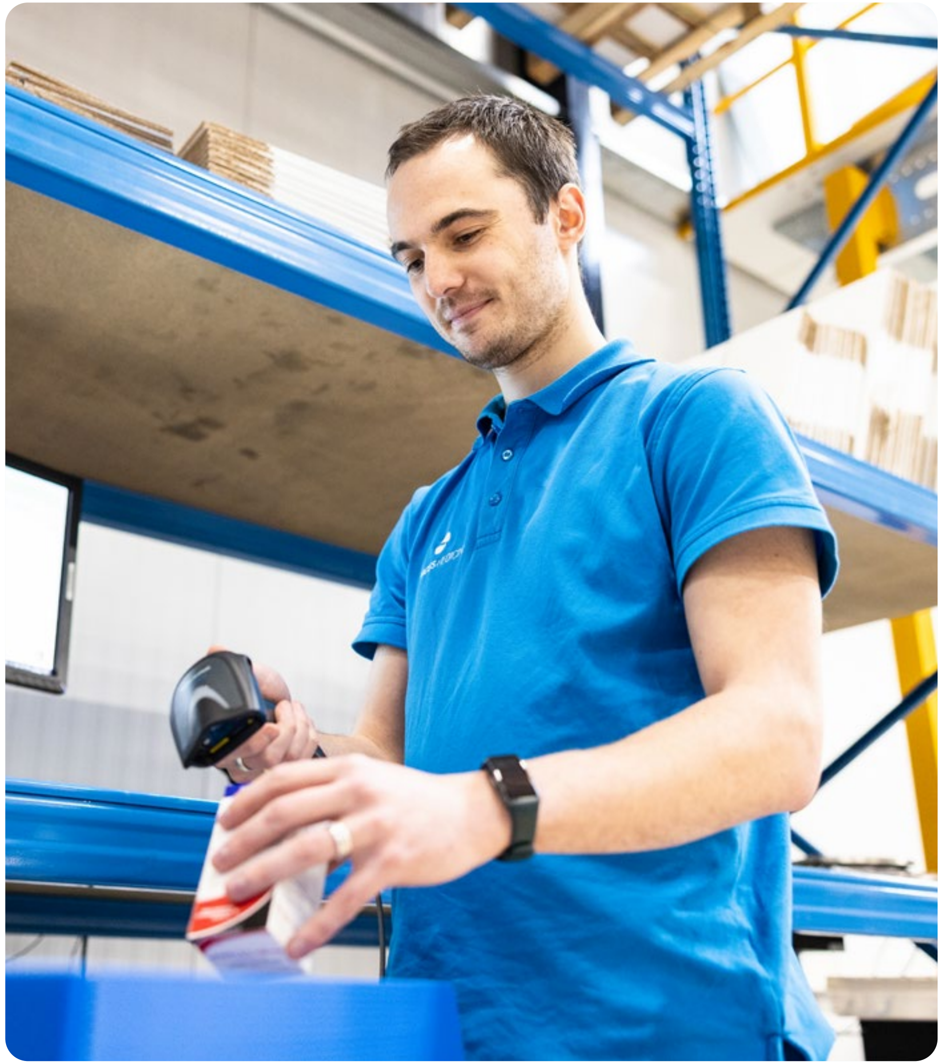
The parent company Abacus Medicine A/S

The parent company generated revenue of EUR 981.9 million in 2024, an increase of EUR 149.6 million from 2023. Gross profit was EUR 99.9 million compared to EUR 87.3 million in 2023. Profit before tax for the year was EUR 22.0 million against EUR 24.8 million in 2023. Equity increased from EUR 80.9 million at 31 December 2023 to EUR 95.9 million at 31 December 2024.

Dividends

The Board of Directors proposes a dividend to the shareholders of EUR 0.65 per share (2023: EUR 0.00 per share) – a total of EUR 6.7 million. Total dividends are based on the current share capital. The dividend pay-out is subject to approval at the Annual General Meeting on 25 March 2025.

Working capital EUR'000	2024	2023	Growth	% of revenue 2024	% of revenue 2023
Inventory	229,478	199,879	15%	15%	17%
Trade and other receivables	47,141	55,711	-15%	3%	5%
Trade payables	168,142	131,629	28%	11%	11%
Working capital	**108,477**	**123,961**		**7%**	**10%**



Financial statements

Franz takes in the view of the Austrian Alps between his pharmacy visits

Consolidated financial statements

Primary statements

Notes

Section 1

Basis of preparation

Section 2

Result of the Year

Section 3

Invested Capital and Working Capital Items

Section 4

Capital Structure and Net Financials

Section 5

Other disclosures

Income statement

Note	EUR'000	2024	2023
2.1	Revenue	1,486,964	1,210,354
2.2	Cost of sales	-1,315,942	-1,066,226
	Gross profit	**171,022**	**144,128**
	Other external costs	-40,539	-29,972
2.3	Staff costs	-79,938	-66,646
	Operating profit before depreciation, amortisation and special items (adjusted EBITDA)	**50,545**	**47,510**
2.5	Special items	0	0
	Operating profit before depreciation and amortisation (EBITDA)	**50,545**	**47,510**
2.6	Depreciation and amortisation	-13,051	-11,944
	Operating profit (EBIT)	**37,494**	**35,566**
5.3	Share of profit/(loss) in associates	3	3,133
2.7	Finance income	1,598	1,655
2.7	Finance expenses	-17,586	-14,668
	Profit before tax	**21,509**	**25,686**
2.8	Tax on profit for the year	-3,888	-5,644
	Profit for the year	**17,621**	**20,042**

Statement of comprehensive income

Note	EUR'000	2024	2023
	Profit for the year	**17,621**	**20,042**
	Comprehensive income		
	Comprehensive income to be reclassified to profit or loss in subsequent periods:		
4.5	Cash flow hedges – effective portion of changes in fair value	0	0
	Exchange differences on translation of foreign operations	-646	-186
2.8	Income tax effect	0	0
		-646	**-186**
	Comprehensive income/(loss) for the year, net of tax	**-646**	**-186**
	Total comprehensive income	**16,975**	**19,856**

Consolidated financial statements 1 January - 31 December

Balance sheet

Note	EUR'000	2024	2023
	ASSETS		
	Non-current assets		
3.1	Intangible assets	38,109	36,669
3.2	Property, plant and equipment	18,973	10,547
3.3	Right-of-use assets	6,665	7,656
5.3	Investments in associates	84	83
3.5	Other receivables	235	233
2.8	Deferred tax assets	6,627	4,894
	Total non-current assets	**70,693**	**60,082**
	Current assets		
3.4	Inventories	229,478	199,879
3.5	Trade and other receivables	47,141	55,711
4.3	Cash	9,992	3,268
	Total current assets	**286,611**	**258,858**
	TOTAL ASSETS	**357,304**	**318,940**

Note	EUR'000	2024	2023
	EQUITY AND LIABILITIES		
	Equity		
4.1	Share capital	516	516
	Other reserves	-3,739	-682
4.1	Proposed dividends	6,711	0
	Retained earnings	92,407	81,032
	Total equity	**95,895**	**80,866**
	Non-current liabilities		
2.8	Deferred tax liabilities	1,492	1,781
3.3	Lease liabilities	3,526	5,018
3.7	Other payables	1,390	2,073
	Total non-current liabilities	**6,408**	**8,872**
	Current liabilities		
4.4	Borrowings	47,771	61,057
3.3	Lease liabilities	3,822	3,420
3.8	Provisions	6,327	5,388
3.6	Trade payables	168,142	131,629
2.8	Income tax payable	4,251	6,967
3.7	Other payables	24,688	20,741
	Total current liabilities	**255,001**	**229,202**
	Total liabilities	**261,409**	**238,074**
	TOTAL EQUITY AND LIABILITIES	**357,304**	**318,940**

Consolidated financial statements 1 January - 31 December

Cash flow statement

Note	EUR'000	2024	2023
	Operating activities		
	Profit before tax	21,509	25,686
	Reversal of items from the income statement:		
2.6	Depreciation and amortisation	13,051	11,944
	Share of profit (loss) in associates	-3	-3,133
2.7	Finance income	-1,598	-1,655
2.7	Finance expenses	17,586	14,668
3.9	Changes in working capital	20,090	-43,107
	Interest received	266	300
	Interest paid	-17,777	-14,588
2.8	Income tax paid	-8,625	-4,034
	Cash flow from operating activities	**44,499**	**-13,919**

Note	EUR'000	2024	2023
	Investing activities		
3.1	Investment in intangible assets	-8,473	-6,589
3.2	Investment in property, plant and equipment	-9,588	-2,081
5.5	Acquisition of subsidiary	0	-746
	Paid deposits regarding buildings, etc.	-2	296
	Disposals, non-current assets	0	1,605
	Cash flow from investing activities	**-18,063**	**-7,515**
	Cash flow from operating and investing activities (free cash flow)	**26,436**	**-21,434**
	Financing activities		
	Proceeds from borrowings	-13,050	20,732
3.3	Instalment of lease liabilities	-4,083	-3,403
	Sale and purchase of treasury shares, net	-2,411	-262
	Deposits regarding factoring agreement	-184	-1,548
	Repayment of loan	0	-791
	Cash flow from financing activities	**-19,728**	**14,728**
	Net cash flow	**6,708**	**-6,706**
	Cash 1 January	3,268	9,971
	Effect of exchange rate changes on cash in a foreign currency	16	3
4.3	**Cash 31 December**	**9,992**	**3,268**

Consolidated financial statements 1 January - 31 December

Statement of changes in equity

EUR'000	Share capital	Cash flow hedge reserve	Foreign currency translation reserve	Treasury shares	Proposed dividends	Retained earnings	Total
Equity 1 January 2024	**516**	**-**	**-420**	**-262**	**-**	**81,032**	**80,866**
Total comprehensive income							
Profit for the year	-	-	-	-	6,711	10,910	17,621
Comprehensive income							
Exchange differences on translation of foreign operations	-	-	-646	-	-	-	-646
Total comprehensive income	**-**	**-**	**-646**	**-**	**-**	**-**	**-646**
Total comprehensive income for the period	**-**	**-**	**-646**	**-**	**6,711**	**10,910**	**16,975**
Transactions with owners							
Purchase of treasury shares	-	-	-	-2,585	-	-	-2,585
Sale of treasury shares	-	-	-	174	-	-	174
Equity-settled share-based payments	-	-	-	-	-	465	465
Total transactions with owners	**-**	**-**	**-**	**-2,411**	**-**	**465**	**-1,946**
Equity 31 December 2024	**516**	**-**	**-1,066**	**-2,673**	**6,711**	**92,407**	**95,895**

EUR'000	Share capital	Cash flow hedge reserve	Foreign currency translation reserve	Treasury shares	Proposed dividends	Retained earnings	Total
Equity 1 January 2023	**516**	**-**	**-234**	**-**	**-**	**60,709**	**60,991**
Total comprehensive income							
Profit for the year	-	-	-	-	-	20,042	20,042
Comprehensive income							
Exchange differences on translation of foreign operations	-	-	-186	-	-	-	-186
Total comprehensive income	**-**	**-**	**-186**	**-**	**-**	**-**	**-186**
Total comprehensive income for the period	**-**	**-**	**-186**	**-**	**-**	**20,042**	**19,856**
Transactions with owners							
Purchase of treasury shares	-	-	-	-262	-	-	-262
Equity-settled share-based payments	-	-	-	-	-	281	281
Total transactions with owners	**-**	**-**	**-**	**-262**	**-**	**281**	**19**
Equity 31 December 2023	**516**	**-**	**-420**	**-262**	**-**	**81,032**	**80,866**

Section 1

Basis of preparation

Profit for the year
2023: 20,042 *(EUR'000)*
17,621

EBITDA margin
2023: 3.9%
3.4%

Free cash flow
2023: -21,434 *(EUR'000)*
26,436

Section 1 – Basis of Preparation

1.1 Material accounting policies

Abacus Medicine A/S is a private limited company registered in Denmark. The financial statements section of the annual report, for the financial year 1 January – 31 December 2024, comprises both the consolidated financial statements of Abacus Medicine A/S and its subsidiaries (Abacus Medicine) and the separate parent company financial statements.

The consolidated financial statements of Abacus Medicine A/S for 2024 have been prepared in accordance with IFRS® Accounting Standards and additional requirements according to the Danish Financial Statements Act applying to large reporting class C entities. The accounting policies are consistent with the policies set out in the Annual Report 2023 of Abacus Medicine A/S, except for the implementation of new and amended standards (see below).

The consolidated income statement and the consolidated statement of financial positions separately present items that are considered individually significant or are required under the minimum presentation of IAS 1. When determining whether an item is individually significant, both quantitative and qualitative factors are considered. If the presentation or disclosure of an item is not decision-useful, the information is considered insignificant. Explanatory disclosure notes related to the consolidated financial statements are presented for individually significant items. Where separate presentation of a line item is made solely due to minimum presentation requirements in IAS 1, no further disclosures are provided in respect of that line item.

The Board of Directors and the Chief Executive Officer (CEO) have on 10 March 2025 discussed and approved the annual report for Abacus Medicine A/S for 2024. The annual report will be presented to the shareholders of Abacus Medicine A/S for adoption at the annual general meeting on 25 March 2025.

Accounting policies, management judgments and sources of estimation uncertainty are presented together with other related disclosures in the notes that deal with the relevant subject. Accounting policies, judgements and estimates that do not relate to a specific subject are presented in this section.

Applying materiality
The Financial Statements are a result of processing large numbers of transactions and aggregating those transactions into classes according to their nature. When aggregated, the transactions are presented in classes of similar items in the financial statements. If a line item is not individually material, it is aggregated with other items of a similar nature in the Financial Statements or in the notes.

There are substantial disclosure requirements throughout IFRS. Management provides specific disclosures required by IFRS unless the information is considered immaterial to the economic decision-making of the users of these Financial Statements or not applicable.

Basis of preparation
The consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments, which have been measured at fair value.

The consolidated financial statements are presented in euros and all values are rounded to the nearest thousand (EUR'000), except when otherwise indicated.

Consolidated financial statements
The consolidated financial statements comprise the financial statements of Abacus Medicine A/S (the Parent Company) and the subsidiaries controlled by the Parent Company, as at 31 December 2024. Abacus Medicine A/S controls an entity when it is exposed to or has rights to variable returns from its involvement in the entity and has the ability to affect those returns through its power over the entity.

On consolidation, intra-group income and expenses, shareholdings, balances and dividends, as well as realised and unrealised gains on intra-group transactions are eliminated.

Foreign currency translation
Abacus Medicine's consolidated financial statements are presented in euros, which is also the parent company's functional currency. For each entity, Abacus Medicine determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. Abacus Medicine uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions and balances
Transactions in foreign currencies are initially recorded by Abacus Medicine's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which Abacus Medicine initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, Abacus Medicine determines the transaction date for each payment or receipt of advance consideration.

Section 1 – Basis of Preparation

1.1 Accounting policies (continued)

Current versus non-current classification
Abacus Medicine presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is either:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when, either:

- It is expected to be settled in the normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Liabilities
Financial liabilities are initially recognised at fair value less transaction costs. Subsequently, the financial liabilities are measured at amortised cost using the effective interest method, whereby transaction costs and any premium or discount are recognised as financial expenses over the term of the liabilities.

Other liabilities are measured at net realised value.

Fair value
All assets and liabilities which are measured at fair value, or whose fair value is disclosed, are classified based on the fair value hierarchy, see below:

Level 1: Value in an active market for similar assets/liabilities.

Level 2: Value based on recognised valuation methods on the basis of observable market information.

Level 3: Value based on recognised valuation methods and reasonable estimates (non-observable market information).

Fair value measurements are based on the principal market. If no principal market exists, the measurement is based on the most advantageous market, i.e. the market that maximises the price of the asset or liability less transaction and/or transport costs.

Cash flow statement
The cash flow statement shows the cash flows from operating, investing and financing activities for the year, the year's changes in Cash as well as Cash at the beginning and end of the year.

The cash flow effect of acquisitions and disposals of entities is shown separately in cash flows from investing activities. Cash flows from corporate acquisitions are recognised in the cash flow statement from the date of acquisition. Cash flows from disposals of entities are recognised up until the date of disposal.

Cash flows are presented using the indirect method.

Cash flow from operating activities
Cash flow from operating activities is calculated as Abacus Medicine's share of the profit/loss adjusted for non-cash operating items, changes in working capital and income taxes paid.

Cash flow from investing activities
Cash flow from investing activities comprises payments in connection with acquisitions and disposals of entities, activities and intangible assets, property, plant and equipment and financial assets.

Cash flow from financing activities
Cash flow from financing activities comprises changes in the size or composition of Abacus Medicine's share capital and related costs as well as the raising of loans, repayment of interest-bearing debt and lease liabilities, and payment of dividends to shareholders.

Section 1 – Basis of Preparation

1.2 New accounting policies and disclosures

Abacus Medicine has implemented the standards and amendments that are effective for the financial year 2024. The new standards and amendments have not material affected Abacus Medicine's recognition or measurement of financial items for 2024, nor are they expected to have any significant future impact.

1.3 Standards issued but not yet effective

The IASB has issued a number of new standards and amendments not yet in effect or endorsed by the EU and therefore not relevant for the preparation of the 2024 consolidated financial statements. Abacus Medicine expects to implement these standards when they take effect.

None of the new standards issued are currently expected to have any significant impact on the consolidated financial statements when implemented.

1.4 Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Management continuously reassesses these estimates and judgements based on a number of factors in the given circumstances.

The primary financial statements items for which more significant accounting estimates are applied are listed below:

- Revenue - Customer rebates, discounts and price adjustments (note 2.1)
- Intangible assets - Valuation of intangible assets (note 3.1)
- Inventories - Inventory write-downs (note 3.4)

Additional description of management judgements and estimates made are described in the relevant notes.

Section 2

Result of the Year

Revenue growth
2023: 18.2%
22.9%

FTES
2023: 1,196
1,370

EBITDA
2023: 47,510 *(EUR'000)*
50,545

Section 2 – Result of the Year

2.1 Revenue

Accounting policies

Revenue
Revenue from the sale of goods is recognised when the performance obligation is satisfied, i.e. when control of the goods have passed to the buyer. All sales of goods are recognised at one-point-of-time. Due to factoring agreements, the majority of receivables are sold and the payments are in general received from the factoring company within one day. Revenue is measured at fair value of the agreed consideration, excluding VAT and taxes charged on behalf of third parties. Provisions for rebates and discounts granted to customers are recognised as a reduction of revenue, whereas the effect of expected returns is recorded as a reduction of gross profit, i.e. revenue and cost of sales.

Rights of return
Certain contracts provide our customers with a right to return the goods. The expected value method is used to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which Abacus Medicine will be entitled. For goods that are expected to be returned, instead of revenue, a refund liability is recognised. A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

Assets and liabilities arising from rights of return:
Rights of return assets
A right of return asset represents the right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decrease in the value of the returned goods. The measurement of the asset is updated and recorded for any revisions to its expected level of returns, as well as any additional decrease in the value of the returned products. The right of return asset is presented under inventories.

Rights of return liabilities
A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount Abacus Medicine ultimately expects it will have to return to the customer. The estimates of refund liabilities are updated (along with the corresponding change in the transaction price) at the end of each reporting period. The right of return liability is presented under provisions.

Other external costs
Other external costs include expenses in regards to the principal activities arising during the year. This includes expenses for sales, advertisement, administration, services relating to office buildings, etc.

Significant accounting judgements, estimates and assumptions

Customer rebates, discounts and price adjustments
Certain contracts for the sale of products include customer rebates, discounts and price adjustments that give rise to variable considerations. Customer rebates and discounts vary across distribution channels, and price adjustments are in some cases dependent on future market price development. In estimating the variable consideration, Abacus Medicine considers the contract information, historical experience, business forecast and the current economic conditions. The accruals for rebates, discounts and price adjustments granted to customers are recognised as a reduction of revenue.

Presentation
Abacus Medicine has adopted IFRS 15. The presentation of revenue for Abacus Medicine is defined by the operational structure which is derived from the types of activities we are engaged in. Abacus Medicine Pharma Services accounts for less than 10% of the revenue, gross profit and assets in the Group, and due to similar characteristics, Abacus Medicine Pharma Services has been presented in combination with Abacus Medicine Pharma Trading.

Revenue in business operations
Our operational structure is carried out by the following activities:

Pharma Trading and Pharma Services
Supplies prescription medicine to pharmacies, hospitals and pharmaceutical companies and delivers pharmaceutical and healthcare services.

Section 2 – Result of the Year

2.1 Revenue (continued)

Pharma Wholesale
Conducts wholesale trade in pharmaceutical and related products and provides related services to pharmacies, hospitals, healthcare institutions and other wholesalers.

Operating information

EUR'000	2024 Pharma Trading and Pharma Services	Pharma Wholesale	Internal trading	Total
Revenue	1,020,988	494,310	-28,334	1,486,964
Gross Profit	139,045	31,977	0	171,022
EBITDA	45,556	4,989	0	50,545
Total Assets	273,418	83,886	0	357,304
Total Liabilities	187,351	74,058	0	261,409

EUR'000	2023 Pharma Trading and Pharma Services	Pharma Wholesale	Internal trading	Total
Revenue	875,639	366,915	-32,200	1,210,354
Gross Profit	118,335	25,793	0	144,128
EBITDA	42,192	5,318	0	47,510
Total Assets	262,291	56,649	0	318,940
Total Liabilities	192,685	45,389	0	238,074

In 2024, Abacus Medicine had one customer in Denmark/Sweden/Norway with 8% of the Group revenue (2023: one customer in Denmark/Sweden/Norway, 11%).

2.2 Cost of sales

Cost of sales comprise of the following:

EUR'000	2024	2023
Cost of inventories recognised as an expense	1,305,971	1,060,368
Write-down of inventories, net	9,971	5,858
Total	**1,315,942**	**1,066,226**

2.3 Staff costs

Accounting policies

Staff costs include wages and salaries, including share-based payments, holiday pay and pensions, as well as other expenses for social security etc., relating to Abacus Medicine's employees. Compensations, if any, received from public authorities have been deducted from staff costs.

EUR'000	2024	2023
Wages and salaries	73,784	61,278
Pensions, defined contribution plans	3,429	3,722
Other social security costs	1,702	2,002
Other staff costs	3,864	2,830
Share-based payment expense	465	281
Total employee benefit expenses	83,244	70,113
Of which are capitalised as intangible assets	-3,306	-3,467
Total employee benefit expense in the income statement	**79,938**	66,646
Average number of full-time employees	1,370	1,196

The below amounts are included in the total staff costs.

EUR'000	2024	2023
Board of Directors and Chief Executive Officer		
Wages and salaries	1,120	942
Pensions, defined contribution plans	82	58
Social security costs	1	1
Total	**1,203**	**1,001**
Average number	6	7

Section 2 – Result of the Year

2.3 Staff costs (continued)

EUR'000	2024	2023
Key Management Personnel		
Wages and salaries	2,512	2,739
Pensions, defined contribution plans	203	201
Share-based payments	121	64
Social security costs	26	30
Total	**2,862**	**3,034**
Average number	7	9

Key Management Personnel is defined as the members of the day-to-day management and includes the CFO, CLO, CCO, COO, CIO, CPO and the CEO of Pluripharm Group.

Remuneration to the Chief Executive Officer and Board of Directors represents EUR 1,203 thousand (2023: EUR 1,001 thousand). Abacus Medicine has entered into warrant agreements with members of the Executive Management Team. For further details on remuneration to the Executive Management Team, please see note 2.4 regarding share-based payments.

2.4 Share-based payments

Accounting policies

Certain employees of Abacus Medicine receive remuneration in the form of share-based payments, whereby programme participants render services in consideration of equity instruments ("equity-settled transactions"). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made, using an appropriate valuation model.

That cost is recognised in staff costs, together with a corresponding increase in equity (other capital reserves) for equity-settled programmes, over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and Abacus Medicine's best estimate of the number of equity instruments that will ultimately vest. The expense or income in the income statement for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

Estimating the fair value for warrant programmes transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the share price of Abacus Medicine A/S at the grant date, the expected life of the warrant, volatility and dividend yield and making assumptions about them.

Abacus Medicine A/S has established share plans in 2020, 2021, 2022, 2023 and 2024, of which all share plans are still open. The decision to grant warrants is made by the Board of Directors in accordance with the articles of association.

Warrants have been granted to members of Key Management Personnel and other employees of the company. As regards the 2020, 2021, 2022, 2023 and 2024 programmes, the employees only receive equity instruments.

Share-based payments

The decision to grant warrants to subscribe for shares in Abacus Medicine A/S is made by the Board of Directors in accordance with the articles of association on incentive pay for Abacus Medicine. Warrants have been granted to Key Management Personnel and other employees of Abacus Medicine.

Warrant agreements entered into in April 2020 allow those eligible to subscribe for up to 98,200 new shares of EUR 0.05 each in Abacus Medicine A/S. The subscription price is EUR 10.16 per share, corresponding to a total potential subscription price of approximately EUR 998 thousand. This warrant agreement only allows settlement with shares which must take place in April 2025 at the latest. The warrant scheme has been accounted for as an equity-settled programme.

Warrant agreements entered into in July 2020 allow those eligible to subscribe for up to 66,700 new shares of EUR 0.05 each in Abacus Medicine A/S. The subscription price is EUR 10.16 per share, corresponding to a total potential subscription price of approximately EUR 678 thousand. This warrant agreement only allows settlement with shares which must take place in December 2020 (45,700 shares) and April 2025 at the latest (21,000 shares). The warrant scheme has been accounted for as an equity-settled programme.

Warrant agreements entered into in November and December 2021 allow those eligible to subscribe for up to 129,082 new shares of EUR 0.05 each in Abacus Medicine A/S. The subscription price is EUR 10.93 per share, corresponding to a total potential subscription price of approximately EUR 1,411 thousand. This warrant agreement only allows settlement with shares which must take place in April 2026 at the latest. The warrant scheme has been accounted for as an equity-settled programme.

Section 2 – Result of the Year

2.4 Share-based payments (continued)

Warrant agreements entered into in November 2022 allow those eligible to subscribe for up to 96,405 new shares of EUR 0.05 each in Abacus Medicine A/S. The subscription price is EUR 11.20 per share, corresponding to a total potential subscription price of approximately EUR 1,080 thousand. This warrant agreement only allows settlement with shares which must take place in April 2027 at the latest. The warrant scheme has been accounted for as an equity-settled programme.

Warrant agreements entered into in November 2023 allow those eligible to subscribe for up to 131,000 new shares of EUR 0.05 each in Abacus Medicine A/S. The subscription price is EUR 14.02 per share, corresponding to a total potential subscription price of approximately EUR 1,837 thousand. This warrant agreement only allows settlement with shares which must take place in April 2028 at the latest. The warrant scheme has been accounted for as an equity-settled programme.

Warrant agreements entered into in November 2024 allow those eligible to subscribe for up to 119,260 new shares of EUR 0.05 each in Abacus Medicine A/S. The subscription price is EUR 18.75 per share, corresponding to a total potential subscription price of approximately EUR 2,236 thousand. This warrant agreement only allows settlement with shares which must take place in April 2029 at the latest. The warrant scheme has been accounted for as an equity-settled programme.

EUR'000	2024	2023
Equity-settled expense	465	281
Total share-based payment expense	**465**	**281**

	Key Managem. Personnel	Other employees	Total number	Average exercise price per option (EUR)
Specification of outstanding share options				
Outstanding 31 December 2022	**52,013**	**259,204**	**311,217**	
Granted	40,400	90,600	131,000	
Forfeited	-	-26,210	-26,210	
Exercised	-	-	-	-
Outstanding 31 December 2023	**92,413**	**323,594**	**416,007**	
Granted	33,700	85,560	119,260	
Forfeited	-	-22,929	-22,929	
Exercised	-	-	-	-
Outstanding 31 December 2024	**126,113**	**386,225**	**512,338**	
Exercisable 31 December 2024	-	-	-	

The average remaining contractual life for the share options outstanding at 31 December 2024 was 2.5 years (2023: 3.0 years). The exercise prices are between EUR 10.16 - EUR 18.75 per share option (2023: EUR 10.16 - EUR 14.02).

Section 2 – Result of the Year

2.4 Share-based payments (continued)

In 2024, the expense in regards to share-based payments recognised in the income statement amounts to EUR 465 thousand (2023: EUR 281 thousand).

The following table lists the inputs to the models used for the plan for the different programmes:

	2024 Equity Settled	2023 Equity Settled	2022 Equity Settled	2021 Equity Settled
Weighted average fair values at measurement date	10.3	7.3	5.9	5.1
Weighted average share price	25.0	18.7	14.9	14.6
Exercise price	18.8	14.0	11.2	10.9
Expected volatility (%)	38%	29%	31%	35%
Expected life of share options	53 months	53 months	53 months	52-53 months
Dividend yield (%)	0.0%	0.0%	0.0%	0.0%
Risk-free interest rate (%)	1.8%/1.9%	2.8%/3.2%	1.0%/1.4%	-0.5%/-0.6%
Valuation method	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes

The expected volatility reflects 29%-38%, which is based on a peer group median.

2.5 Special items

Accounting policies

Special items are used in connection with the presentation of the profit or loss for the year to distinguish consolidated operating profit from exceptional items, which by their nature are not related to Abacus Medicine's ordinary operations. Special items consist of costs related to seeking new capital, i.e. IPO and private equity projects, and transaction costs related to acquisition of enterprises.

There were no special items in 2024 (2023: EUR 0).

2.6 Depreciation and amortisation

EUR'000	2024	2023
Amortisation and write-downs, intangible assets	6,985	6,470
Depreciation, property, plant and equipment	2,269	2,074
Depreciation, right-of-use assets	3,797	3,400
Total	**13,051**	**11,944**

2.7 Finance items, net

Accounting policies

Finance income and expenses comprise interest income and expenses, interest relating to leases, exchange gains and losses on transactions denominated in foreign currencies etc., as well as surcharges and allowances under the on-account tax scheme, etc.

EUR'000	2024	2023
Finance income		
Finance income	266	300
Foreign exchange gain, net	1,332	1,355
Total finance income	**1,598**	**1,655**

Finance income related to balance sheet items recognised at amortised cost amounts to EUR 266 thousand (2023: EUR 300 thousand).

EUR'000	2024	2023
Finance expenses		
Finance costs	17,236	14,355
Interest, lease liabilities	259	292
Amortised loan costs	91	21
Total finance expenses	**17,586**	**14,668**

Finance expenses related to balance sheet items recognised at amortised cost (credit facilities and lease liabilities) amount to EUR 4,570 thousand (2023: EUR 4,762 thousand).

Section 2 – Result of the Year

2.8 Income tax

Accounting policies

Tax for the year
Tax for the year comprises current tax on the expected taxable income for the year and the year's deferred tax adjustments. The tax expense relating to the profit for the year is recognised in the income statement, and the tax expense relating to transactions recognised in equity is recognised in equity.

The Parent Company is jointly taxed with its Danish Group entities including the ultimate parent of Abacus Medicine A/S, FTW Holding ApS, which is also the administration company of the Danish Group entities towards the Danish Tax authorities. 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, as a minimum, reimbursed by the administration company based on the current rates applicable to interest allowances, and jointly taxed entities having less tax paid, as a maximum, a surcharge based on the current rates applicable to interest surcharges to the administration company.

Current income tax and deferred tax
Current tax payables and receivables are recognised in the balance sheet as tax computed on the expected taxable income for the year, adjusted for tax on the taxable income of prior years and for prepaid tax.

Provisions for deferred tax are calculated, based on the liability method, on all temporary differences between carrying amounts and tax values, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity.

Joint taxation contributions payable and receivable are recognised in the balance sheet as "Corporation tax receivable" or as "Corporation tax payable".

EUR'000	2024	2023
Current income tax		
Current income tax charge	5,790	8,157
Adjustment in respect of current income tax of previous year	120	17
Deferred tax		
Relating to the origination and reversal of temporary differences	-2,022	-2,530
Income tax expense reported in the income statement	**3,888**	**5,644**

EUR'000	2024	2023
Statement of comprehensive income		
Deferred tax related to items recognised in comprehensive income during the year		
Net gain/loss on the revaluation of cash flow hedges	0	0
Income tax recognised in comprehensive income	**0**	**0**

Section 2 – Result of the Year

2.8 Income tax (continued)

Tax on profit for the year can be explained as follows:

EUR'000	2024	2023
Accounting profit before income tax		
Calculated 22% tax on profit for the year	4,732	5,651
Utilisation of previously unrecognised losses	-2,394	-181
Deferred tax asset not recognised	0	324
Tax effect of:		
Deviation in foreign subsidiaries' tax rates compared with the current Danish tax rate	802	495
Adjustment in respect of current income tax of previous year	120	17
Other non-deductible expenses, etc.	629	27
Share of profit/(loss) in associates	-1	-689
Total	**3,888**	**5,644**
Effective tax rate (%)	18.1%	22.0%

The Group has applied the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes. Furthermore, the Group has reviewed its corporate structure in light of the introduction of Pillar Two Model Rules in various jurisdictions. Since the Group's effective tax rate is well above 15% in all jurisdictions in which it operates, it has determined that it is not subject to Pillar Two "top-up" taxes. Therefore, the consolidated financial statements do not include information required by paragraphs 88A-88D of IAS 12.

EUR'000	2024	2023
Deferred tax		
Deferred tax 1 January	3,113	238
Addition from business combination	-	327
Currency translation	0	10
Deferred tax for the year recognised in profit for the year	2,022	2,530
Deferred tax for the year recognised in other comprehensive income	-	-
Other adjustments	0	8
Deferred tax 31 December	**5,135**	**3,113**
Reflected in the statement of financial position as follows:		
Deferred tax assets	6,627	4,894
Deferred tax liabilities	-1,492	-1,781
Deferred tax 31 December, net	**5,135**	**3,113**

Of the recognised deferred tax assets, EUR 3,941 thousand (2023: EUR 4,400 thousand) relates to tax losses to be carried forward. The utilisation of tax loss carryforwards is subject to the expected future positive taxable income against which the losses may be offset.

There are unrecognised deferred tax assets relating to tax losses in the Group amounting to EUR 614 thousand (2023: EUR 2,203 thousand). The deferred tax assets have not been recognised due to uncertainties on the timing of the realisation.

EUR'000	2024	2023
Deferred tax relates to:		
Intangible assets	-5,492	-5,112
Tangible assets	580	516
Tax losses carried forward	3,941	4,400
Other assets and liabilities, net	6,106	3,309
Total	**5,135**	**3,113**

EUR'000	2024	2023
Income tax payable		
Income tax payable 1 January	6,967	2,810
Current tax for the year	5,790	8,157
Adjustment in respect of current income tax of previous year	120	17
Exchange rate adjustments, interest, etc.	-1	17
Corporation tax paid during the year	-8,625	-4,034
Income tax payable 31 December	**4,251**	**6,967**

Section 3

Invested Capital and Working Capital Items

Invested capital
2023: 147,093 *(EUR'000)*
141,022

Return on invested capital
2023: 22.3%
21.3%

Investments in new licences
2023: 5,723 *(EUR'000)*
6,382

Section 3 – Invested Capital and Working Capital Items

3.1 Intangible assets

Accounting policies

Goodwill
Goodwill is initially recognised at the amount by which the purchase price for a business combination exceeds the recognised value of the identifiable assets and liabilities assumed. Goodwill comprises future growth expectations, buyer-specific synergies, the workforce in place, and know-how. Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is tested for impairment at least annually, and impairment losses charged in previous years cannot be reversed.

Licences and Software
Licences relate to marketing permits and product approvals. Licences are measured at cost less accumulated amortisation and impairment losses. Cost comprises of the purchase price and salaries directly attributable until the date when the marketing permits and product approvals are available for use. The basis of amortisation is cost. Licences are set with no residual value. Amortisation is provided on a straight-line basis over the expected useful lives of the assets. The basis of amortisation is reduced by impairment losses, if any. In case of changes in the amortisation period, the effect on the amortisation charges is recognised prospectively as a change in accounting estimates.

Software is measured at cost less accumulated depreciation and impairment losses. Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

On initial recognition, the costs of licences and IP rights are recognised in the balance sheet and measured at cost and subsequently at cost less accumulated amortisation and impairment losses.

Amortisation periods are as follows:

Licences	5 - 8 years
Software	3-10 years

The assets have no scrap value.

Gains and losses on the disposal of rights and licences are made up as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as Other operating income or Other operating expenses, respectively.

Development costs
Development expenditures on an individual project are recognised as an intangible asset when the following can be demonstrated:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of the expected future benefit. During the period of development, the asset is tested for impairment annually.

Impairment of non-current assets
At each reporting date, it is assessed whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of an asset's or Cash generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining the fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies, or other available fair value indicators.

The impairment calculation is based on detailed budgets and forecast calculations. The budget and forecast calculation generally covers a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the income statement under expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the asset's recoverable amount is estimated.

Goodwill is tested for impairment annually at year-end and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of the CGU to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Section 3 – Invested Capital and Working Capital Items

3.1 Intangible assets (continued)

Significant accounting judgements, estimates and assumptions

Valuation of intangible assets
The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over their useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the income statement as amortisation.

Intangible assets with indefinite useful lives (goodwill) and development projects in progress are not amortised, but are tested for impairment at least annually.

The estimated values of intangible assets are based on management estimations and assumptions and are by nature subject to uncertainty.

EUR'000	Development costs	Software	Licences	Goodwill	Total
Cost 1 January 2024	-	18,852	36,847	8,485	64,184
Currency translation	-	-13	-18	-2	-33
Additions	441	1,650	3,076	-	5,167
Additions internally developed	-	-	3,306	-	3,306
Reclassification	-441	441	-	-	-
Cost 31 December 2024	0	20,930	43,211	8,483	72,624
Amortisation and impairment 1 January 2024	-	8,577	18,938	-	27,515
Currency translation	-	-3	18	-	15
Amortisation	-	1,890	4,753	-	6,643
Write-downs	-	26	316	-	342
Amortisation and impairment 31 December 2024	-	10,490	24,025	-	34,515
Carrying amount 31 December 2024	**0**	**10,440**	**19,186**	**8,483**	**38,109**

Section 3 – Invested Capital and Working Capital Items

3.1 Intangible assets (continued)

EUR'000	Development costs	Software	Licences	Goodwill	Total
Cost 1 January 2023	-	17,380	31,380	5,507	54,267
Additions from business combinations	-	469	-	2,985	3,454
Currency translation	-	-32	-87	-7	-126
Additions	770	96	2,256	-	3,122
Additions internally developed	-	-	3,467	-	3,467
Reclassification	-770	939	-169	-	0
Cost 31 December 2023	0	18,852	36,847	8,485	64,184
Amortisation and impairment 1 January 2023	-	6,612	14,507	-	21,119
Currency translation	-	-21	-53	-	-74
Amortisation	-	1,817	4,240	-	6,057
Write-downs	-	-	413	-	413
Reclassification	-	169	-169	-	0
Amortisation and impairment 31 December 2023	-	8,577	18,938	-	27,515
Carrying amount 31 December 2023	**0**	**10,275**	**17,909**	**8,485**	**36,669**

Development costs comprise of capitalised expenses for the ERP system for the Abacus Medicine Group.

Software is amortised over 3-10 years and Licences are amortised over 5-8 years. Software has been written down by EUR 26 thousand in 2024 (2023: EUR 0 thousand) and Licences have been written down by EUR 316 thousand in 2024 (2023: EUR 413 thousand) due to uncertainty as to the future utilisation of the assets. There have been no further indications of impairment of the intangible assets.

Goodwill was recognised as a part of the acquisition of the Abacus Medicine Pharma Services entities on 21 December 2017, Pluripharm Group on 29 July 2020 and ThuisApotheek on 1 July 2023.

The carrying amount of goodwill as of 31 December 2024 amounts to EUR 2,908 thousand regarding Abacus Medicine Pharma Services (2023: EUR 2,910 thousand), EUR 2,590 thousand regarding Pluripharm (2023: EUR 2,590 thousand) and EUR 2,985 thousand regarding ThuisApotheek (2023: EUR 2,985).

Since goodwill is not amortised, the carrying amount is at least tested for impairment annually. The impairment tests in 2023 and 2024 did not give rise to recognising any impairment losses. Key assumptions are not sensitive to reasonable changes to an extent, that will result in an impairment loss.

Key assumptions

The calculation of the recoverable amount is based on a value-in-use calculation, which comprises of the following key assumptions:

- Revenue growth in budget period
- Gross profit
- Development in net working capital
- Capex
- Discount rate
- Growth rate in terminal period

The revenue growth and the gross profit figures used in the impairment tests are based on the budget for 2025 prepared by the management and approved by the Board of Directors including the outlook for the subsequent 2 years. Net working capital in the budget, relative to the revenue, is based on the best estimation and increases on a linear basis due to the increases in the activities.

We have used pre-tax discount rates, which represent the current market assessment of the risks specific to Abacus Medicine Pharma Services, Pluripharm and ThuisApotheek, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates.

The discount rate calculation is derived from the weighted average cost of capital (WACC) of Abacus Medicine Pharma Services, Pluripharm and ThuisApotheek. The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by Abacus Medicine's investors. The cost of debt is based on the interest-bearing borrowings Abacus Medicine is obliged to service, which is considered to be on market terms. Industry specific risk is incorporated by applying individual beta

Section 3 – Invested Capital and Working Capital Items

3.1 Intangible assets (continued)

factors. The beta factors are evaluated annually based on publicly available market data. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a pre-tax discount rate.

For Abacus Medicine Pharma Services, an average yearly revenue growth of 32% in the period 2025-2028 has been applied (2023: 48%), and a gross margin of 22.8% (2023: 13.5%) until the terminal period. The actual revenue in 2024 amounted to EUR 41 million. A pre-tax discount rate of 15.9% (2023: 15.6%) has been applied. The terminal growth rate is set at 2% (2023: 2%), to reflect expected long-term inflation.

For Pluripharm, an average yearly revenue growth of 17% in the period 2025-2028 has been applied (2023: 28%), and a gross margin of 6.4% (2023: 5.9%) until the terminal period. The actual revenue in 2024 amounted to EUR 494 million. A pre-tax discount rate of 13.0% (2023: 12.9%) has been applied. The terminal growth rate is set at 2% (2023: 2%), to reflect expected long-term inflation.

For ThuisApotheek, an average yearly revenue growth of 10% in the period 2025-2028 has been applied (2023: 35%), and a gross margin of 16.7% (2023: 16.4%) until the terminal period. The actual revenue in 2024 amounted to EUR 17 million. A pre-tax discount rate of 13.0% (2023: 12.9%) has been applied. The terminal growth rate is set at 2% (2023: 2%), to reflect expected long-term inflation.

3.2 Property, plant and equipment

Accounting policies

Property, plant and equipment consists of land and buildings, leasehold improvements and other fixtures and fittings. Land and buildings, leasehold improvements and other fixtures and fittings are measured at cost less accumulated depreciation and impairment losses. Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

The cost for a total asset is split in separate components, which are depreciated separately, if the useful life of each of the components differ.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets/components. The expected useful lives are as follows:

Land and buildings	30 years
Leasehold improvements	3-5 years
Other fixtures and fittings	2-10 years

Depreciation is calculated on cost price less residual value and impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. If the residual value exceeds the carrying amount, no further depreciation charges are recognised.

When the depreciation period or the residual value is changed, the effect on depreciation is recognised prospectively as a change in accounting estimates.

Gains and losses on the sale of property, plant and equipment are calculated as the difference between the sales price less the sales expenses and the carrying amount at the date of sale. Gains or losses are recognised in the income statement as Other operating income and Other operating expenses, respectively.

EUR'000	Land and buildings	Leasehold improvements	Other fixtures and fittings, plant and equipment	Total
Cost 1 January 2024	4,184	1,974	14,385	20,543
Currency translation	0	-99	-358	-457
Additions for the year	4,130	331	6,482	10,943
Disposals	-	-8	-664	-672
Cost 31 December 2024	8,314	2,198	19,845	30,357
Depreciation and impairment 1 January 2024	695	1,199	8,102	9,996
Currency translation	0	-64	-187	-251
Depreciation	407	240	1,622	2,269
Disposals	-	-	-630	-630
Depreciation and impairment 31 December 2024	1,102	1,375	8,907	11,384
Carrying amount 31 December 2024	**7,212**	**823**	**10,938**	**18,973**

Section 3 – Invested Capital and Working Capital Items

3.2 Property, plant and equipment (continued)

EUR'000	Land and buildings	Leasehold improvements	Other fixtures and fittings, plant and equipment	Total
Cost 1 January 2023	3,802	1,742	12,992	18,536
Additions from business combinations	-	-	20	20
Currency translation	0	39	110	149
Additions for the year	382	230	1,469	2,081
Disposals	-	-37	-206	-243
Cost 31 December 2023	4,184	1,974	14,385	20,543
Depreciation and impairment 1 January 2023	503	959	6,642	8,104
Currency translation	0	26	16	42
Depreciation	192	251	1,631	2,074
Disposals	-	-37	-187	-224
Depreciation and impairment 31 December 2023	695	1,199	8,102	9,996
Carrying amount 31 December 2023	**3,489**	**775**	**6,283**	**10,547**

There have been no indications of impairment of items of property, plant and equipment.

3.3 Leases

Accounting policies

Right-of-use assets
Right-of-use assets are recognised at the commencement date of the lease (i.e., the date at which the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless Abacus Medicine is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term (1-5 years). Right-of-use assets are subject to impairment.

Lease liabilities
At the commencement date of the lease, lease liabilities are recognised measured at the present value of lease payments to be made over the lease term. Lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. Lease payments also include the exercise price of a purchase option reasonably certain to be exercised by Abacus Medicine and payments of penalties for terminating a lease, if the lease term reflects Abacus Medicine exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the incremental borrowing rate at the lease commencement date is used if the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Extension options are only included in the lease term if extension of the lease is reasonably certain.

Short-term leases and leases of low-value assets
The short-term lease recognition exemption is applied to short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as Other external costs on a straight-line basis over the lease term.

Section 3 – Invested Capital and Working Capital Items

3.3 Leases (continued)

EUR'000	Buildings	Other fixed assets	Total
Right-of-use assets			
Opening balance 1 January 2024	**6,059**	**1,597**	**7,656**
Additions	1,238	659	1,897
Disposals	-4	-108	-112
Depreciation	-2,932	-865	-3,797
Remeasurement of lease liabilities	877	144	1,021
Carrying amount 31 December 2024	**5,238**	**1,427**	**6,665**
Opening balance 1 January 2023	**7,727**	**1,755**	**9,482**
Additions from business combinations	-	34	34
Additions	-	602	602
Disposals	-	-22	-22
Depreciation	-2,628	-772	-3,400
Remeasurement of lease liabilities	960	-	960
Carrying amount 31 December 2023	**6,059**	**1,597**	**7,656**

EUR'000	2024	2023
Lease liabilities		
Maturity analysis - contractual undiscounted cash flows		
Less than 1 year	3,992	3,640
Between 1 and 5 years	3,411	5,196
More than 5 years	245	0
Undiscounted cash flows	**7,648**	**8,836**
Lease liability recognised on the balance sheet	**7,348**	**8,438**
Current lease liability	3,822	3,420
Non-current lease liability	3,526	5,018

EUR'000	2024	2023
Interest expense from lease liabilities	259	292
Lease expenses for short-term leases	0	0
Total	**259**	**292**

In 2024, Abacus Medicine paid EUR 4,296 thousand (2023: EUR 3,636 thousand) on lease contracts of which interest payments related to lease liabilities amount to EUR 213 thousand (2023: EUR 233 thousand) and down payments on lease liabilities amounts to EUR 4,083 thousand (2023: EUR 3,403 thousand).

Costs recognised in the period for short-term leases were EUR 0 thousand (2023: EUR 0 thousand) and low-value leases were EUR 0 thousand (2023: EUR 0 thousand). Expenses are recognised on a straight-line basis as Other external costs.

3.4 Inventories

Accounting policies

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

The cost of goods for resale, as well as materials and consumables, comprises the cost of acquisition plus delivery costs and, for finished goods, indirect production overheads, including packaging material, are added.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and developments in the expected selling price.

Significant accounting judgements, estimates and assumptions

Inventory write-downs
The valuation of the inventories per the balance sheet date involves judgements and estimates on the provision for write-downs. The provision is based on the ageing of the products, i.e. the expiration date, and evaluation of the commercial possibilities of selling the products.

Section 3 – Invested Capital and Working Capital Items

3.4 Inventories (continued)

EUR'000	2024	2023
Raw materials and consumables	112,769	117,084
Manufactured goods and goods for resale	116,709	82,795
Total inventories at the lower of cost and net realisable value	**229,478**	**199,879**

During 2024, EUR 9,971 thousand (2023: EUR 5,858 thousand) was recognised as an expense for inventories carried at net realisable value due to expired goods. This is recognised as Cost of sales, please refer to note 2.2.

EUR'000	2024	2023
Inventory write-downs 1 January	1,485	1,539
Utilised and reversed during the year	-1,485	-1,539
Additional write-downs during the year	3,813	1,485
Inventory write-downs 31 December	**3,813**	**1,485**

3.5 Trade and other receivables

Accounting policies

Receivables
Receivables are measured at amortised cost.

The measurement of provisions for bad debt for receivables is based on the simplified expected credit loss model to measure the expected credit loss for all trade receivables. Based on the low level of realised losses on receivables historically, adjustments to reflect current and forward-looking information on macroeconomic factors affecting the ability of customers to settle the receivable, do not increase the risk of losses significantly. Where there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised at the individual receivable level.

Prepayments
Prepayments recognised under Current assets comprise expenses incurred concerning subsequent financial years.

EUR'000	2024	2023
Non-current		
Other receivables	235	233
Total non-current	**235**	**233**
Current		
Receivables from sales and services	28,191	23,370
Deposits regarding factoring agreement	6,707	6,523
VAT receivables	1,880	17,311
Other receivables	9,010	6,503
Receivable from parent company	0	67
Prepayments	1,353	1,937
Total current	**47,141**	**55,711**

Abacus Medicine's customers are mainly wholesalers and pharmacies. In general, all Abacus Medicine's invoices to customers are sold to a factoring company which limits the trade receivable risk and days. We refer to section 4.5 on liquidity risks for further description of the factoring agreements. Further, management monitors payment patterns of the customers and estimates the need for write-downs. Credit ratings, insurance of customers and market-specific development are taken into account in order to assess the need for further write-downs. Abacus Medicine has historically not suffered any significant losses. The provision for bad debt amounts to EUR 0.4 million at 31 December 2024 (2023: EUR 0.6 million).

Section 3 – Invested Capital and Working Capital Items

3.6 Trade payables

Accounting policies

Trade payables are measured at amortized cost normally equal to nominal value. Customer rebates and discounts included as trade payables relates to expected refunds to be paid out based on goods sold in some markets. Accounting for Customer rebates and discounts requires judgement by management. Please refer to note 2.1.

EUR'000	2024	2023
Trade payables	111,590	84,442
Customer rebates and discounts	56,552	47,187
Total	**168,142**	**131,629**

3.7 Other payables

EUR'000	2024	2023
Non-current		
VAT payables	-	729
Employee related payables	1,390	1,344
Total non-current	**1,390**	**2,073**
Current		
VAT payables	14,894	12,077
Employee related payables	7,075	8,554
Prepayments	2,719	110
Total current	**24,688**	**20,741**

3.8 Provisions

Accounting policies

Provisions comprise of anticipated expenses for returned goods. Provisions are recognised when Abacus Medicine has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation.

EUR'000	Return provisions
1 January 2024	**5,388**
Arising during the year	6,327
Utilised and reversed during the year	-5,388
31 December 2024	**6,327**
Current	**6,327**
Non-current	**-**

Provisions comprise of provisions for sold products expected to be returned in the coming year. The return provision is utilised during the financial year.

3.9 Change in working capital

EUR'000	2024	2023
Change in inventories	-30,921	-79,209
Change in receivables	8,509	-5,604
Change in trade payables etc.	38,614	42,247
Change in provisions etc.	939	1,131
Other non-cash items	2,949	-1,672
Total	**20,090**	**-43,107**

Section 4

Capital Structure and Net Financials

Earnings per share
2023: 1.9 *(EUR)*
1.7

Return on equity
2023: 28.3%
19.9%

Section 4 – Capital structure and Net Financials

4.1 Equity

Accounting policies

Foreign currency translation reserve
The exchange adjustment reserve in the consolidated financial statements comprises exchange differences arising on the translation of the financial statements of foreign enterprises from their functional currencies into EUR. On realisation, accumulated value adjustments are taken from equity to financial items in the income statement.

Cash flow hedge reserve
The hedge transaction reserve contains the accumulated net change in the fair value of hedging transactions that meet the criteria for hedging future cash flows and for which the hedged transaction has yet to be realised.

Dividend
Dividend proposed for the year is recognised as a liability at the date when it is adopted at the annual general meeting (declaration date).

Capital management
For the purpose of Abacus Medicine's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of Abacus Medicine A/S. Abacus Medicine manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The primary objective of Abacus Medicine's capital management is to maximise the shareholder value. Abacus Medicine intends on retaining all future earnings to finance future growth, however Abacus Medicine may pay dividends to shareholders, return capital to shareholders or issue new shares to maintain or adjust the capital structure. Abacus Medicine monitors capital using a solvency ratio, which is total equity divided by total equity and liabilities. Abacus Medicine's long term target is to achieve the solvency ratio at minimum 30% (end 2024: 27%, end 2023: 25%).

To achieve the overall objective, Abacus Medicine's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The calculation of the covenants in the newly renegotiated bank agreement is based on the inventory level compared to credit utilisation, solvency and leverage. The covenants are tested and reported end of each quarter until the maturity of the facility. The Group has no indication of any difficulties in complying with the covenants. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2024 and 2023.

Dividends
The Board of Directors proposes a dividend to the shareholders of EUR 0.65 per share (2023: EUR 0.00 per share) – a total of EUR 6.7 million. Total dividends are based on the current share capital. The dividend pay-out is subject to approval at the Annual General Meeting on 25 March 2025.

Equity
Issued shares

			Number		
	2024	2023	2022	2021	2020
1 January	10,324,029	10,324,029	10,300,661	10,193,114	10,113,245
Additions	-	-	23,368	107,547	79,869
31 December – fully paid	**10,324,029**	**10,324,029**	**10,324,029**	**10,300,661**	**10,193,114**

			Nominal value (EUR)		
	2024	2023	2022	2021	2020
1 January	516,201	516,201	515,033	509,656	505,662
Additions	-	-	1,168	5,377	3,994
31 December – fully paid	**516,201**	**516,201**	**516,201**	**515,033**	**509,656**

The share capital consists of 10,324,029 shares with a nominal value of EUR 0.05 each. None of the shares are assigned with special rights.

Treasury shares	No. of shares	Nom. value	% of share capital
1 Jan 2024	15,450	773	0.1%
Purchase of treasury shares	103,432	5,172	1.0%
Sale of treasury shares	-6,975	-349	-0.1%
31 Dec 2024	111,907	5,595	1.1%

All own shares are owned by Abacus Medicine A/S.

Treasury shares were acquired from current employees and former employees leaving the Group, as well as a former member of the Board of the Directors. Treasury shares were sold to current members of the Board of Directors.

Section 4 – Capital structure and Net Financials

4.2 Earnings per share and dividend

EUR'000	2024	2023
Profit attributable to equity holders	**17,621**	**20,042**
Weighted average number of ordinary shares	10,324,029	10,324,029
Weighted average number of treasury shares	63,679	7,725
Weighted average number of ordinary shares in circulation	10,260,351	10,316,304
Effect of share options	464,173	363,612
Weighted average number of ordinary shares adjusted for the effect of dilution	**10,724,523**	**10,679,916**
Basic earnings per share, EUR	1.72	1.94
Diluted earnings per share, EUR	1.64	1.88

There have been no transactions between the reporting date and the date of completion of the Annual Report involving shares that would have significantly changed the number of shares or potential shares in Abacus Medicine A/S.

4.3 Cash

Accounting policies

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand.

EUR'000	2024	2023
Cash at bank and in hand	9,992	3,268
Total cash	**9,992**	**3,268**

4.4 Borrowings

EUR'000	2024	2023
Current liabilities		
Credit institutions and banks	48,008	61,057
Amortised costs	-237	0
Total current liabilities	**47,771**	**61,057**
Nominal amount	**48,008**	**61,057**

Abacus Medicine has a committed credit facility with Danske Bank, with a maximum credit limit of EUR 101 million. The bank credit facility is renegotiated on a three year basis. Next renegotiation is in 2027.

Section 4 – Capital structure and Net Financials

4.5 Financial risk and financial instruments

Accounting policies

Derivative financial instruments
Forward currency contracts (derivative financial instruments) are used to hedge foreign currency risks relating to receivables and payables. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and later reclassified to the income statement when the hedged item affects the income statement.

Risk management policy
Abacus Medicine's principal financial liabilities, other than derivatives, comprise borrowings, trade payables, other payables and lease liabilities. The main purpose of these financial liabilities is to finance and support the Group's operations. Abacus Medicine's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations.

Abacus Medicine is exposed to market risk, credit risk and liquidity risk. Management oversees the control of these risks. The Board of Directors reviews and approves policies for managing each of these risks, which are summarised below.

We also refer to the Risk Management section in the Management's review.

Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. Financial instruments affected by market risk include borrowings, deposits and derivative financial instruments. Abacus Medicine is not considered to be directly affected by an equity price risk or a commodity risk (price volatility of certain commodities, i.e. oil prices, metal prices etc.).

Currency risk
Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Abacus Medicine's exposure to the risk of changes in foreign exchange rates relates primarily to the operating activities (when revenue or expense is denominated in a foreign currency) and net investments in foreign subsidiaries.

Abacus Medicine sells finished products and purchases products in currencies other than EUR and is therefore exposed to a currency risk. The currency policy must ensure that the risk is hedged, either by buying and selling in the same currencies or by making use of financial hedging. At the same time, the currency policy must in an operational manner describe how the risk is assessed when a possible hedging is entered and who is responsible for entering into currency hedging agreements with the bank.

Sales/receivables: Abacus Medicine enters sales agreements with customers, which will result in invoicing in DKK, EUR, SEK, NOK and GBP. The exposure to fluctuations in EUR/DKK is considered to be limited due to Denmark's fixed exchange rate policy towards EUR and is consequently not hedged. Sales in SEK, NOK and GBP are considered a risk, as these currencies have historically been unstable compared to EUR/DKK.

Purchase/payables: On the purchase side, EUR is the main currency, but products and freight services are also purchased in other currencies. All the purchase currencies used have historically been volatile. In the medium and long term, a change in the value of these currencies will lead to an adjustment of the purchase prices in the local currencies thereby eliminating the currency risk. In the short term, i.e. from the date of invoice to the payment, the price is fixed in currency and an increase (strengthening) of these currencies will result in a loss. However, the time from order delivery to payment is limited and thereby the currency risk exposure is also limited and therefore the company does not enter forward transactions.

Production costs (repackaging costs): the largest repackaging facility is located in Hungary, and therefore employee expenses, rent of premises etc. are in Hungarian HUF, which historically has been volatile compared to the EUR.

Group Finance can enter hedges with the bank on the basis of confirmed customer orders or on the budgeted sales. Foreign exchange forward contracts are designated as hedging instruments in cash flow hedges of forecasted sales in foreign currencies. The foreign exchange forward contract balances vary with the level of expected foreign currency sales and purchases and changes in foreign exchange forward rates.

There is an economic relationship between the hedged items and the hedging instruments as the terms of the foreign exchange and commodity forward contracts match the terms of the expected highly probable forecast transactions (i.e., notional amount and expected payment date). Abacus Medicine has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign exchange and commodity forward contracts are identical to the hedged risk components. To test the hedge effectiveness, Abacus Medicine uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

Section 4 – Capital structure and Net Financials

4.5 Financial risk and financial instruments (continued)

Hedge ineffectiveness can arise from:

- Differences in the timing of the cash flows of the hedged items and the hedging instruments
- The counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items
- Changes to the forecasted amount of cash flows of hedged items and hedging instruments

It is Abacus Medicine's policy that no trading in derivatives for speculative purposes may be undertaken.

Below is an illustration of the impact on the profit before tax from a change in Abacus Medicine's primary foreign currencies.

EUR'000	Change in exchange rate	Profit before tax 2024	Profit before tax 2023
SEK	5%	-40	-31
GBP	5%	-220	-94
NOK	5%	119	132
PLN	5%	92	90
CZK	5%	40	44

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Abacus Medicine's exposure to the risk of changes in market interest rates relates primarily to Abacus Medicine's credit facility with Danske Bank with a credit limit of EUR 101 million and the factoring agreement with AL Finans with a limit of EUR 188 million. Further, the Group has an exposure to the risk of changes in market interest rates entered related to the factoring agreement with Crédit Agricole with a limit of EUR 90 million for the activities in Pluripharm. The Group has not hedged interest rate risks.

A change in the interest rate by 1 percentage point in comparison to the interest rate at the balance sheet date would all other things being equal affect Abacus Medicine's income statement by EUR 2.7 million (2023: EUR 2.5 million) and equity by EUR 2.7 million (2023: EUR 2.5 million).

Liquidity risk
Parallel distribution is a very liquidity-intensive industry, as most of the raw material purchases are to be paid in advance or with very short payment terms, while the customer side is characterised by normal and often long payment terms. This creates a liquidity requirement in the period between payment to suppliers and receipt of customer payments. On the other hand, wholesale activity is less liquidity dependent than parallel distribution because payment terms from suppliers and to customers are more aligned.

Abacus Medicine Group aims to have sufficient credit facilities that can accommodate the fluctuations that occur in day-to-day operations, so that Abacus Medicine has sufficient reserves to account for unforeseen liquidity needs.

This objective is met through building and maintaining sound and trustworthy relationships with bank and factoring companies, which have resulted in the existence of sufficiently large credit lines for factoring and credit facilities.

The availability of the required liquidity is ensured through a combination of cash pools for cash centralisation, committed credit facility and factoring agreements. Abacus Medicine has a committed credit facility with Danske Bank, with a maximum credit limit of EUR 101 million. The bank credit facility is renegotiated on a three year basis. Further, Abacus Medicine has a factoring agreement with AL Finans with a limit of EUR 188 million and a factoring agreement with Crédit Agricole with a limit of EUR 90 million relating to the activities in Pluripharm. Factoring is chosen because it allows for financing of nearly all sales invoices no later than the day after the invoice has been issued.

Section 4 – Capital structure and Net Financials

4.5 Financial risk and financial instruments (continued)

EUR'000	Contractual cash flows	< 1 year	1 - 3 years	3 - 5 years	>5 years
Maturity analysis					
2024					
Non-derivative financial instruments					
Credit institutions and banks	48,008	48,008	-	-	-
Trade payables	168,142	168,142	-	-	-
Other payables	26,078	24,688	-	-	1,390
Lease liabilities	7,648	3,992	3,106	305	245
Derivative financial instruments					
Exchange rate hedging	-	-	-	-	-
31 December 2024	**249,876**	**244,830**	**3,106**	**305**	**1,635**
2023					
Non-derivative financial instruments					
Credit institutions and banks	61,057	61,057	-	-	-
Trade payables	131,629	131,629	-	-	-
Other payables	22,814	20,741	729	-	1,344
Lease liabilities	8,836	3,640	5,010	186	-
Derivative financial instruments					
Exchange rate hedging	-	-	-	-	-
31 December 2023	**224,336**	**217,067**	**5,739**	**186**	**1,344**

The disclosed financial derivative instruments in the above table are the gross undiscounted cash flows. However, those amounts may be settled gross or net.

Credit risk
Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Abacus Medicine is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables
The customers in the medical industry are in general considered to be very creditworthy, and Abacus Medicine has historically not had any material write-downs on receivables. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits and credit insurances are defined in accordance with this assessment. Nearly all trade receivables are sold to factoring companies and thereby the credit risk is limited. A reference is also made to note 3.5 Trade and other receivables. Any outstanding customer receivables and contract assets are regularly monitored, and any shipments to major customers are generally covered by credit insurance.

Allowance for bad debt amounts to EUR 0.4 million as of 31 December 2024 (2023: EUR 0.6 million).

Section 4 – Capital structure and Net Financials

4.5 Financial risk and financial instruments (continued)

	Carrying amount		Fair value	
EUR'000	2024	2023	2024	2023
Categories of financial instruments				
Financial assets at fair value – hedging instruments				
Derivative financial instruments	0	0	0	0
Total	**0**	**0**	**0**	**0**
Financial assets measured at amortised cost				
Trade receivables	47,141	55,711	47,141	55,711
Cash	9,992	3,268	9,992	3,268
Total	**57,133**	**58,979**	**57,133**	**58,979**
Financial liabilities at fair value – hedging instruments				
Derivative financial instruments	0	0	0	0
Total	**0**	**0**	**0**	**0**
Financial liabilities measured at amortised cost				
Borrowings	47,771	61,057	48,008	61,057
Lease liabilities	7,348	8,438	7,348	8,438
Trade payables	168,142	131,629	168,142	131,629
Other payables	26,078	22,814	26,078	22,814
Total	**249,339**	**223,938**	**249,576**	**223,938**

The derivative financial instruments are measured at level 2 (observable input) of the fair value hierarchy. The instruments are recognised in the related line item, when effective, i.e. inventories on derivatives related to purchases (EUR 0.0 million; 2023: EUR 0.0 million), revenue for derivatives related to sales (EUR 0.0 million; 2023: EUR 0.0 million) and production costs (EUR 0.0 million; 2023: EUR 0.0 million).

Section 4 – Capital structure and Net Financials

4.5 Financial risk and financial instruments (continued)

EUR'000	1 Jan '24	Non-cash movements	Financing cash flow	31 Dec '24
Net financing cash flow				
Borrowings	61,057	-236	-13,050	47,771
Lease liabilities	8,438	2,993	-4,083	7,348
Total	**69,495**	**2,757**	**-17,133**	**55,119**

Methods and assumptions for calculating fair value
The applied methods and assumptions for calculating the fair values of financial instruments are described for each class of financial instruments.

Abacus Medicine uses hedging instruments to hedge non-recognised transactions. Abacus Medicine's purchases are mainly in EUR. Abacus Medicine's sales are effected in currencies other than EUR and DKK, which are partially hedged.

Cash flow hedging
Foreign currency risk
Derivatives designated as hedging instruments reflect the positive change in fair value of foreign exchange forward contracts, designated as cash flow hedges to hedge highly probable forecast sales and purchases in other currencies than EUR. Historically this has mainly been SEK, GBP and NOK. The Group has not used Cash flow hedging instruments in 2023 and 2024.

Section 5

Other disclosures

No. of subsidiaries in the group **38**
2023: 35

Fees to auditors **518**
2023: 409 *(EUR'000)*

Section 5 – Other disclosures

5.1 Contractual obligations and contingencies

Contingent liabilities
Abacus Medicine A/S is jointly taxed with the Danish entities within the FTW Holding ApS group, with FTW Holding ApS as the administrative company. The company is, together with the other Danish companies in FTW Holding ApS group, liable for corporate taxes and withholding taxes on dividends, interest and royalties.

Abacus Medicine Group is currently party to certain lawsuits, disputes etc. of various scopes. In the management's opinion, apart from items recognised in the statement of financial position or disclosed in the financial statements, the outcome of these lawsuits, disputes etc., individually and in the aggregate, is not expected to have a material impact on Abacus Medicine's financial position.

5.2 Mortgages and collateral

Bank debt of EUR 47 million within Abacus Medicine has been secured by way of a pledge on all of Abacus Medicine's existing as well as future receivables, totalling EUR 25 million (2023: EUR 46 million), in intangible assets totalling EUR 31 million (2023: EUR 30 million), property, plant and equipment totalling EUR 3 million (2023: EUR 2 million) and inventories totalling EUR 203 million (2023: EUR 177 million).

5.3 Investments

Accounting policies

Investments in associates
Investments in associates are recognised initially at cost and subsequently measured using the equity method.

Under the equity method, an investment in an associated company is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in Abacus Medicine's share of net assets of the associated company since the acquisition date. Goodwill relating to the associated company is included in the carrying amount of the investment and is not tested for impairment separately, however the carrying amount of the investments in associated companies is subject to an annual test for indications of impairment.

Investments in associated companies with negative net asset values are measured at EUR 0 (nil). The associated company's proportionate share of any negative equity is set off against receivables from the investment to the extent that the receivable is deemed irrecoverable. If the Group has a constructive obligation to cover a deficit that exceeds the amount owed, the remaining amount is recognised under Provisions.

Section 5 – Other disclosures

5.3 Investments (continued)

Name	Registered office	Ownership 2024 and voting rights	Ownership 2023 and voting rights
Abacus Medicine Hungary Kft.	Hungary	100%	100%
Abacus Medicine B.V.	The Netherlands	100%	100%
+365 Medicines GmbH	Germany	100%	100%
Abacus Medicine Berlin GmbH *	Germany	100%	100%
Abacus Medicine Ltd	United Kingdom	100%	100%
Abacus Medicine Austria GmbH	Austria	100%	100%
Abacus Medicine France S.A.S.	France	100%	100%
Abacus Medicine Finland Oy	Finland	100%	100%
Abacus Medicine Ireland Ltd.	Ireland	100%	100%
Abacus Medicine Switzerland LLC**	Switzerland	100%	-
PharmaSave BVBA	Belgium	100%	100%
Originalis B.V.	The Netherlands	100%	100%
Abacus Medicine WH B.V.	The Netherlands	100%	100%
Aposave S.L.	Spain	100%	100%
Zdrave Med Ltd.	Bulgaria	100%	100%
Abacus Medicine Pharma Services ApS	Denmark	100%	100%
Abacus Medicine Pharma Services Ltd.	United Kingdom	100%	100%
Abacus Medicine Pharma Services Asia Ltd.	Hong Kong	100%	100%
Abacus Medicine US Inc.	USA	100%	100%
Abacus Medicine Pharma Services B.V.	The Netherlands	100%	100%
Aposave Mexico S de RL de	Mexico	100%	100%
ApoSave Peru	Peru	100%	100%

Name	Registered office	Ownership 2024 and voting rights	Ownership 2023 and voting rights
Pluripharm Holding B.V.	The Netherlands	100%	100%
Pluripharm Groep B.V.	The Netherlands	100%	100%
ThuisApotheek B.V.	The Netherlands	100%	100%
Pluripharm B.V.	The Netherlands	100%	100%
Pluripack Alkmaar	The Netherlands	100%	100%
Pluripack Zwolle	The Netherlands	100%	100%
Pluripack Breda	The Netherlands	100%	100%
Pluriplus B.V.	The Netherlands	100%	100%
Distrimed B.V.	The Netherlands	100%	100%
Pluripharm Apotheek Beheer B.V.	The Netherlands	100%	100%
Apotheekfonds Pharmaconnect B.V.	The Netherlands	50%	50%
Pluripharm Direct B.V.	The Netherlands	100%	100%
Phardis B.V.	The Netherlands	100%	100%
Instellingsapotheek B.V.	The Netherlands	100%	100%
Pluripharm Ireland Ltd.**	Ireland	100%	-
Pluripharm Belgium B.V.**	Belgium	100%	-

* Abacus Medicine Berlin GmbH has made use of the exemption option under Section 264 (3) HGB under German law. The prerequisite for this is the reference to the use of this exemption option in the consolidated notes of the Parent Company. This notice is hereby given.

** Newly established company in 2024.

Section 5 – Other disclosures

5.4 Related party disclosures

Controlling Influence
Wagner Family Holding ApS, Kalvebod Brygge 35, 1560 Copenhagen, Denmark, has a controlling interest in the Parent Company. FTW Holding ApS is the ultimate owner. The Parent Company is part of the consolidated financial statements of FTW Holding ApS.

Abacus Medicine carried through the following related party transactions:

EUR'000	2024	2023
Receivable from parent company	0	67

Terms and conditions of transactions with related parties
Sales to and purchases from related parties are made at terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured, interest free and settled in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 December 2024, Abacus Medicine has not recorded any impairment of receivables relating to amounts owed by related parties (2023: EUR 0). This assessment is undertaken each financial year by examining the financial position of the related party and the market in which the related party operates.

Executives
Abacus Medicine's related parties with significant influence include Abacus Medicine's Board of Directors and Chief Executive Officer (CEO) in the Parent Company, including these employees' family members, and entities in which these executives have a significant influence.

The remuneration to executives is disclosed in note 2.3.

5.5 Business combinations

Accounting policies

Business combinations are accounted for by using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, Abacus Medicine decides whether it will measure the non-controlling interest in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.

Acquisition costs incurred are expensed and included in the income statement.

When Abacus Medicine acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date.

Subsequent changes in the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with IFRS 9 in the income statement.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for the non-controlling interest over the net identifiable assets acquired and liabilities assumed.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in such circumstances is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Section 5 – Other disclosures

5.5 Business combinations (continued)

There have been no business combinations in Abacus Medicine during 2024.

Acquisition of ThuisApotheek B.V.
In July 2023, Pluripharm Groep B.V. acquired the remaining 50% of the shares in ThuisApotheek B.V., and consequently now is the majority shareholder of ThuisApotheek. Pluripharm Groep B.V. has owned 50% of ThuisApotheek B.V. since 2014.

Strategic rationale and synergies
Pluripharm Groep B.V.´s partial ownership has provided valuable insights into the business of ThuisApotheek and prosperities for the company.

This include that online pharmacies experience higher margins compared to the traditional Dutch wholesale medicine business.

Consideration transferred
The consideration transferred for the 50% shares in ThuisApotheek B.V. was EUR 746 thousand.

Earnings impact
The acquisition of ThuisApotheek B.V. has impacted the 2023 result of Abacus Medicine Group with EUR 5,944 thousand in revenue and EUR 1,117 thousand in gross profit.

If the acquisition had occurred on 1 January 2023, consolidated pro forma revenue and gross profit before special items would have contributed approximately EUR 11,295 thousand and EUR 1,962 thousand, respectively, to the consolidated reporting for the period ended 31 December 2023 .

Transactions costs
The total transaction costs recognised amounts to EUR 6 thousand in Other external costs.

Fair value of acquired net assets and recognised goodwill
The fair value of the acquired net assets, goodwill and contingent assets and liabilities recognised at the reporting date is no longer provisional. No measurement period adjustment to the acquisitional opening balance has been made in 2024. The goodwill is not tax deductible.

Goodwill is mainly related to the workforce and the knowhow within the company.

The fair value of identified net assets and goodwill recognised comprises as follows:

EUR'000	Fair value at date of acquisition
Net assets and goodwill	
Intangible assets	469
Property, plant and equipment	21
Right of use assets	34
Deferred tax assets	327
Inventories	660
Trade and other receivables	193
Cash and cash equivalents	175
Total assets	**1,879**
Lease liabilities	34
Trade payables	1,724
Other payables	1,614
Total liabilities	**3,372**
Acquired net assets	**-1,493**
Goodwill	2,985
Fair value of existing share on net assets in connection with step-acquisition	-746
Total cash consideration paid	**746**

Section 5 – Other disclosures

Fair value measurement
Material net assets acquired for which significant estimates have been applied in the fair value assessment have been recognised using the following valuation techniques:

Intangible assets
Fair value of intangible assets, in the form of software, is measured at cost less amortisation.

Property, plant and equipment
Fair value of property, plant and equipment relating to material individual assets is measured at cost less amortisation.

Deferred tax asset
Deferred tax asset does mainly consist of tax losses carried forward. Fair value of the deferred tax asset is based on the expected utilization of the tax losses.

Inventories
Inventories are recognized at the lower of selling price less cost to sell or cost. As no material write-downs were identified related to the acquisition, booked value at the acquisition date is considered to be fair value of inventories.

Trade receivables and payables, contract assets and accrued cost of services
Fair value of trade receivables and trade payables, contract assets and accrued cost of services has been measured at the contractual amount expected to be received or paid. In addition, collectability has been taken into consideration on trade receivables. The amounts have not been discounted, as maturity on receivables and payables is generally very short and the discounted effect therefore immaterial.

Financial liabilities
Lease liabilities have been measured at the present value of the remaining lease payments at the acquisition date discounted using an appropriate incremental borrowing rate.

5.6 Events after the reporting period

No events have occurred after the balance sheet date which could have a material effect on Abacus Medicine's financial position at 31 December 2024.

5.7 Fees to auditors appointed at the annual general meeting

Fees to Abacus Medicine's auditor for the audit of Abacus Medicine's financial statements and other non-audit services are specified below.

EUR'000	2024	2023
Audit	342	393
Other assurance engagements	0	0
Total audit related services	**342**	**393**
Tax consultancy	4	7
Other non-audit services	172	9
Total fee to EY	**518**	**409**

The expenses are recognised in the income statement as Other external costs.

Definition of key figures and ratios

Financial ratios
Key figures and financial ratios stated in the consolidated financial statements have been calculated as follows:

Gross margin	Gross profit x 100 / Revenue
EBITDA margin	Operating profit excl. amortisation and depreciation x 100 / Revenue
Operating profit (EBIT) margin	Operating profit (EBIT) x 100 / Revenue
Revenue growth	Current year revenue - prior year revenue x 100 / Revenue
Return on invested capital (ROIC)	Operating profit (EBIT) x (1 - effective tax rate) x 100 / Average invested capital

Invested capital consists of intangible assets, PP&E, right-of-use assets, investments in associates, inventories, trade and other receivables, deferred tax, provisions, trade payables, income tax payables and other payables.

Solvency ratio	Closing equity x 100 / Total assets
Return on equity	Profit for the year after tax x 100 / Average equity
Earnings per share, EUR	Net profit / Average number of shares outstanding
Diluted earnings per share, EUR	Net profit / Average number of shares outstanding, including the dilutive effect of share options

Net interest-bearing debt consists of the net amount of cash, borrowings and lease liabilities.

Liquidity available consists of the net amount of cash and borrowings deducted from the credit limit.

Alternative performance measures
Abacus Medicine presents financial measures in the Annual Report that are not defined according to IFRS. Abacus Medicine believes these non-GAAP measures provide valuable information to investors and Abacus Medicine's management when evaluating performance. Since other companies may calculate these differently from Abacus Medicine, they may not be comparable to the measures used by other companies. These financial measures should therefore not be considered to be a replacement for measures defined under IFRS. For definitions of the alternative performance measures, please see below.

Adjusted EBITDA margin	Operating profit (EBIT) excl. amortisation, depreciation and special items x 100 / Revenue
Adjusted return on invested capital (Adjusted ROIC)	Operating profit (EBIT) excl. special items x (1 - effective tax rate adjusted for special items) x 100 / Adjusted invested capital

Parent Company financial statements

Primary statements

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Parent Company financial statements 1 January - 31 December

Income statement

Note	EUR'000	2024	2023
2.1	Revenue	981,864	832,248
2.2	Cost of sales	-881,999	-744,972
	Gross profit	**99,865**	**87,276**
	Other external costs	-33,331	-22,758
2.3	Staff costs	-34,824	-29,904
	Operating profit before depreciation, amortisation and special items (adjusted EBITDA)	**31,710**	**34,614**
2.5	Special items	0	0
	Operating profit before depreciation and amortisation (EBITDA)	**31,710**	**34,614**
2.6	Depreciation and amortisation	-7,160	-6,750
	Operating profit (EBIT)	**24,550**	**27,864**
3.4	Share of profit (loss) from subsidiaries accounted under the equity method	3,561	3,665
2.7	Finance income	4,680	4,047
2.7	Finance expenses	-10,804	-10,764
	Profit before tax	**21,987**	**24,812**
2.8	Tax on profit for the year	-4,366	-4,770
	Profit for the year	**17,621**	**20,042**

Statement of comprehensive income

Note	EUR'000	2024	2023
	Profit for the year	**17,621**	**20,042**
	Comprehensive income		
	Comprehensive income to be reclassified to profit or loss in subsequent periods:		
4.4	Cash flow hedges – effective portion of changes in fair value	0	0
	Exchange differences on translation of foreign operations	-646	-186
2.8	Income tax effect	0	0
	Comprehensive income/(loss) for the year, net of tax	**-646**	**-186**
	Total comprehensive income	**16,975**	**19,856**

Parent Company financial statements 1 January - 31 December

Balance sheet

Note	EUR'000	2024	2023
	ASSETS		
	Non-current assets		
3.1	Intangible assets	26,492	23,229
3.2	Property, plant and equipment	77	184
3.3	Right-of-use assets	2,140	3,395
3.4	Investments in subsidiaries	25,511	21,023
	Total non-current assets	**54,220**	**47,831**
	Current assets		
3.5	Inventories	194,053	169,643
3.6	Trade and other receivables	68,581	68,342
4.2	Cash	0	1
	Total current assets	**262,634**	**237,986**
	TOTAL ASSETS	**316,854**	**285,817**

Note	EUR'000	2024	2023
	EQUITY AND LIABILITIES		
	Equity		
4.1	Share capital	516	516
4.1	Reserve for net revaluation according to the equity method	0	0
4.1	Other reserves	-1,516	1,174
4.1	Proposed dividends	6,711	0
	Retained earnings	90,184	79,176
	Total equity	**95,895**	**80,866**
	Non-current liabilities		
2.8	Deferred tax liabilities	1,492	1,781
3.3	Lease liabilities	1,227	2,625
3.8	Other payables	1,390	1,344
	Total non-current liabilities	**4,109**	**5,750**
	Current liabilities		
4.3	Borrowings	46,852	60,487
3.3	Lease liabilities	1,417	1,322
3.9	Provisions	6,327	5,388
3.7	Trade payables	143,202	106,928
2.8	Income tax payable	3,870	6,890
3.8	Other payables	15,182	18,186
	Total current liabilities	**216,850**	**199,201**
	Total liabilities	**220,959**	**204,951**
	TOTAL EQUITY AND LIABILITIES	**316,854**	**285,817**

Parent Company financial statements 1 January - 31 December

Cash flow statement

Note	EUR'000	2024	2023
	Operating activities		
	Profit before tax	21,987	24,812
	Reversal of items from the income statement:		
2.6	Depreciation and amortisation	7,160	6,750
3.4	Share of profit from subsidiaries	-3,561	-3,665
2.7	Finance income	-4,680	-4,047
2.7	Finance expenses	10,804	10,764
3.10	Changes in working capital	16,302	-35,523
	Interest received	3,673	2,861
	Interest paid	-11,000	-10,687
2.8	Income tax paid	-7,674	-2,884
	Cash flow from operating activities	**33,011**	**-11,619**

Note	EUR'000	2024	2023
	Investing activities		
3.1	Investment in intangible assets	-6,159	-5,983
3.2	Investment in property, plant and equipment	-28	-33
	Acquisition of and capital increase in subsidiary	-9,461	0
	Cash flow from investing activities	**-15,648**	**-6,016**
	Cash flow from operating and investing activities (free cash flow)	**17,363**	**-17,635**
	Financing activities		
	Proceeds from borrowings	-13,398	20,737
	Proceeds from exercise of warrants	0	0
3.3	Instalment of lease liabilities	-1,371	-1,292
	Sale and purchase of treasury shares, net	-2,411	-262
	Deposits regarding factoring agreement	-184	-1,548
	Cash flow from financing activities	**-17,364**	**17,635**
	Net cash flow	**-1**	**0**
	Cash 1 January	1	1
	Effect of exchange rate changes on cash in a foreign currency	0	0
4.2	**Cash 31 December**	**0**	**1**

Parent Company financial statements 1 January - 31 December

Statement of changes in equity

EUR'000	Share capital	Cash flow hedge reserve	Reserve for develop-ment costs	Treasury shares	Reserve for net revaluation according to the equity method	Proposed dividends	Retained earnings	Total
Equity 1 January 2024	**516**	**-**	**1,436**	**-262**	**-**	**-**	**79,176**	**80,866**
Total comprehensive income								
Profit for the year	-	-	-279	-	246	6,711	10,943	17,621
Comprehensive income								
Exchange differences on translation of foreign operations and other adj.	-	-	-	-	-246	-	-400	-646
Total comprehensive income	**-**	**-**	**-**	**-**	**-246**	**-**	**-400**	**-646**
Total comprehensive income for the period	**-**	**-**	**-279**	**-**	**-**	**6,711**	**10,543**	**16,975**
Transactions with owners								
Purchase of treasury shares	-	-	-	-2,585	-	-	-	-2,585
Sale of treasury shares	-	-	-	174	-	-	-	174
Equity-settled share-based payments	-	-	-	-	-	-	465	465
Total transactions with owners	**-**	**-**	**-**	**-2,411**	**-**	**-**	**465**	**-1,946**
Equity 31 December 2024	**516**	**-**	**1,157**	**-2,673**	**-**	**6,711**	**90,184**	**95,895**

EUR'000	Share capital	Cash flow hedge reserve	Reserve for develop-ment costs	Treasury shares	Reserve for net revaluation according to the equity method	Proposed dividends	Retained earnings	Total
Equity 1 January 2023	**516**		**1,321**	**-**	**-**	**-**	**59,154**	**60,991**
Total comprehensive income								
Profit for the year	-	-	115	-	146	-	19,781	20,042
Comprehensive income								
Exchange differences on translation of foreign operations	-	-	-	-	-146	-	-40	-186
Total comprehensive income	**-**	**-**	**-**	**-**	**-146**	**-**	**-40**	**-186**
Total comprehensive income for the period	**-**	**-**	**115**	**-**	**-**	**-**	**19,741**	**19,856**
Transactions with owners								
Purchase of treasury shares	-	-	-	-262	-	-	-	-262
Equity-settled share-based payments	-	-	-	-	-	-	281	281
Total transactions with owners	**-**	**-**	**-**	**-262**	**-**	**-**	**281**	**19**
Equity 31 December 2023	**516**	**-**	**1,436**	**-262**	**-**	**-**	**79,176**	**80,866**

Section 1

Basis of preparation

Section 1 – Basis of preparation

1.1 Material accounting policies

For general information about the Parent Company, Abacus Medicine A/S, including description of its principal activities, reference is made to note 1.1 in the consolidated financial statements.

Basis of preparation
The separate financial statements of the Parent Company have been included in the annual report as required by the Danish Financial Statements Act.

The separate financial statements for the Parent Company for 2024 are prepared in accordance with IFRS® Accounting Standards and additional requirements according to the Danish Financial Statements Act applying to large reporting class C entities.

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

Financial statements of the Parent Company
The accounting policies of the Parent Company are unchanged from last year and consistent with those applied in the consolidated financial statements, including the accounting policies for investments in group subsidiaries as described in note 3.4.

1.2 New accounting policies and disclosures

Abacus Medicine has implemented the standards and amendments that are effective for the financial year 2024. The new standards and amendments have not material affected Abacus Medicine's recognition or measurement of financial items for 2024, nor are they expected to have any significant future impact.

1.3 Standards issued but not yet effective

The IASB has issued a number of new standards and amendments not yet in effect or endorsed by the EU and therefore not relevant for the preparation of the 2024 financial statements. Abacus Medicine expects to implement these standards when they take effect.

None of the new standards issued are currently expected to have any significant impact on the financial statements when implemented.

1.4 Significant accounting judgements, estimates and assumptions

Management assesses that, in respect of the financial reporting for the Parent Company, no accounting estimates or judgements are made when applying the Parent Company's accounting policies which are significant to the financial reporting apart from those disclosed in note 1.4 to the consolidated financial statements.

Section 2

Result of the Year

Section 2 – Result of the Year

2.1 Revenue

Revenue in business operations includes the activities in Abacus Medicine - Pharma Trading and Pharma Services.

EUR'000	2024	2023
Abacus Medicine - Pharma Trading and Pharma Services	981,864	832,248
	981,864	**832,248**

2.2 Cost of sales

Cost of sales comprise of the following:

EUR'000	2024	2023
Cost of inventories recognised as an expense	875,737	741,892
Write-down of inventories, net	6,262	3,080
	881,999	**744,972**

2.3 Staff costs

EUR'000	2024	2023
Wages and salaries	29,904	26,386
Pensions, defined contribution plans	2,406	1,852
Other social security costs	226	180
Other staff costs	2,762	2,156
Share-based payment expense	345	214
Total employee benefit expenses	**35,643**	**30,788**
Of which are capitalised as intangible assets	-819	-884
Total employee benefit expense in the income statement	**34,824**	**29,904**
Average number of full-time employees	300	241

The below amounts are included in the total staff costs.

EUR'000	2024	2023
Board of Directors and Chief Executive Officer		
Wages and salaries	1,120	942
Pensions, defined contribution plans	82	58
Social security costs	1	1
Total	**1,203**	**1,001**
Average number	6	7

EUR'000	2024	2023
Key Management Personnel		
Wages and salaries	2,119	2,217
Pensions, defined contribution plans	174	164
Share-based payments	107	56
Social security costs	10	10
Total	**2,410**	**2,447**
Average number	6	7

Key Management Personnel is defined as the members of the day-to-day management and includes the CFO, CLO, CCO, COO, CIO and CPO.

Remuneration to the Chief Executive Officer and Board of Directors represents EUR 1,203 thousand (2023: EUR 1,001 thousand). Abacus Medicine has entered into warrant agreements with members of the Executive Management Team. For further details on remuneration to the Executive Management Team, refer to note 2.4 regarding share-based payments.

Section 2 – Result of the Year

2.4 Share-based payments

Abacus Medicine A/S has granted warrants to Key Management Personnel and other employees of Abacus Medicine.

Please refer to note 2.4 to the consolidated financial statements for a list of current warrant programmes and a description of the assumptions used for the valuation of the warrants granted.

In 2024, the expense in regards to share-based payments recognised in the income statement amounts to EUR 345 thousand (2023: EUR 214 thousand).

The Parent Company has entered into warrant agreements with employees in some of the company's foreign subsidiaries. The total share-based payment expense at group level is EUR 465 thousand in 2024 (2023: EUR 281 thousand). The agreements are recognised as equity-settled schemes.

2.5 Special items

For details of special items, see Note 2.5 to the consolidated financial statements.

2.6 Depreciation and amortisation

EUR'000	2024	2023
Amortisation and write-downs, intangible assets	5,746	5,266
Depreciation, property, plant and equipment	132	214
Depreciation, right-of-use assets	1,282	1,270
Total	**7,160**	**6,750**

2.7 Finance items, net

EUR'000	2024	2023
Finance income		
Finance income	164	245
Intercompany interest income	3,509	2,616
Foreign exchange gain, net	1,007	1,186
Total finance income	**4,680**	**4,047**

Finance income related to balance sheet items recognised at amortised cost amounts to EUR 3,509 thousand (2023: EUR 2,616 thousand).

EUR'000	2024	2023
Finance expenses		
Finance costs	9,527	9,265
Intercompany interest expenses	1,085	1,344
Interest, lease liabilities	101	134
Amortised loan costs	91	21
Total finance expenses	**10,804**	**10,764**

Finance expenses related to balance sheet items recognised at amortised cost (credit facilities and lease liabilities) amounts to EUR 4,412 thousand (2023: EUR 4,604 thousand).

2.8 Income tax

EUR'000	2024	2023
Income statement		
Current income tax		
Current income tax charge	4,626	7,301
Adjustment in respect of current income tax of previous year	27	5
Deferred tax		
Relating to the origination and reversal of temporary differences	-287	-2,536
Income tax expense reported in the income statement	**4,366**	**4,770**

EUR'000	2024	2023
Statement of comprehensive income		
Deferred tax related to items recognised in comprehensive income during the year		
Net gain/loss on the revaluation of cash flow hedges	0	0
Income tax recognised in comprehensive income	**0**	**0**

Section 2 – Result of the Year

2.8 Income tax (continued)

Tax on profit for the year can be explained as follows:

EUR'000	2024	2023
Accounting profit before income tax		
Calculated 22% tax on profit for the year	4,837	5,459
Tax effect of:		
Adjustment in respect of current income tax of previous year	27	5
Share of profit (loss) from subsidiaries	-783	-806
Other non-deductible expenses, etc.	285	112
Total	**4,366**	**4,770**
Effective tax rate (%)	19.9%	19.2%

EUR'000	2024	2023
Deferred tax		
Deferred tax 1 January	-1,781	-4,326
Currency translation	2	9
Deferred tax for the year recognised in profit for the year	287	2,536
Deferred tax for the year recognised in other comprehensive income	0	0
Deferred tax 31 December	**-1,492**	**-1,781**
Reflected in the statement of financial position as follows:		
Deferred tax assets	0	0
Deferred tax liabilities	-1,492	-1,781
Deferred tax 31 December, net	**-1,492**	**-1,781**

EUR'000	2024	2023
Deferred tax relates to:		
Intangible assets	-5,492	-5,112
Tangible assets	419	349
Other assets and liabilities, net	3,581	2,982
Total	**-1,492**	**-1,781**

EUR'000	2024	2023
Income tax payable		
Income tax payable 1 January	6,890	2,460
Current tax for the year	4,626	7,301
Adjustment in respect of current income tax of previous year	27	5
Exchange rate adjustments, interest etc.	1	8
Corporation tax paid during the year	-7,674	-2,884
Income tax payable 31 December	**3,870**	**6,890**

Section 3

Invested Capital and Working Capital Items

Section 3 – Invested Capital and Working Capital Items

3.1 Intangible assets

EUR'000	Develop-ment costs	Software	Licences	Goodwill	Total
Cost 1 January 2024	-	11,124	33,315	-	44,439
Currency translation	-	-9	-41	-	-50
Additions	441	-	4,899	-	5,340
Additions internally developed	-	-	819	-	819
Reclassification/Transfer	-441	441	-	2,908	2,908
Cost 31 December 2024	0	11,556	38,992	2,908	53,456
Amortisation and impairment 1 January 2024	-	4,560	16,650	-	21,210
Currency translation	-	-3	11	-	8
Amortisation	-	957	4,473	-	5,430
Write-downs	-	-	316	-	316
Amortisation and impairment 31 December 2024	-	5,514	21,450	-	26,964
Carrying amount 31 December 2024	**0**	**6,042**	**17,542**	**2,908**	**26,492**

EUR'000	Develop-ment costs	Software	Licences	Goodwill	Total
Cost 1 January 2023	-	10,375	28,195	-	38,570
Currency translation	-	-21	-93	-	-114
Additions	770	-	4,329	-	5,099
Additions internally developed	-	-	884	-	884
Reclassification	-770	770	-	-	0
Cost 31 December 2023	0	11,124	33,315	-	44,439
Amortisation and impairment 1 January 2023	-	3,684	12,332	-	16,016
Currency translation	-	-12	-60	-	-72
Amortisation	-	888	3,965	-	4,853
Write-downs	-	-	413	-	413
Amortisation and impairment 31 December 2023	0	4,560	16,650	-	21,210
Carrying amount 31 December 2023	**0**	**6,564**	**16,665**	**0**	**23,229**

Development costs comprise of capitalised expenses for the ERP system for the Abacus Medicine Group.

Software is amortised over 3-10 years and Licences are amortised over 5-8 years. Licences have been written down by EUR 316 thousand in 2024 (2023: EUR 413 thousand) due to uncertainty as to the future utilisation of the assets. There have been no further indications of impairment of the intangible assets.

Goodwill was recognised as a part of the acquisition of the Abacus Medicine Pharma Services entities on 21 December 2017 and has in 2024 been transfered to Abacus Medicine A/S. The carrying amount of goodwill as of 31 December 2024 amounts to EUR 2,908 thousand regarding Abacus Medicine Pharma Services. Since goodwill is not amortised, the carrying amount is at least tested for impairment annually. The impairment test in 2024 did not give rise to recognising any impairment losses. For further details of the impairment test, see note 3.1 to the consolidated financial statements.

Section 3 – Invested Capital and Working Capital Items

3.2 Property, plant and equipment

EUR'000	Leasehold improvements	Other fixtures and fittings, plant and equipment	Total
Cost 1 January 2024	199	2,535	2,734
Currency translation	0	-5	-5
Additions	-	28	28
Disposals	-	-	0
Cost 31 December 2024	199	2,558	2,757
Depreciation and impairment 1 January 2024	138	2,412	2,550
Currency translation	-1	-1	-2
Depreciation and impairment	50	82	132
Disposals	-	-	0
Depreciation and impairment 31 December 2024	187	2,493	2,680
Carrying amount 31 December 2024	**12**	**65**	**77**

EUR'000	Leasehold improvements	Other fixtures and fittings, plant and equipment	Total
Cost 1 January 2023	236	2,652	2,888
Currency translation	0	-2	-2
Additions	-	33	33
Disposals	-37	-148	-185
Cost 31 December 2023	199	2,535	2,734
Depreciation and impairment 1 January 2023	113	2,408	2,521
Currency translation	0	0	0
Depreciation and impairment	62	152	214
Disposals	-37	-148	-185
Depreciation and impairment 31 December 2023	138	2,412	2,550
Carrying amount 31 December 2023	**61**	**123**	**184**

There have been no indications of impairment of items of property, plant and equipment.

3.3 Leases

EUR'000	Buildings	Other fixed assets	Total
Right-of-use assets			
Opening balance 1 January 2024	**3,393**	**2**	**3,395**
Additions	-	-	0
Disposals	-	-	0
Depreciation	-1,280	-2	-1,282
Remeasurement of lease liabilities	27	-	27
Carrying amount 31 December 2024	**2,140**	**0**	**2,140**
Opening balance 1 January 2023	**4,157**	**14**	**4,171**
Additions	-	-	0
Disposals	-	-	0
Depreciation	-1,258	-12	-1,270
Remeasurement of lease liabilities	494	-	494
Carrying amount 31 December 2023	**3,393**	**2**	**3,395**

Please refer to note 3.3 in the consolidated financial statement for description of the following:

- The scope of the Company's leasing contracts
- Process for determining the incremental borrowing rate

Section 3 – Invested Capital and Working Capital Items

3.3 Leases (continued)

EUR'000	2024	2023
Lease liabilities		
Maturity analysis - contractual undiscounted cash flows		
Less than 1 year	1,480	1,423
Between 1 and 5 years	1,252	2,708
More than 5 years	0	0
Undiscounted cash flows	**2,732**	**4,131**
Lease liability recognised on the balance sheet	**2,644**	**3,947**
Current lease liability	1,417	1,322
Non-current lease liability	1,227	2,625

EUR'000	2024	2023
Amount recognised in the income statement		
Interest expense from lease liabilities	101	134
Total	**101**	**134**

In 2024, Abacus Medicine paid EUR 1,427 thousand (2023: EUR 1,367 thousand) on lease contracts of which interest payments related to lease liabilities amount to EUR 56 thousand (2023: EUR 75 thousand) and down payments on lease liabilities amount to EUR 1,371 thousand (2023: EUR 1,292 thousand).

There have been no material costs recognised in the period for short-term and low-value leases in the Company.

3.4 Investments in subsidiaries, associates and other securities

Accounting policies

Investments in subsidiaries
The Parent Company's investments in its subsidiaries are accounted for using the equity method.

Under the equity method, an investment in the subsidiary is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the parent's share of net assets of the subsidiary since the acquisition date. Goodwill relating to the subsidiary is included in the carrying amount of the investment and is not tested for impairment separately, however, the carrying amount of the investments in subsidiaries is subject to an annual test for indications of impairment.

The statement of profit or loss reflects the parent's share of the results of operations of the subsidiaries. Any change in other comprehensive income of those subsidiaries is presented as part of the parent's other comprehensive income. In addition, where a change has been recognised directly in the equity of the subsidiary, the Parent Company recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Parent Company and the subsidiary are eliminated.

Investments in subsidiaries with negative net asset values are measured at EUR 0 (nil). The subsidiary's proportionate share of any negative equity is set off against receivables from the investment to the extent the receivable is deemed irrecoverable. If the Parent Company has a constructive obligation to cover a deficit that exceeds the amount owed, the remaining amount is recognised under Provisions.

Net revaluations of the investments in subsidiaries are transferred to the reserve for net revaluation, according to the equity method, to the extent that the carrying amount exceeds the acquisition value.

Reserve for net revaluation according to the equity method
Net revaluation of investments in subsidiaries is recognised at cost in the reserve for net revaluation according to the equity method if the earnings amount exceeds the costs.

The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates.

The reserve cannot be recognised at a negative amount.

Section 3 – Invested Capital and Working Capital Items

3.4 Investments in subsidiaries, associates and other securities (continued)

Name	Registered office	Ownership 2024 and voting rights	Ownership 2023 and voting rights
Abacus Medicine Hungary Kft.	Hungary	100%	100%
Abacus Medicine B.V.	The Netherlands	100%	100%
+365 Medicines GmbH	Germany	100%	100%
Abacus Medicine Berlin GmbH *	Germany	100%	100%
Abacus Medicine Ltd	United Kingdom	100%	100%
Abacus Medicine Austria GmbH	Austria	100%	100%
Abacus Medicine France S.A.S.	France	100%	100%
Abacus Medicine Finland Oy	Finland	100%	100%
Abacus Medicine Ireland Ltd.	Ireland	100%	100%
Abacus Medicine Switzerland LLC**	Switzerland	100%	-
PharmaSave BVBA	Belgium	100%	100%
Originalis B.V.	The Netherlands	100%	100%
Abacus Medicine WH B.V.	The Netherlands	100%	100%
Aposave S.L.	Spain	100%	100%
Zdrave Med Ltd.	Bulgaria	100%	100%
Abacus Medicine Pharma Services ApS	Denmark	100%	100%
Abacus Medicine Pharma Services Ltd.	United Kingdom	100%	100%
Abacus Medicine Pharma Services Asia Ltd.	Hong Kong	100%	100%
Abacus Medicine US Inc.	USA	100%	100%
Abacus Medicine Pharma Services B.V.	The Netherlands	100%	100%
Aposave Mexico S de RL de	Mexico	100%	100%
ApoSave Peru	Peru	100%	100%

Name	Registered office	Ownership 2024 and voting rights	Ownership 2023 and voting rights
Pluripharm Holding B.V.	The Netherlands	100%	100%
Pluripharm Groep B.V.	The Netherlands	100%	100%
ThuisApotheek B.V.	The Netherlands	100%	100%
Pluripharm B.V.	The Netherlands	100%	100%
Pluripack Alkmaar	The Netherlands	100%	100%
Pluripack Zwolle	The Netherlands	100%	100%
Pluripack Breda	The Netherlands	100%	100%
Pluriplus B.V.	The Netherlands	100%	100%
Distrimed B.V.	The Netherlands	100%	100%
Pluripharm Apotheek Beheer B.V.	The Netherlands	100%	100%
Apotheekfonds Pharmaconnect B.V.	The Netherlands	50%	50%
Pluripharm Direct B.V.	The Netherlands	100%	100%
Phardis B.V.	The Netherlands	100%	100%
Instellingsapotheek B.V.	The Netherlands	100%	100%
Pluripharm Ireland Ltd.**	Ireland	100%	-
Pluripharm Belgium B.V.**	Belgium	100%	-

* Abacus Medicine Berlin GmbH has made use of the exemption option under Section 264 (3) HGB under German law. The prerequisite for this is the reference to the use of this exemption option in the consolidated notes of the Parent Company. This notice is hereby given.

** Newly established company in 2024.

Section 3 – Invested Capital and Working Capital Items

3.4 Investments in subsidiaries, associates and other securities (continued)

EUR'000	2024	2023
Cost 1 January	22,927	22,785
Additions	9,580	67
Transfer to Goodwill	-2,908	-
Foreign exchange adjustments	-319	75
Cost 31 December	**29,280**	**22,927**
Value adjustments 1 January	-7,343	-10,862
Profit (loss) for the year	3,561	3,665
Foreign exchange adjustment	-246	-146
Value adjustments 31 December	-4,028	-7,343
Carrying value 31 December	**25,252**	**15,584**
Which are presented as follows:		
Investments in subsidiaries	25,511	21,023
Offset in receivables	-259	-5,439
31 December	**25,252**	**15,584**

Investments in subsidiaries are measured using the equity method.

3.5 Inventories

EUR'000	2024	2023
Raw materials and consumables	106,472	109,248
Manufactured goods and goods for resale	87,581	60,395
Total inventories at the lower of cost and net realisable value	**194,053**	**169,643**

During 2024, EUR 6,262 thousand (2023: EUR 3,080 thousand) was recognised as an expense for inventories carried at net realisable value due to expired goods. This is recognised in cost of sales, please refer to note 2.2.

EUR'000	2024	2023
Inventory write-downs 1 January	942	1,143
Utilised and reversed during the year	-942	-1,143
Additional write-downs during the year	3,034	942
Inventory write-downs 31 December	**3,034**	**942**

3.6 Trade and other receivables

EUR'000	2024	2023
Current		
Receivables from sales and services	9,116	11,053
Receivables from group entities	51,833	49,282
Deposits regarding factoring agreement	6,707	6,523
Other receivables	56	33
Prepayments	869	1,451
Total current	**68,581**	**68,342**

Abacus Medicine's customers are mainly distributors and pharmacies. In general, all Abacus Medicine's invoices to customers are sold to the factoring company which limits the trade receivable risk and days. We refer to section 4.5 on liquidity risks in the notes for the Group for further description of the factoring agreement. Further, management monitors payment patterns of the customers and estimates the need for write-downs. Credit ratings, insurance of customers and market-specific development are taken into account in order to assess the need for further write-downs. Abacus Medicine has historically not suffered any significant losses. The provision for bad debt amounts to EUR 0.0 million at December 2024 (2023: EUR 0.0 million).

Section 3 – Invested Capital and Working Capital Items

3.7 Trade payables

EUR'000	2024	2023
Trade payables	48,538	43,286
Customer rebates and discounts	52,459	45,917
Payables to group entities	42,205	17,725
Total	**143,202**	**106,928**

3.8 Other payables

EUR'000	2024	2023
Non-current		
Employee related payables	1,390	1,344
Total non-current	**1,390**	**1,344**
Current		
VAT payables	9,397	12,073
Employee related payables	3,223	6,113
Prepayments	2,562	0
Total current	**15,182**	**18,186**

3.9 Provisions

EUR'000	Return provisions
1 January 2024	5,388
Arising during the year	6,327
Utilised and reversed during the year	-5,388
31 December 2024	**6,327**
Current	6,327
Non-current	0

Provisions comprise of provisions for sold products expected to be returned in the coming year. The return provision is utilised during the financial year.

3.10 Change in working capital

EUR'000	2024	2023
Change in inventories	-23,470	-67,685
Change in receivables	5,126	-25,994
Change in trade payables etc.	33,265	61,991
Change in provisions etc.	939	1,131
Other non-cash items	442	-4,966
Total	**16,302**	**-35,523**

Section 4

Capital Structure and Net Financials

Section 4 - Capital Structure and Net Financials

4.1 Equity

Share capital
For disclosures regarding equity, please refer to note 4.1 in the consolidated financial statements.

4.2 Cash

EUR'000	2024	2023
Cash at bank and in hand	0	1
Total cash	**0**	**1**

4.3 Borrowings

EUR'000	2024	2023
Current liabilities		
Credit institutions and banks	47,089	60,487
Amortised costs	-237	0
Carrying amount	**46,852**	**60,487**
Nominal amount	47,089	60,487

Abacus Medicine has a committed credit facility with Danske Bank, with a maximum credit limit of EUR 101 million. The bank credit facility is renegotiated on a three year basis. Next renegotiation is in 2027.

4.4 Financial risk and financial instruments

Risk management policy
The Company's principal financial liabilities, other than derivatives, comprise bank credit facility, trade and other payables. Liquidity is managed centrally through cash pools. Management of market, currency, credit, interest rate and liquidity and pricing risk is consistent with the policies in place at the Group level. Please see note 4.5 to the Group financial statements for detailed information related with these risk management policies, practices and assumptions.

Maturity analysis

EUR'000	Contractual cash flows	< 1 year	1 - 3 years	3 - 5 years	>5 years
2024					
Non-derivative financial instruments					
Credit institutions and banks	47,089	47,089	-	-	-
Trade payables	143,202	143,202	-	-	-
Other payables	16,572	15,182	-	-	1,390
Lease liabilities	2,732	1,480	1,252	-	-
Derivative financial instruments					
Exchange rate hedging	-	-	-	-	-
31 December 2024	**209,595**	**206,953**	**1,252**	**-**	**1,390**
2023					
Non-derivative financial instruments					
Credit institutions and banks	60,487	60,487	-	-	-
Trade payables	106,928	106,928	-	-	-
Other payables	19,530	18,186	-	-	1,344
Lease liabilities	4,131	1,423	2,708	-	-
Derivative financial instruments					
Exchange rate hedging	-	-	-	-	-
31 December 2023	**191,076**	**187,024**	**2,708**	**-**	**1,344**

The disclosed financial derivative instruments in the above table are the gross undiscounted cash flows. However, those amounts may be settled gross or net.

Section 4 - Capital Structure and Net Financials

4.4 Financial risk and financial instruments (continued)

	Carrying amount		Fair value	
EUR'000	2024	2023	2024	2023
Categories of financial instruments				
Financial assets at fair value – hedging instruments				
Derivative financial instruments	0	0	0	0
Total	**0**	**0**	**0**	**0**
Financial assets measured at amortised cost				
Trade receivables	68,581	68,342	68,581	68,342
Cash	0	1	0	1
Total	**68,581**	**68,343**	**68,581**	**68,343**
Financial liabilities at fair value – hedging instruments				
Derivative financial instruments	0	0	0	0
Total	**0**	**0**	**0**	**0**

	Carrying amount		Fair value	
EUR'000	2024	2023	2024	2023
Financial liabilities measured at amortised cost				
Borrowings	46,852	60,487	47,089	60,487
Lease liabilities	2,644	3,947	2,644	3,947
Trade payables	143,202	106,928	143,202	106,928
Other payables	16,572	19,530	16,572	19,530
Total	**209,270**	**190,892**	**209,507**	**190,892**

The derivative financial instruments are measured at level 2 (observable input) of the fair value hierarchy. The instruments are recognised in the related line item, when effective, i.e. inventories on derivatives related to purchases (EUR 0.0 million; 2023: EUR 0.0 million), revenue for derivatives related to sales (EUR 0.0 million; 2023: EUR 0.0 million) and production costs (EUR 0.0 million; 2023: EUR 0.0 million).

Methods and assumptions for calculating fair value
The applied methods and assumptions for calculating the fair values of financial instruments are described for each class of financial instruments.

Abacus Medicine uses hedging instruments to hedge non-recognised transactions. Abacus Medicine's purchases are mainly in EUR. Abacus Medicine's sales are effected in currencies other than EUR and DKK, which are partially hedged.

Cash flow hedging
Foreign currency risk
Derivatives designated as hedging instruments reflect the positive change in fair value of foreign exchange forward contracts, designated as cash flow hedges to hedge highly probable forecast sales and purchases in other currencies than EUR, mainly SEK. The Company has not used Cash flow hedging instruments in 2023 and 2024.

Section 5

Other disclosures

Section 5 - Other Disclosures

5.1 Contractual obligations and contingencies

Contingent liabilities
Abacus Medicine A/S is jointly taxed with the Danish entities within the FTW Holding ApS group, with FTW Holding ApS as the administrative company. The company is, together with the other Danish companies in FTW Holding ApS group, liable for corporate taxes and withholding taxes on dividends, interest and royalties.

Abacus Medicine A/S is currently party to certain lawsuits, disputes etc. of various scopes. In the management's opinion, apart from items recognised in the statement of financial position or disclosed in the financial statements, the outcome of these lawsuits, disputes etc., individually and in the aggregate, is not expected to have a material impact on Abacus Medicine's financial position.

Abacus Medicine A/S has issued letters of support to certain subsidiaries.

5.2 Mortgages and collateral

For information on mortgages and collateral, please refer back to section 5.2 in the consolidated financial statements.

5.3 Related party disclosures

Controlling Influence
Wagner Family Holding ApS, Kalvebod Brygge 35, 1560 Copenhagen, Denmark, has a controlling interest in the Parent Company. FTW Holding ApS is the ultimate owner. The Parent Company is part of the consolidated financial statements of FTW Holding ApS.

Abacus Medicine carried through the following related party transactions:

EUR'000	2024	2023
Sale of goods to subsidiaries	592,560	406,323
Service fees from subsidiaries	45,649	37,636
Acquisition of activity from subsidiary	9,439	0
Interest income from subsidiaries	3,509	2,616
Interest expenses to subsidiaries	1,085	1,344
Receivables from subsidiaries	51,833	49,282
Payables to subsidiaries	42,205	17,725

Terms and conditions of transactions with related parties
Sales to and purchases from related parties are made at terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured, interest free and settled in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 December 2024, Abacus Medicine has not recorded any impairment of receivables relating to amounts owed by related parties (2023: EUR 0). This assessment is undertaken each financial year by examining the financial position of the related party and the market in which the related party operates.

Executives
Abacus Medicine's related parties with significant influence include Abacus Medicine's Board of Directors and Chief Executive Officer (CEO) in the Parent Company, including these employees' family members, and entities in which these executives have a significant influence.

Remuneration to executives is disclosed in note 2.3.

Section 5 - Other Disclosures

5.4 Events after the reporting period

No events have occurred after the balance sheet date which could have a material effect on the Company's financial position at 31 December 2024.

5.5 Fees to auditors appointed at the annual general meeting

Fees to the auditor for the audit of the Parent Company’s financial statements and other non-audit services are specified below.

EUR’000	2024	2023
Audit	165	157
Other assurance engagements	0	0
Total audit related services	**165**	**157**
Tax consultancy	4	7
Other non-audit services	172	8
Total fee to EY	**341**	**172**

The expenses are recognised in the income statement as Other external costs.

Statements

Statement by Management on the annual report

Today, the Board of Directors and Chief Executive Officer have discussed and approved the Annual Report of Abacus Medicine A/S for the financial year 1 January – 31 December 2024.

The Annual Report is prepared in accordance with IFRS Accounting Standards as adopted by the EU and additional Danish disclosure requirements of the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the Parent Company financial statements give a true and fair view of the Group's and the Parent Company's financial position at 31 December 2024 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January – 31 December 2024.

In our opinion, the Management's review includes a true and fair review of the development in the Group's and the Parent Company's operations and financial conditions, of the results for the year and of the financial position of the Group and the Parent Company, as well as a description of the more significant risks and uncertainties facing the Group and the Parent Company.

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

Copenhagen, 10 March 2025

Chief Executive Officer

Flemming Wagner

Board of Directors

Jens Albert Harsaae
Chair

Flemming Wagner

Mark Johnston

Troels Peter Troelsen

Anders K. Bønding

Alette Verbeek

Sharon Curran

Independent auditor's report

To the shareholders of Abacus Medicine A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Abacus Medicine A/S for the financial year 1 January – 31 December 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, for the Group and the Parent Company. The consolidated financial statements and the parent company 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 consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2024 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January – 31 December 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 consolidated financial statements and the parent company financial statements" (hereinafter collectively referred to as "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 Group 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 consolidated financial statements and parent company 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 Group's and the Parent 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 Group or the Parent 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 Group's and the Parent 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 Group's and the Parent 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 Group and the Parent 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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, 10 March 2025

EY
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Jan C. Olsen State Authorised Public Accountant mne33717	Ole Becker State Authorised Public Accountant mne33732

CVR no. 28 11 15 76

ABACUS MEDICINE GROUP