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Dear Shareholders,

After a difficult year in 2023, we have gotten off to a successful start in 2024 and were able to achieve a great deal in a short period of time. In many respects, we have put the company on new footing and set the course for profitable growth.

Since March 1, 2024, one month earlier than expected, we have adapted the new organizational structure with a significantly reduced number of employees. This new structure was complemented by optimization of the target group of physicians. Unlike before, our sales force will focus on doctors with a high patient potential and optimize visits using a new digital sales management tool. In addition to this organizational change, the reduced personnel structure also allows for a new go-to-market model. In the future, we will implement an omni-channel approach that also integrates direct marketing, telesales and external sales partnerships. We have also set up an independent market access team to develop additional cooperation opportunities with health insurance companies. We have already been able to secure the support of three statutory health insurance companies and one private health insurance company.

Our portfolio grew in the first half of the year to include the product Caramlo HCT. This high blood pressure medication is a Single Pill combination of three active ingredients and is without competition in Germany. This is part of our strategy. We want to grow more broadly with more products and reduce the risk of tenders on our portfolio by offering exclusive products.

After getting off to a good first quarter of 2024 with sales growth of 35% for Single Pills, sales growth continued in the second quarter, increasing by 65% compared to the same quarter of the previous year. Total sales rose by 40% in the second quarter after 1% in the first quarter. Sales of Single Pill combinations rose by EUR 5.8 million or 48.4% and total sales by EUR 3.7 million or 19.2% in the first half of the year as a whole. Group EBITDA in the first half of the year rose to EUR 2.1 million after a negative EUR 4.0 million in the first six months of 2023.

The current Single Pill combinations have a high patient potential in the indication areas of hypertension, secondary prophylaxis and lipid metabolism disorders. Additional potential will be created by the six development products that will expand APONTIS PHARMA's portfolio from 2027 on in addition to the 20 Single Pills we will already have then. The company will also have Europe-wide rights for these six development projects and thus develop further sales potential outside Germany. We expect to launch three more Single Pill combinations in 2024. We have also gotten off to a good start to the new sales cooperation with Novartis for the two asthma products Enerzair and Ateectura. Based on the results of the first half of the year, which

were also influenced by positive special effects, we confirm the increased sales and earnings forecast for fiscal year 2024 issued on April 5, 2024.

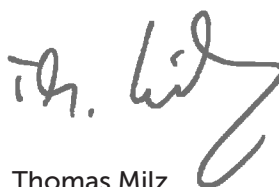
We would like to thank all our colleagues at APONTIS PHARMA who contribute to the success of the company through their great dedication every day. They are instrumental in improving the disease prognosis of many people through the use of Single Pill combinations.

We thank you for your confidence in remaining invested in APONTIS PHARMA or making new investments and look forward to a positive development together with you in fiscal year 2024.

Kind regards,



Bruno Wohlschlegel
CEO/Spokesman of the Management Board



Thomas Milz
CPO/Chief Product Officer



Thomas Zimmermann
CFO/Chief Financial Officer

APONTIS PHARMA AG ON THE CAPITAL MARKET

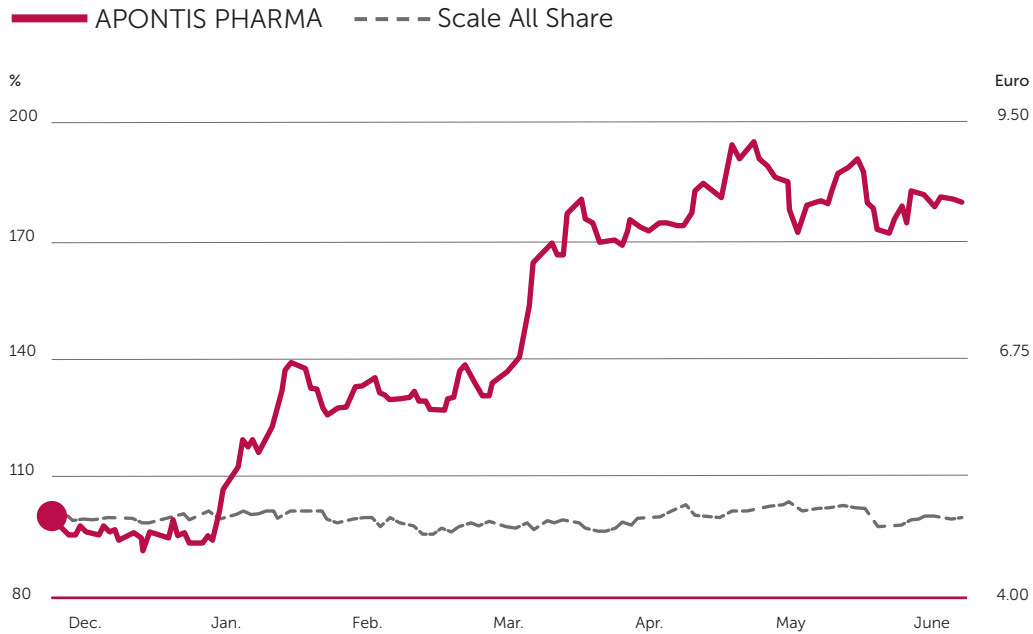
APONTIS PHARMA SHARE INFORMATION

| | |
|---|---|
| Ticker symbol | APPH |
| GSIN (German Securities Identification Number) | A3CMGM |
| ISIN (International Securities Identification Number) | DE000A3CMGM5 |
| Stock exchanges | Xetra, Frankfurt, Berlin, Düsseldorf, Gettex, Munich, Quotrix, Stuttgart, Tradegate |
| Market segment | EU-registered SME growth market scale (Open Market) |
| Number of shares | 8,500,000 |
| Share class | Ordinary no-par value shares (no-par value shares) |
| Designated Sponsor | Hauck Aufhäuser Lampe Privatbank AG |

CAPITAL MARKETS SHOW POSITIVE DEVELOPMENT IN THE FIRST HALF OF 2024

The international stock markets recorded a positive performance overall in the first half of 2024. Interest rate hikes by the US Federal Reserve and the ECB as well as a mini banking crisis did not throw the stock markets off course. Prices were driven by good economic data from all economic regions, falling inflation rates, and persistently stable profit margins for companies. In addition, the boom in artificial intelligence provided a boost to the stock markets. Data centers, power generation, and distribution were identified as new growth sectors. The DAX share price index recorded an overall increase of around 6% in the first half of 2024. The Scale All Share Index, which also includes the shares of APONTIS PHARMA, recorded a decline of around 1% in the same period.

SHARE PRICE PERFORMANCE IN FIRST HALF OF 2024



The APONTIS PHARMA share opened the trading year on January 2, 2024, at a price of EUR 4.82 and reached its low of EUR 4.12 for the first half of the year on January 24. The share price subsequently rose to a half-year high of EUR 9.64 on May 16, 2024, allowing the APONTIS PHARMA share price to benefit from positive news on the company following the launch of the new marketing and sales concept. These included the conclusion of a five-year distribution and marketing agreement with Novartis for two asthma drugs and the interim announcement of a successful first quarter in which the company again achieved a positive net result. The APONTIS PHARMA share ended the first half of the year on June 28 at a closing price of EUR 8.60. Overall, the APONTIS PHARMA AG share price rose by around 81% between January and June 2024.

SHARE PRICE PERFORMANCE IN FIRST HALF OF 2024

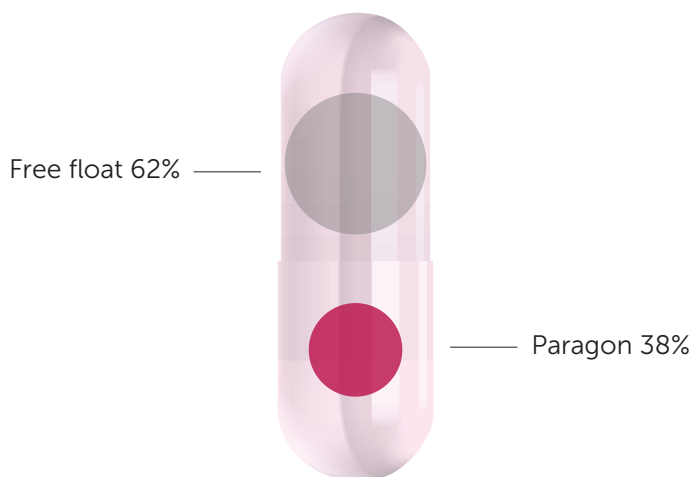
| | | |
|-----------------------|------------------|------------------|
| Opening price | January 2, 2024 | EUR 4.82 |
| Low | January 24, 2024 | EUR 4.12 |
| High | May 16, 2024 | EUR 9.64 |
| Closing | June 28, 2024 | EUR 8.60 |
| Performance | | + 81.1% |
| Market capitalization | | EUR 73.1 million |

The average daily trading volume in APONTIS PHARMA shares amounted to 12,239 shares on all German trading venues in the first half of 2024. In the same period of the previous year, the average daily trading volume was 17,949 shares.

Hauck Aufhäuser Lampe Privatbank AG acted as Designated Sponsor and continuously supported the tradability of the APONTIS PHARMA share by providing binding bid and ask prices.

SHAREHOLDER STRUCTURE

As of June 30, 2024, APONTIS PHARMA AG is aware of the shares in the voting share capital that are required to be disclosed to the company pursuant to Section 20 (5) of the German Stock Corporation Act (AktG) or have been disclosed voluntarily. According to the definition of Deutsche Börse AG, free float includes all shares that are not held by major shareholders (share of share capital exceeding 5%).



With a balanced ratio of free float and institutional investors, APONTIS PHARMA AG has a liquid tradability of shares and a stable structure of anchor shareholders to pursue the company’s strategy in a targeted manner. At around 38%, the current shareholder The Paragon Fund II GmbH & Co. KG (Paragon) held the majority of the shares outstanding as of June 30, 2024. 62% of the shares are currently in free float.

ANALYST RECOMMENDATIONS

The APONTIS PHARMA AG share is analyzed and valued by renowned investment banks and research firms. The corporate finance boutique First Berlin, which specializes in small-cap companies, also began coverage in the first half of 2024.

In their studies, the analysts recommend buying the APONTIS PHARMA share with price targets of up to EUR 20.00. In particular, they emphasize the successful turnaround and expect the new sales strategy to increasingly materialize in the coming quarters. The analysts' recommendations to buy the APONTIS PHARMA share correspond to a price potential of over 130% at the closing price of EUR 8.60 on June 28, 2024.

| Update | Institute | Analyst | Recommendation | Target EUR |
|---------------|--------------------------|--------------------------------------|---------------------|-----------------------|
| June 24, 2024 | First Berlin | Christian Orquera / Simon Scholes | BUY (Initiation) | 17.00 (Initiation) |
| May 15, 2024 | Montega | Tim Kruse | BUY (BUY) | 16.50 (16.50) |
| May 10, 2024 | Hauck Aufhäuser Lampe | Alexander Galitsa | BUY (BUY) | 16.00 (16.00) |
| May 8, 2024 | Warburg Research | Dr. Christian Ehmann | BUY (BUY) | 20.00 (20.00) |

INVESTOR RELATIONS ACTIVITIES

The APONTIS PHARMA AG share is listed on the EU-registered SME growth market Scale (Open Market) of the Frankfurt Stock Exchange. The company informs its shareholders and capital market participants without delay of important business events or events of significance to the development of the share price by means of ad hoc announcements or Corporate News, as well as by means of webcasts/conference calls.

The Management Board of APONTIS PHARMA continuously maintains a close dialog with investors and analysts as well as the financial and business press and held numerous personal meetings in the first half of 2024, including as part of a virtual roadshow. The Management Board also took part in investment conferences such as the Equity Forum in Frankfurt/Main and the Investor Access Event in Paris.

FINANCIAL CALENDAR 2024

| | |
|----------------------|--|
| March 28, 2024 | Annual Report 2023 Earnings Call |
| April 4–5, 2024 | Investor Access Event, Paris |
| April 10–11, 2024 | Roadshow Montega |
| May 8, 2024 | Interim Statement 3M/Q1 2024 Earnings Call |
| May 13–15, 2024 | Equity Forum Spring Conference, Frankfurt/Main |
| May 17, 2024 | Annual General Meeting |
| August 9, 2024 | Half-Year Report 2024 Earnings Call |
| August 21–22, 2024 | Hamburg Investors' Day (HIT) |
| November 7, 2024 | Interim Statement 9M/Q3 2024 Earnings Call |
| November 25–27, 2024 | German Equity Forum, Frankfurt/Main |

The Investor Relations section of the APONTIS PHARMA AG website at www.apontis-pharma.de/en/investor-relations provides comprehensive insights into business developments, upcoming events, financial reports and presentations.

GROUP INTERIM MANAGEMENT REPORT APONTIS PHARMA AG

Monheim am Rhein,

January 1 to June 30, 2024

I. MACROECONOMIC DEVELOPMENT

The development of the German economy is currently characterized by weak overall economic demand. All in all, the German Council of Economic Experts only expects the gross domestic product to grow by 0.2% this year¹. Next year, the German economy is projected to grow by 0.9%. Global trade and global industrial production are expected to increase over the course of 2024. The panel expects a growth rate of 0.2% for 2024 as a whole and 0.9% for 2025.² Geopolitical uncertainty poses a significant risk to economic development and inflation. Uncertainty factors include the ongoing war in Ukraine and the conflict in the Middle East. An escalation of the Middle East conflict could cause energy prices to rise again. As expected, inflation fell to 2.2% in June.³ Inflation in Germany is expected to slow further. The German Council of Economic Experts expects inflation rates of 2.4% and 2.1% in 2024 and 2025 respectively. Rising labor costs and low productivity growth are slowing the further decline in inflation.

II. INDUSTRY ECONOMIC DEVELOPMENT⁴

In the first quarter of 2024, sales of pharmaceuticals in the entire pharmaceutical market (pharmacies and clinics) increased by 6.3%. Unit sales stagnated at -0.2%. The first two months of the year showed very high growth rates in both market segments, with February being the strongest month. In March, however, the growth rate fell into negative territory. In the clinic segment, sales increased by 9.8% (January) and 14.0% (February), followed by a substantial decline in March (-5.0%). The pharmacy segment also recorded growth rates of +9.4% (January) and close to 14% in February, while March saw a slight decline of nearly -3%. In the first quarter of 2024, the pharmacy market recorded slight cumulative sales growth of almost +10% compared to the first quarter of 2023, which corresponds to a figure of EUR 12.7 billion. SHI pharmaceutical expenditure totaled EUR 13.8 billion in the first three months of this year. This figure is 9.3% higher than in the previous year.

¹ https://www.destatis.de/DE/Presse/Pressemitteilungen/2024/05/PD24_205_811.html

² <https://www.sachverstaendigenrat-wirtschaft.de/fruehjahrgutachten-2024.html?returnUrl=%2Findex.html&cHash=b112beed71f5312cb584097f9468c4ae>

³ https://www.destatis.de/DE/Presse/Pressemitteilungen/2024/07/PD24_266_611.html

⁴ <https://www.iqvia.com/-/media/iqvia/pdfs/germany/library/publications/iqvia-pharma-marktbericht-classic-q1-2024.pdf>

III. ECONOMIC SITUATION

EARNINGS POSITION OF THE GROUP

The APONTIS PHARMA Group's sales rose by 19.2% to EUR 22,726 thousand in the first half of 2024 (H1 2023: EUR 19,058 thousand). Sales of Single Pills climbed by 48.4% to EUR 17,914 thousand (H1 2023: EUR 12,074 thousand). The share of Single Pill sales improved to 78.8% (H1 2023: 63.4%). The main driver of the increase was the product Atorimib, which, in contrast to the first half of 2023, once again achieved a significantly improved supply situation. Sales of Atorimib rose by EUR 4,492 thousand to EUR 8,597 thousand, which represents growth of 110%.

Sales of Caramlo grew by 77% due to the elimination of discount obligations. Caramlo HCT, another Single Pill combination, was launched on the market in the first half of 2024 and performed very well. From the Tonotec family, Tonotec HCT grew by 41% and Tonotec Lipid by 47%. By contrast, sales of Tonotec fell by 27% due to the launch of new tenders.

Sales of the product RosuASS grew by 120%, while sales of the products Biramlo, Iltria and Losamlo also rose in the first half of 2024, with growth rates of between 8% and 21%.

As expected, sales in the cooperation business fell to EUR 4,283 thousand in the first half of 2024 (H1 2023: EUR 5,902 thousand) due to the discontinuation of the cooperation with AstraZeneca in the previous year. Revenue of EUR 2,466 thousand was generated from the new agreement with Novartis for the distribution of the asthma products Aectura and Enerzair. The cooperation with PUREN Pharma GmbH & Co KG for the product Pentalong in the indication angina pectoris generated revenue of EUR 272 thousand in the first half of 2024 (H1 2023: EUR 516 thousand). Sales of the Novartis product Ulunar, which is marketed under the distribution model, declined as planned, as this product is no longer being actively marketed following the conversion of the co-marketing agreement to a distribution model in June 2021. Sales of Ulunar fell by EUR 1,829 thousand to EUR 1,545 thousand.

Other operating income totaled EUR 554 thousand and mainly resulted from taxes on cars.

Cost of materials rose by 27.8% to EUR 8,866 thousand (H1 2023: EUR 6,939 thousand), resulting in a gross margin of 61.0%, a decrease of 2.6% compared to the previous year (gross margin in H1 2023: 63.6%). The increase in cost of materials was due to higher sales revenues from the Single Pill business, in particular for Atorimib, Caramlo and Tonotec. On the other hand, the discontinuation of Trixeo and TAD as part of the fee-for-call business (100% gross margin business) led to a reduction in the overall margin. Additional gross margins were generated through the fee-for-call business for the product Pentalong.

Personnel expenses fell by EUR 2,743 thousand to EUR 6,758 thousand, mainly as a result of the headcount reduction that was resolved in the fourth quarter of 2023 as part of the restructuring measures.

Other operating expenses fell to EUR 5,503 thousand (H1 2023: EUR 7,111 thousand), in particular due to lower temporary staffing, marketing, sales and vehicle costs.

Earnings before interest, taxes, depreciation and amortization ("EBITDA") increased by EUR 6,144 thousand to a positive EUR 2,137 thousand, mainly due to the increase in sales and the reduction in personnel expenses.

The following table summarizes the financial performance indicators for the first half of 2023 compared to the same period of the previous year:

| EUR thousand | H1 2024 | H1 2023 | Δ EUR thousand | Δ % |
|--------------|---------|---------|----------------|-------|
| Sales | 22,726 | 19,058 | +3,668 | +19.2 |
| Gross profit | 13,860 | 12,119 | +1,741 | +14.3 |
| EBITDA | +2,137 | -4,007 | +6,144 | n/a |

ASSET POSITION

The APONTIS PHARMA Group's total assets decreased to EUR 48,204 thousand as of June 30, 2024, after EUR 57,460 thousand at the end of the year. The decrease in total assets is mainly due to the repayment of a bank loan in the amount of EUR 6.1 million.

Inventories increased from EUR 6,618 thousand to EUR 7,816 thousand, mainly as a result of the cooperation with Novartis on the two products Ateectura and Enerzair. Receivables increased from EUR 1,672 thousand to EUR 2,266 thousand due to the increase in sales.

The equity of the APONTIS PHARMA Group increased to EUR 31.0 million as of June 30, 2024, due to the net profit for the first half of the year. The equity ratio was 64.2% as of June 30, 2024.

Provisions fell by 32.0% to EUR 10,375 thousand (December 31, 2023: EUR 15,245 thousand). The main reasons for the decrease are the utilization of the provision for restructuring and lower provisions for discounts.

FINANCIAL POSITION

Cash flow from operating activities was negative in the first half of 2024, mainly due to the settlement of provisions for restructuring and severance payments. Working capital also increased.

Cash flow from investing activities amounted to a cash outflow of EUR 655 thousand (H1 2023: cash outflow of EUR 1,064 thousand). As in the same period of the previous year, investments related in particular to milestone payments for the new development of Single Pills for the treatment of cardiovascular diseases.

Cash flow from financing activities in the first half of 2024 totaled EUR –6,127 thousand and resulted from the settlement of a bank loan.

Cash and cash equivalents decreased to EUR 16,156 thousand as of June 30, 2024, (December 31, 2023: EUR 26,816 thousand).

IV. OPPORTUNITY AND RISK REPORT

The opportunities and risks for the APONTIS PHARMA Group have not changed since the publication of the 2023 Annual Report in March. The restructuring of the organizational structure and the reduction of employees took place as planned in the first half of 2024. In the operating business, the company is seeing initial successes of the new go-to-market strategy implemented since March 1. The new processes and measures are increasingly being put into practice by employees. APONTIS PHARMA expects further progress here. Furthermore, an exclusive marketing and distribution agreement was concluded with Novartis in April 2024. This agreement has a term of five years.

V. FORECAST REPORT

The increased forecast for fiscal year 2024 of sales revenue of EUR 50.7 million and EBITDA of EUR 3.3 million due to the conclusion of the cooperation agreement with Novartis for the products Atecura and Enerzair on April 5, 2024, is confirmed. Three new products for the treatment of cardiovascular diseases, which will expand the product portfolio to 18 Single Pill combinations over the course of the year, will also contribute to this. The first new Single Pill combination was already launched on the German market in March 2024.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets

| EUR | June 30, 2024 | Dec. 31, 2023 |
|---|----------------------|----------------------|
| A. Fixed assets | | |
| I. Intangible assets | | |
| 1. Concessions, industrial property rights and similar rights and assets as well as licenses to such rights and assets acquired for consideration | 9,750,294.00 | 3,735,324.00 |
| 2. Advance payments and intangible assets under development | 7,266,822.00 | 13,805,079.05 |
| | 17,017,116.00 | 17,540,403.05 |
| II. Property, plant and equipment | | |
| 1. Tenant fixtures | 9,415.00 | 13,453.00 |
| 2. Other equipment, factory and office equipment | 14,149.00 | 16,786.00 |
| | 23,564.00 | 30,239.00 |
| III. Financial assets | | |
| 1. Securities held as fixed assets | 837,824.84 | 801,152.65 |
| 2. Other loans | 0.00 | 0.00 |
| | 837,824.84 | 801,152.65 |
| | 17,878,504.84 | 18,371,794.70 |
| B. Current assets | | |
| I. Inventories | 7,039,336.95 | 5,776,577.42 |
| 1. Goods | 776,328.70 | 841,666.68 |
| 2. Advance payments on inventories | 7,815,665.65 | 6,618,244.10 |
| II. Receivables and other assets | 1,445,838.48 | 846,558.35 |
| 1. Trade receivables | 820,222.48 | 825,885.55 |
| 2. Other assets | 2,266,060.96 | 1,672,443.90 |
| | 16,155,966.10 | 26,815,647.03 |
| III. Cash on hand and bank balances | 26,237,692.71 | 35,106,335.03 |
| C. Prepaid expenses | 729,392.69 | 520,507.57 |
| D. Deferred tax assets | 3,358,000.00 | 3,461,000.00 |
| | 48,203,590.24 | 57,459,637.30 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Liabilities

| EUR | June 30, 2024 | Dec. 31, 2023 |
|--|-----------------------|-----------------------|
| A. Equity | | |
| I. Issued capital | | |
| 1. Subscribed capital | 8,500,000.00 | 8,500,000.00 |
| 2. Less calculated value of treasury shares | -170,000.00 | -170,000.00 |
| | 8,330,000.00 | 8,330,000.00 |
| II. Capital reserve | 34,612,378.60 | 34,612,378.60 |
| III. Consolidated net loss | | |
| 1. Consolidated loss carried forward | -12,679,193.90 | -1,376,239.72 |
| 2. Consolidated net loss/profit for the year | 702,796.64 | -11,302,954.18 |
| | -11,976,397.26 | -12,679,193.90 |
| | 30,965,981.34 | 30,263,184.70 |
| B. Difference from capital consolidation | 510,011.00 | 561,349.00 |
| C. Provisions | | |
| 1. Provisions for pensions and similar obligations | 2,895,219.63 | 2,855,339.00 |
| 2. Tax provisions | 56,098.00 | 828,516.00 |
| 3. Other provisions | 7,423,665.54 | 11,561,266.25 |
| | 10,374,983.17 | 15,245,121.25 |
| D. Liabilities | | |
| 1. Liabilities to banks | 0.00 | 6,019,578.67 |
| 2. Trade payables | 5,409,961.99 | 5,089,944.66 |
| 3. Other liabilities | 942,652.74 | 280,459.02 |
| – thereof from taxes: EUR 942,652.74 (Dec 31, 2023: EUR 237,942.24) | | |
| | 6,352,614.73 | 11,389,982.35 |
| E. Deferred tax liabilities | 0.00 | 0.00 |
| | 48,203,590.24 | 57,459,637.30 |

CONSOLIDATED STATEMENT OF INCOME

| EUR | H1 2024 | H1 2023 |
|---|----------------------|----------------------|
| 1. Sales | 22,726,415.38 | 19,058,060.78 |
| 2. Other operating income | 553,703.63 | 509,403.95 |
| 3. Cost of materials | | |
| Expenses for goods purchased | -8,865,953.18 | -6,939,269.92 |
| 4. Personnel expenses | | |
| a) Wages and salaries | -5,787,526.80 | -8,120,853.39 |
| b) Social security contributions and expenses for pensions and other benefits | -970,235.49 | -1,380,393.63 |
| | -6,757,762.29 | -9,501,247.02 |
| 5. Amortization of intangible assets and depreciation of property, plant and equipment | -1,157,924.05 | -940,608.10 |
| 6. Other operating expenses | -5,502,550.82 | -7,111,157.34 |
| 7. Other interest and similar income | 24,537.10 | 219,312.26 |
| 8. Interest and similar expenses | -134,826.56 | -46,969.26 |
| 9. Taxes on income and earnings | | |
| a) Taxes on income and earnings | -63,087.57 | 104,870.31 |
| b) Deferred taxes | -103,000.00 | 1,149,000.00 |
| | -166,087.57 | 1,253,870.31 |
| 10. Earnings after taxes | 719,551.64 | -3,498,604.34 |
| 11. Other taxes | -16,755.00 | -22,865.14 |
| 12. Consolidated profit for the period | 702,796.64 | -3,521,469.48 |

CONSOLIDATED STATEMENT OF CASH FLOWS

| EUR | H1 2024 | H1 2023 |
|---|-----------------------|-----------------------|
| 1. Result for the period | 702,796.64 | -3,521,469.48 |
| 2. +/- Amortization/depreciation/write-ups on fixed assets | 1,157,924.05 | 940,608.10 |
| 3. +/- Increase/decrease in provisions | -4,109,653.08 | -1,258,835.33 |
| 4. +/- Other non-cash expenses/income | 51,662.00 | -1,183,900.00 |
| 5. +/- Increase/decrease in inventories, trade receivables and other assets not attributable to investing or financing activities | -1,988,853.24 | -2,031,184.35 |
| 6. +/- Increase/decrease in trade payables and other liabilities not attributable to investing or financing activities | 982,211.05 | -1,070,370.37 |
| 7. +/- Interest expenses/interest income | 110,289.46 | -172,343.00 |
| 8. +/- Income tax expense/income | 63,087.57 | -104,870.31 |
| 9. -/+ Income tax payments | -846,576.06 | -575,221.69 |
| 10. Cash flow from continuing operations | -3,877,111.61 | -8,977,586.43 |
| 11. - Payments for investments in intangible assets | -618,953.00 | -1,257,981.00 |
| 12. - Payments for investments in property, plant and equipment | -9,009.00 | -4,197.10 |
| 13. + Proceeds from the disposal of financial assets | 0.00 | 55,900.00 |
| 14. - Payments for investments in financial assets | -36,672.19 | -41,122.91 |
| 15. + Interest received | 9,388.60 | 183,597.01 |
| 16. Cash flow from investing activities | -655,245.59 | -1,063,804.00 |
| 17. - Payments from equity reductions to shareholders of the parent company | 0.00 | 0.00 |
| 18. - Payments from the redemption of bonds and (financial) loans | -6,126,869.76 | 0.00 |
| 19. - Interest paid | -453.97 | -15.01 |
| 20. Cash flow from financing activities | -6,127,323.73 | -15.01 |
| 21. Cash-effective changes in cash and cash equivalents | -10,659,680.93 | -10,041,405.44 |
| 22. + Cash and cash equivalents at the beginning of the period | 26,815,647.03 | 36,345,022.95 |
| 23. Cash and cash equivalents at the end of the period | 16,155,966.10 | 26,303,617.51 |
| Composition of cash and cash equivalents | | |
| Cash and cash equivalents | 16,155,966.10 | 26,303,617.51 |

EXPLANATORY NOTES

ACCOUNTING, RECOGNITION AND VALUATION METHODS

APONTIS PHARMA AG has its registered office in Monheim, Germany, and is entered in the Commercial Register of the Local Court of Düsseldorf under the number HRB 93162.

The Condensed Interim Financial Statements as of June 30, 2024, were prepared in accordance with the classification requirements of Section 266 of the German Commercial Code (HGB) and the supplementary provisions of the German Stock Corporation Act (AktG).

The Consolidated Statement of Income has been prepared using the nature of expense method in accordance with Section 275 (2) of the German Commercial Code (HGB).

In accordance with GAS 16 on interim financial reporting, the comparative figures for the previous period in the balance sheet relate to the figures as of December 31, 2023, and the income statement and cash flow statement refer to the first half of fiscal year 2023 (January 1, 2023 – June 30, 2023).

I. SCOPE OF CONSOLIDATION

In addition to APONTIS PHARMA, three affiliated companies were fully consolidated in the Interim Financial Statements.

As of June 30, 2024, the scope of consolidation is as follows:

-
1. APONTIS PHARMA AG, Monheim/Rhine, HRB 93162
at the Local Court of Düsseldorf

 2. APONTIS PHARMA Deutschland GmbH, Düsseldorf, HRB 85556
at the Local Court of Düsseldorf

 3. PP Primary Care GmbH, Monheim/Rhine, HRB 73436
at the Local Court of Düsseldorf

 4. APONTIS PHARMA Deutschland GmbH & Co KG, Monheim/Rhine,
HRA 23282 at the Local Court of Düsseldorf

The affiliated company no. 2 is completely held by the parent company no. 1, the affiliated company no. 3 is completely held by the affiliated company no. 2 and 99.01% of the affiliated company no. 4 is held by the affiliated company no. 2 and 0.99% by the affiliated company no. 3.

II. CONSOLIDATION DATE

The reporting date of the Consolidated Financial Statements is June 30, 2024, in accordance with Section 299 (1) of the German Commercial Code (HGB).

III. PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements are based on the Annual Financial Statements of the consolidated companies.

In addition, the principle of consistency of consolidation methods was observed.

1. CAPITAL CONSOLIDATION

Capital consolidation for acquisition transactions is carried out according to the revaluation method pursuant to Section 301 para. 1 (2) of the German Commercial Code (HGB). For the acquisition transactions, the valuation of the shares belonging to the parent company is offset against the amount of the equity capital of the subsidiaries attributable to these shares. In accordance with the revaluation method, shareholders' equity is recognized at the amount corresponding to the fair value of the assets, liabilities, prepaid expenses, deferred income and special items to be included in the Consolidated Financial Statements at the time of initial consolidation. Provisions are to be measured in accordance with Section 253 para. 1 (2) and (3) and (2) HGB and deferred taxes in accordance with Section 274 (2) HGB. Offsetting is carried out in accordance with Section 301 para. 2 of the German Commercial Code (HGB) at the time the company became a subsidiary.

The annual surpluses/deficits of the companies included in the consolidation – insofar as these are not offset within the scope of capital consolidation – are combined with the effects of consolidation measures affecting income and reported under the item "Consolidated net profit/loss for the year."

The negative goodwill of EUR 843 thousand resulting from the first-time capital consolidation as of September 28, 2018, is recognized as scheduled over the weighted average remaining useful life of the acquired depreciable assets. In the first half of 2024, this resulted in income of EUR 51 thousand (H1 2023: EUR 35 thousand), which was recognized in the 2024 Consolidated Statement of Income under the item "Other operating income." The negative goodwill as of June 30, 2024, thus amounts to EUR 510 thousand (December 31, 2023: EUR 561 thousand).

The subsequent consolidation – and thus also the consolidation as of June 30, 2024 – recognizes the Group's share of the results generated by the Group companies after the reporting date of the initial consolidation in the consolidated result.

2. DEBT CONSOLIDATION

The mutual receivables and liabilities between the Group companies are offset against each other as part of debt consolidation.

3. ELIMINATION OF INTERMEDIATE RESULTS

Intercompany profits resulting from service relationships within the Group are eliminated. There were no intercompany results that had to be eliminated in the first half of 2024.

4. CONSOLIDATION OF EXPENSES AND INCOME

In the Consolidated Statement of Income, intercompany sales are offset against the expenses of the receiving companies attributable to them. Intercompany expenses and income are offset against each other. Intra-Group income from investments is eliminated through profit or loss.

5. DEFERRED TAXES FROM CONSOLIDATION MEASURES

Deferred taxes from consolidation measures were accrued in accordance with Section 306 of the German Commercial Code (HGB) to the extent that the deviating tax expense is offset in subsequent fiscal years. Deferred taxes were calculated based on the future tax burden or relief of the companies concerned. Deferred tax assets and liabilities were netted. There was an asset surplus in the first half of 2024.

IV. ACCOUNTING AND VALUATION METHODS

The disclosure of items is determined in accordance with Section 266 para. 2 of the German Commercial Code (HGB), Section 264c HGB or Section 275 para. 2 HGB (total cost method).

The annual financial statements of the companies included in the Consolidated Financial Statements are prepared according to uniform accounting and valuation methods.

The valuation of the assets and liabilities of the fully consolidated companies is carried out in accordance with the valuation regulations under commercial law, taking the principles of proper bookkeeping and accounting into account.

Acquired intangible assets are recognized at acquisition cost and, if they are subject to wear and tear, are reduced by scheduled amortization (straight-line method) in accordance with their normal useful life. In addition, unscheduled write-downs to the lower fair value are made where necessary.

Payments on account are stated at nominal value and intangible assets under development are stated at cost.

Property, plant and equipment is carried at cost and, if subject to wear and tear, depreciated over its useful life. In addition, unscheduled depreciation is applied to the lower fair value if necessary.

Movable fixed assets are depreciated on a straight-line basis.

Low-value assets up to a net individual value of EUR 250.00 are recognized as expenses in the year of acquisition; their immediate disposal was assumed. For fixed assets with a net individual value of more than EUR 250.00 up to EUR 800.00, as in the previous year, accounting as a low-value asset with immediate depreciation was chosen. For fixed assets already existing before 2019 with a net individual value of more than EUR 250.00 to EUR 1,000.00, the annual compound item to be created for tax purposes was transferred to the commercial balance sheet for reasons of simplification. Of the annual compound item, the total amount of which is of minor importance, 20% p.a. is depreciated in accordance with the tax regulations for the additions for which it was formed and the four following years. Depreciation on additions to property, plant and equipment is also carried out on a pro rata temporis basis.

Securities held as fixed assets are stated at acquisition cost. In the past fiscal year, the asset values were offset against the pension obligations in accordance with Section 246 para. 2 sentence 2 of the German Commercial Code (HGB). An exception to this is an insurance contract that does not fulfil the requirements of Section 246 para. 2 sentence 2 of the German Commercial Code (HGB) due to the lack of a pledge to the beneficiaries and their possible survivors and is therefore not withdrawn from the access of all other creditors.

Other loans are recognized at nominal value.

Inventories are stated at the lower of cost or fair value.

Receivables and other assets are recognized at nominal value. All risk-bearing items are taken into account by means of flat-rate discounts.

Cash on hand and bank balances are recognized at nominal value.

Payments made before the balance sheet date are recognized as prepaid expenses if they represent expenses for a certain period after this date.

The subscribed capital of the parent company, APONTIS PHARMA AG, is fully paid up and accounted for at par value.

The provisions for pensions are recognized according to actuarial principles and based on an interest rate of 1.83% p.a. (H1 2023: 1.79%) with a funding start at an age of 25 years using the projected unit credit (PUC) method. The interest rate corresponds to the average market interest rate of the past ten years published by the Deutsche Bundesbank with a remaining term of the pension obligations of 15 years. Expected salary and pension trends of 3.00% and 2.00% respectively were used in the calculation. The corresponding asset values have been offset against the obligations as far as possible according to HGB. Insofar as expenses and income arise in this connection, they are netted in the financial result. The pension provisions were measured as of December 31, 2023, according to the Heubeck mortality tables 2018 G and further developed as of June 30, 2024.

The following table contains the fluctuation probability for active employees, it applies to pensions and similar obligations.

| Probability of fluctuation | Men | Women |
|----------------------------|-------|-------|
| Age 20 – 25 years | 6.00% | 8.00% |
| Age 26 – 30 years | 5.00% | 7.00% |
| Age 31 – 35 years | 4.00% | 5.00% |
| Age 36 – 45 years | 2.50% | 2.50% |
| Age 46 – 50 years | 1.00% | 1.00% |
| Over 50 years | 0.00% | 0.00% |

The pension plans presented below were taken over by UCB Pharma GmbH in the course of the takeover of the business operations of the affiliated company APONTIS PHARMA Deutschland GmbH & Co. KG on September 28, 2018, including all contractually defined assets and liabilities.

Beginning on July 1, 2000, a new pension plan was introduced in Germany in which all employees are eligible to participate, provided they are in permanent and non-terminated employment relationships and have completed six months of service. The new plan provides occupational pension benefits through a group provident fund, which is an independent company. The provident fund is obliged to take out individual reinsurance policies for each beneficiary employee in order to secure future pension payments.

Since July 1, 2000, there has thus been an indirect obligation for pensions and vested rights. Entitlements from the previous pension scheme were fixed ratably as of June 30, 2000.

The company pension scheme "Deferred Compensation" was launched in Germany on January 1, 2002. All employees who are employed for an indefinite period of time and have not given notice of termination and whose remuneration, after the corresponding deferred compensation has been paid in a calendar year, is above the contribution assessment ceiling for the statutory pension insurance, are eligible for the pension. Part of the gross fixed salary or variable remuneration of the employees participating in this program is not paid out directly, but rather invested as a company pension. The capital contributions made by the employees are currently paid into a share fund and a pension fund. The company's pension commitment guarantees the employees their paid-in, nominal pension contribution.

The fund assets serving to reinsure the pension commitments from the deferred compensation program and essentially originating from the capital contributions of the employees were transferred to a so-called Contractual Trust Arrangement (CTA) in fiscal year 2004. The assets were transferred to Mercer Treuhand GmbH, which acts as trustee for APONTIS PHARMA Deutschland GmbH & Co KG. The assets were transferred with the provision that they may only be used for the purpose of financing the direct pension obligations of the affiliated sponsoring companies resulting from the deferred compensation program. The beneficiary employees retain their direct claim against APONTIS PHARMA Deutschland GmbH & Co. KG in the event of benefits being paid, even with the CTA model implemented.

The obligations resulting from the pension program were taken into account on the balance sheet date by allocating corresponding pension provisions.

Obligations from pensions and similar obligations are offset against assets that serve exclusively to meet pension obligations and similar obligations and are not accessible to all other creditors (so-called cover assets). Insofar as expenses and income are incurred in this connection, they are netted. The cover assets are measured at fair value.

Provisions for anniversaries are calculated according to actuarial principles using a discount rate of 1.76% (H1 2023: 1.45%) and taking the 2018 G mortality tables by Prof. Dr. Klaus Heubeck into account.

Other provisions are reported at the settlement amount to be recognized in accordance with the principle of prudence based on sound business judgment. They take into account all recognizable risks and uncertain liabilities. With the exception of the provisions for anniversary expenses and the provisions for long-term incentives (LTI provisions) as well as the provisions for post-launch milestone payments, the other provisions are exclusively short-term provisions.

Liabilities were valued at the respective settlement amounts.

V. NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

1. SECURITIES HELD AS FIXED ASSETS

APONTIS PHARMA AG accounts for the assets transferred to Mercer Treuhand GmbH as trustor pursuant to Section 246 (1) of the German Commercial Code (HGB) in the Consolidated Financial Statements as of June 30, 2024. These are the actuarial reserves of the reinsurance policies for part of the pension obligations of the subsidiary APONTIS PHARMA Deutschland GmbH & Co. KG included in the Consolidated Financial Statements.

2. INVENTORIES

Inventories relate to merchandise with a value of EUR 7,039 thousand (December 31, 2023: EUR 5,777 thousand).

3. RECEIVABLES AND OTHER ASSETS

All trade receivables have a remaining term of up to one year.

Other assets are recognized at their nominal value and mainly include advance payments to suppliers in the amount of EUR 489 thousand (December 31, 2023: EUR 468 thousand).

Other assets amounting to EUR 253 thousand (December 31, 2023: EUR 253 thousand) have a term of more than one year.

4. PREPAID EXPENSES

Prepaid expenses amounted to EUR 729 thousand as of the reporting date (December 31, 2023: EUR 521 thousand) and includes payments for expenses relating to subsequent periods. They do not include any amounts for discounts.

5. DEFERRED TAXES

The calculation of deferred taxes from valuation differences between the commercial and tax balance sheets in accordance with Section 274 of the German Commercial Code (HGB) resulted in tax relief, which was offset against deferred tax liabilities from consolidation measures in the Consolidated Statement of Financial Position. In addition, there were deferred tax assets on tax loss carryforwards that will lead to tax relief in future periods. These were also offset against the other deferred taxes. As of June 30, 2024, deferred tax assets amounted to EUR 3,358 thousand (December 31, 2023: deferred tax assets of EUR 3,461 thousand). The calculation of deferred taxes was based on the individual tax rates of the companies. The tax rate for the incorporated companies is 24.575% and includes corporate income tax, the solidarity surcharge and trade tax. For the partnerships included, the income tax is 8.75% and includes trade tax.

6. EQUITY

The issued capital of the company amounts to EUR 8,330 thousand (December 31, 2023: EUR 8,330 thousand) and is fully paid in.

By resolution of the Annual General Meeting on April 19, 2021, the Management Board was authorized until April 18, 2026, to acquire treasury shares for any permissible purpose up to an amount of 10% of the share capital existing at the time of the resolution of the Annual General Meeting or – if this figure is lower – at the time of the exercise of the authorization, and to use them for all legally permissible purposes.

The company acquired a total of 170,000 treasury shares at a purchase price of EUR 1,836 thousand in the period from March 21, 2022, to September 29, 2022, in connection with the variable remuneration scheme it set up for employees. The arithmetical value of EUR 1.00 per share (a total of EUR 170 thousand, 2.0% of the share capital) was openly deducted from the item "Subscribed capital" in the preliminary column in accordance with Section 272 para. 1a of the German Commercial Code (HGB). The portion of the purchase price exceeding the calculated value was offset against the capital reserve in accordance with Section 272 para. 2 no. 4 of the German Commercial Code (HGB) in the amount of EUR 278 thousand and against the capital reserve in accordance with Section 272 para. 2 no. 1 of the German Commercial Code (HGB) in the amount of EUR 1,388 thousand.

7. PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS

Provisions for pensions and similar obligations are generally measured in accordance with Section 253 of the German Commercial Code (HGB). For further information, please refer to the explanations on the measurement of pension obligations.

The asset values were offset against the pension obligations as far as possible. The offset values of the securities held as fixed assets in accordance with Section 246 para. 2 sentence 2 of the German Commercial Code (HGB) are as follows:

| | June 30, 2024 | Dec 31, 2023 |
|---|----------------------|--------------|
| | EUR thousand | EUR thousand |
| Pensions and similar obligations | 4,194 | 4,123 |
| Asset values offset (acquisition costs = fair value) | -1,299 | -1,267 |
| Balance sheet value | 2,895 | 2,855 |

8. OTHER PROVISIONS

| | June 30, 2024 | Dec 31, 2023 |
|----------------------------------|----------------------|---------------|
| | EUR thousand | EUR thousand |
| Personnel provisions | 4,502 | 8,592 |
| Provisions for discounts granted | 1,201 | 1,527 |
| Outstanding invoices | 1,302 | 977 |
| Other | 419 | 465 |
| | 7,424 | 11,561 |

9. LIABILITIES

All liabilities reported in the Consolidated Statement of Financial Position are unsecured. The liabilities reported as of June 30, 2024, totaling EUR 6,353 thousand, all had a term of up to one year.

VI. PROFIT AND LOSS STATEMENT

Sales by area of activity and application:

| | H1 2024 | | H1 2023 | |
|--|----------------|--------------|---------------|--------------|
| | EUR thousand | % | EUR thousand | % |
| Single Pills | 17,914 | 78.8 | 12,074 | 63.4 |
| Other | 529 | 2.3 | 1,082 | 5.6 |
| Own brands (excluding Single Pills) | 529 | 2.3 | 1,082 | 5.6 |
| Asthma | 2,466 | 10.9 | 0 | 0.0 |
| COPD (respiratory diseases) | 1,545 | 6.8 | 5,191 | 27.3 |
| Diabetes | 0 | 0.0 | 195 | 1.0 |
| Cardiovascular | 272 | 1.2 | 516 | 2.7 |
| Co-marketing/Co-promotion | 4,283 | 18.9 | 5,902 | 31.0 |
| | 22,726 | 100.0 | 19,058 | 100.0 |

As in the previous year, all sales were generated in Germany.

1. OTHER OPERATING INCOME

Other operating income amounted to EUR 554 thousand (H1 2023: EUR 509 thousand) and mainly includes income from the provision of vehicles in kind of EUR 273 thousand (H1 2023: EUR 322 thousand) and income from cost recharges amounting to EUR 15 thousand (H1 2023: EUR 63 thousand).

2. PERSONNEL EXPENSES

Personnel expenses amounted to EUR 6,758 thousand (H1 2023: EUR 9,501 thousand).

3. AMORTIZATION OF INTANGIBLE FIXED ASSETS AND DEPRECIATION OF TANGIBLE FIXED ASSETS

Depreciation and amortization amounted to EUR 1,158 thousand (H1 2023: EUR 941 thousand).

4. OTHER OPERATING EXPENSES

Other operating expenses amounted to EUR 5,503 thousand (H1 2023: 7,111 thousand) and consisted mainly of expenses for consulting and other services of EUR 1,434 thousand (H1 2023: EUR 778 thousand), expenses for temporary workers of EUR 183 thousand (H1 2023: EUR 1,031 thousand), marketing expenses of EUR 557 thousand (H1 2023: EUR 1,104 thousand), vehicle costs of EUR 881 thousand (H1 2023: EUR 1,118 thousand), expenses for warehousing and shipping of EUR 497 thousand (H1 2023: EUR 449 thousand), legal advice and auditing costs of EUR 229 thousand (H1 2023: EUR 456 thousand) and IT costs of EUR 262 thousand (H1 2023: EUR 302 thousand).

5. TAXES ON INCOME AND EARNINGS

Income taxes of EUR 42 thousand (H1 2023: EUR 0 thousand) are attributable to corporate income tax and the solidarity surcharge and EUR 21 thousand (H1 2023: EUR –105 thousand) to trade tax. Deferred taxes amounted to EUR 103 thousand (H1 2023: EUR –1,149 thousand).

VII. INFORMATION ON THE CORPORATE BODIES

| | |
|--------------------------|--|
| Management Board | Bruno Wohlschlegel (Chairman of the Management Board) |
| | Thomas Milz |
| Supervisory Board | Dr. Matthias Wiedenfels (Chairman) |
| | Olaf Elbracht (Deputy Chairman) |
| | Dr. Edin Hadzic |
| | Christian Bettinger |
| | Dr. Anna Lisa Picciolo-Lehrke |

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PHARMA



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