

Company announcement
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Company Registration No. 32266355

Orphazyme Announces Publication of 2022 Financial Results and Annual Report

Copenhagen, Denmark, April 25, 2023 – Orphazyme A/S (ORPHA.CO) (“Orphazyme” or the “Company”), today announced its financial results for the period from January 1, 2022, to December 31, 2022, and publishes its Annual Report.

Anders Vadsholt, Chief Executive Officer and Chief Financial Officer said, “*Orphazyme changed substantially in 2022, culminating in us now having limited business operations and employees. This follows the sale of substantially all Orphazyme’s assets, including the continuing development of arimoclomol, our investigational product candidate for Niemann Pick disease type C, to KemPharm Denmark A/S, a wholly owned subsidiary of KemPharm, Inc. in May 2022. Through the remainder of 2022 we have focused on ensuring the smooth transition of assets to KemPharm and managing our limited business operations in as lean and cost-efficient manner as possible. In April 2023, we and the other parties to the previously communicated class action lawsuit in the United States reached an agreement in principle to settle the action in its entirety. We continue to explore ways to realize value from the Company’s remaining assets and listing on Nasdaq Copenhagen.*”

Financial Results for the full year 2022

From January 1, 2022, the business operations and activities that were part of the Sale of Assets agreement with KemPharm¹ have been reclassified as discontinued operations. Unless otherwise stated, comments in this announcement refer to performance from continuing operations. 2021 comparative figures have been restated according to IFRS. Further details on results from continuing and discontinued operations can be found in the Management Review and the Consolidated Financial Statements in our Annual Report 2022.

- As substantially all Orphazyme’s business activities were sold to KemPharm, including any revenue from sales of arimoclomol, net revenue from continuing operations for the full year 2022 were DKK 0 million (DKK 0 million for 2021).
- Research and development (R&D) expenses have been reclassified as discontinued operations. As such, R&D expenses from continuing operations were DKK 0 million for the full year 2022 (DKK 0 million in 2021).
- General and administrative (G&A) expenses from continuing operations totalled DKK 41.2 million in 2022, a reduction of approximately DKK 42 million compared to the prior year of DKK 83.5 million. G&A expenses include costs associated with employees and Board of Directors, service providers and external assistance, legal and technology expenses.
- Loss from continuing operations was DKK 38.3 million compared to a net loss of DKK 78.5 million for the full year 2021.
- The net result from discontinued operations was a profit of DKK 64.4 million compared to a loss of DKK 548.0 million for 2021.
- The net result for the full year ended December 31, 2022 (from continuing and discontinued operations) was a profit of DKK 26.1 million compared to a net loss of DKK 626.5 million for the same period in 2021.
- The total comprehensive profit/loss (from continuing and discontinued operations) was a profit of DKK 25.2 million compared to a loss of DKK 626.8 million for the same period in 2021.
- As of December 31, 2022, Orphazyme held cash of DKK 42.5 million as compared to DKK 102.3 million as of December 31, 2021, and had one employee.

Financial Outlook for 2023

For the full-year 2023 the Company anticipates an operating loss in the range of DKK 30 – 35 million. The Company expects to end 2023 with DKK 6 - 10 million in cash and is therefore regarded as a going concern.

There are inherent risks and uncertainties in our Outlook for 2023 including the limited nature of our business activities, the final outcome of the class action lawsuit in the United States and our future prospects.

1. In February 2023, KemPharm Inc. changed its name to Zevra Therapeutics. Note that KemPharm is used throughout this announcement and the Annual Report since the Sale of Assets was completed during the reporting period.

For additional information, please contact**Orphazyme A/S**

Anders Vadsholt, Chief Executive Officer and Chief Financial Officer

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Forward-looking statement

This company announcement includes "forward-looking statements" within the meaning of the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995, including, without limitation, statements about the Company's financial outlook, the class action lawsuit in the United States and future prospects. Although the Company believes its expectations are based on reasonable assumptions, all statements other than statements of historical fact included in this company announcement about future events are subject to (i) change without notice and (ii) factors beyond the Company's control, including pursuant to regulatory or judicial intervention. Except as required by law, the Company assumes no obligation to update these forward-looking statements publicly, or to update the reasons actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.