

UNITED STATES SECURITIES  
AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM 6-K**

**REPORT OF FOREIGN PRIVATE ISSUER  
PURSUANT TO RULE 13a-16 OR 15d-16  
UNDER THE SECURITIES EXCHANGE ACT OF 1934**

For the Month of March 2022

Commission File Number: 001-39545

**Orphazyme A/S**  
(Translation of registrant's name into English)

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Ole Maaløes Vej 3, DK-2200  
Copenhagen N  
Denmark  
(Address of principal executive office)

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Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:  
 Form 20-F    Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

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**INCORPORATION BY REFERENCE**

This Report on Form 6-K (the "Report") and Exhibit 99.1 and Exhibit 99.2 to this Report shall be deemed to be incorporated by reference into the registration statements of Orphazyme A/S (the "Company") on Form S-8 (File nos. 333-249407 and 333-255661) and Form F-3 (File no. 333-260283) and to be a part thereof from the date on which this Report is filed, to the extent not superseded by documents or reports subsequently furnished.

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**EXHIBIT LIST**

<b><u>Exhibit</u></b>	<b><u>Description</u></b>
99.1	<a href="#">Company announcement dated March 31, 2022</a>
99.2	<a href="#">Proposal for a statutory restructuring plan including appendix 1-4</a>

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**Orphazyme A/S**

Date: March 31, 2022

By: /s/ Anders Vadsholt

Name    Anders Vadsholt  
Title:   Chief Executive Officer  
          and Chief Financial Officer

**Orphazyme A/S in restructuring  
Company announcement**

No. 15/2022

Inside information

Ole Maaløes Vej 3, DK-2200 Copenhagen N

[www.orphazyme.com](http://www.orphazyme.com)

Company Registration No. 32266355

## Proposal for a statutory restructuring plan

**Copenhagen, Denmark, March 31, 2022** – Orphazyme A/S in restructuring (ORPHA.CO) ("Orphazyme" or the "Company"), a late-stage biopharmaceutical company, announces that the enclosed proposal for a statutory restructuring plan will be submitted to the Danish Maritime and Commercial High Court (the "Court") and be sent to the Company's known creditors in accordance with section 11 c of the Danish Insolvency Act. Further, the Court has appointed state-authorized public accountant Søren Søndergaard Jensen as restructuring accountant.

The proposal for a statutory restructuring plan will be presented and voted on at a meeting with creditors to be held on April 7, 2022, at 11:00 AM (CEST) at the offices of Gorrissen Federspiel Advokatpartnerselskab, Axel Torv 2, 1609 Copenhagen V. All creditors are entitled to attend the meeting.

If a proposal for a statutory restructuring plan is not adopted by the creditors, the Court could decide to terminate the in-court restructuring proceedings of the Company. At this stage it is uncertain whether a solution can be found, and further update will be provided at the appropriate time.

Please see the enclosed proposal for a statutory restructuring plan including appendices.

**For additional information, please contact**

**Orphazyme A/S in restructuring**

Anders Vadsholt, Chief Executive Officer and Chief Financial Officer +45 2898 9055

John Sommer Schmidt, Restructuring Administrator +45 8620 7500

**About Orphazyme**

Orphazyme is a late-stage biopharmaceutical company developing arimoclomol for Niemann-Pick disease type C (NPC). Orphazyme is headquartered in Denmark. Orphazyme's shares are listed on Nasdaq Copenhagen (ORPHA).

**About arimoclomol**

Arimoclomol is an investigational drug candidate that amplifies the production of heat shock proteins (HSPs). HSPs can rescue defective misfolded proteins and improve the function of lysosomes. Arimoclomol is administered orally, and has now been studied in 10 Phase 1, four Phase 2, and three pivotal Phase 2/3 trials. Arimoclomol has received Orphan Drug Designation (ODD) for NPC in the US and EU. Arimoclomol has received Fast-Track Designation (FTD), Breakthrough Therapy Designation (BTD), and Rare Pediatric Disease Designation (RPDD) from the U.S. Food and Drug Administration (FDA) for NPC. On June 17, 2021, Orphazyme received a Complete Response Letter from the FDA regarding its New Drug Application for arimoclomol for the treatment of NPC. The Company plans to request a Type C Meeting with the FDA in Q2 2022.

**Forward-looking statement**

This company announcement may contain certain forward-looking statements under the U.S. Private Securities Litigation Reform Act of 1995 and otherwise, including forward-looking statements about the Company's restructuring process. 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 court 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.

11 March 2022

# Proposal for a restructuring plan

in accordance with section 11c of the Danish Insolvency Act

## Orphazyme A/S in restructuring

On 11 March 2022, at 7:00 CET, restructuring proceedings were commenced against Orphazyme A/S, Ole Maaløes Vej 3, 2200 Copenhagen N, Denmark, CVR no. 32266355.

<b>Particulars</b>	The Danish Maritime and Commercial High Court Case R 22/22-A
<b>Commencement of reconstruction proceedings</b>	Commencement of reconstruction proceedings: 11 March 2022, at 7:00 CET.
<b>Restructuring administrator</b>	John Sommer Schmidt, attorney, Gorrissen Federspiel
<b>Restructuring accountant</b>	Søren Søndergaard Jensen, state-authorized public accountant, BDO
<hr/>	
<b>The company</b>	Orphazyme A/S in restructuring (“Orphazyme”) is engaged in research, development, production, marketing, sale and/or licencing of medicinal products for the treatment of various diseases, including Lysosomal Storage Disease (LSD), neuromuscular diseases and related diseases, and associated activities.
<b>Background</b>	Orphazyme’s financial situation has for some time been uncertain, which was aggravated by a negative trend vote issued by the European Medicines Agency’s (EMA) Committee for Medicinal Products for Human Use (CHMP) on 23 February 2022 causing the company to initiate restructuring proceedings.
<b>Purpose</b>	The purpose of the restructuring proceedings is to restructure the company by asset transfer and injection, potentially in combination with a composition arrangement.
<b>Continued operations</b>	Orphazyme’s operations continue during the restructuring proceedings. The company’s management is intact and is operating the company under the supervision of the restructuring administrator. Orphazyme’s operations and work processes have been adjusted and are focused on completing the restructuring process as described in further detail in this plan.
<b>Next court creditors’ meeting</b>	The Danish Maritime and Commercial High Court’s creditors’ meeting will be held on <b>7 April 2022 at 11:00 am CEST</b> .  The venue of the meeting is at the offices of <b>Gorrissen Federspiel, Axeltorv 2, 1609 Copenhagen V, Denmark</b> .

All creditors are eligible to attend the meeting.

At the creditors' meeting, this proposal for a restructuring plan will be discussed.

**type of restructuring proceedings**

Orphazyme needs funding from an investor or buyer to complete the application process with the Food and Drug Administration (FDA) on the approval of arimoclomol for the treatment of Pick disease type C (NPC).

On this basis, Orphazyme is working on performing a business transfer by asset sale or an on refinancing (potentially in combination with a compulsory composition) or a combination of asset sale and refinancing.

**main steps contemplated in the restructuring proceedings**

During the restructuring proceedings, mass redundancies have taken place and employees have been released from their duties in order to reduce payroll costs. Furthermore, an application for marketing authorisation filed with the European Medicines Agency (EMA) has been withdrawn in order for the company to focus its efforts on the application process with the US Food and Drug Administration (FDA). In addition, the voluntary delisting of the company's ADSs representing shares from Nasdaq Global Select Market in the USA has been initiated.

Potential investors/buyers have been identified and approached. A virtual data room has been established and potential investors/buyers have been granted access to the data room as part of the process on sale/refinancing.

**circumstances that may prevent the completion of the restructuring process**

The main risks that may prevent the restructuring proceedings from being completed are the lack of cooperation from critical suppliers or holders of charges/pledges and the potential inability to identify investors or buyers and to enter agreements with such investors or buyers shortly.

**Orphazyme's balance sheet at the commencement of the restructuring proceedings and specification of subsequent deviations**

Attached as **appendix 1 (appendix 1A and 1B)**.

**Comments to Orphazyme's latest annual report**

Attached as **appendix 2**.

**valuation of Orphazyme's assets**

Attached as **appendix 3**.

**Statement on feasibility**

According to section 11c(3), restructuring administrator John Sommer Schmidt declare the opinion the proposal for a restructuring plan is feasible with the above reservations.

**Power of attorney**

Statement on feasibility from the restructuring accountant is attached as **appendix 4**. If you as a creditor agree to the restructuring plan but do not wish to attend the bankrupt meeting on 7 April 2022, we attach a power of attorney under which you can authorise the restructuring administrator to vote in favour of the approval of the restructuring plan.

**Uncertainty about the value and alternative to an approval of the restructuring plan**

The value of Orphazyme's developed drug for the treatment of Niemann-Pick disease type highly uncertain. Orphazyme has presented to the restructuring administrator and the restructuring accountant a valuation of approximately DKK 2.5 billion assuming the drug is approved by Food and Drug Administration (FDA). In a break down scenario, the drug may be without. Furthermore, funding is needed to complete the application process with the US Food and Administration (FDA).

It is emphasized that the alternative to the restructuring proceedings is most likely bankruptcy proceedings that, in the opinion of the restructuring administrator and the restructuring accountant, most likely would give a dividend of 0 % to unsecured claims pursuant to section 97 of the Insolvency Act.

**The restructuring administrator's contact details**

Kristian Gammelgaard Møller, attorney, Gorrissen Federspiel,  
D +45 24692130, email: kmo@gorrissenfederspiel.com

Lone Sehested Bødtger, insolvency assistant, Gorrissen Federspiel,  
D +45 86207493, email: lsb@gorrissenfederspiel.com

**The restructuring accountant's contact details**

Søren Søndergaard Jensen, state-authorised public accountant,  
D +45 39155278, email: ssj@bdo.dk

**Processing of your personal data**

In connection with the restructuring proceedings, Gorrissen Federspiel collects and processes personal data. You are welcome to contact us if you wish to gain insight into the data about you we process. You may be entitled to have your personal data rectified or deleted, and you are also entitled to object to our processing of your personal data. You are also entitled to complain to the Data Protection Agency. You can read more about how we process personal information here: <https://gorrissenfederspiel.com/vores-raadgivning/information-om-behandling-af-personoplysninger>

As restructuring administrator:

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Approved by Orphazyme:

\_\_\_\_\_  
Anders Vadsholt, CEO      Georges Gemayel, Chairman

\_\_\_\_\_  
Andrew Paul Mercieca      Stephanie Smith Okey

\_\_\_\_\_  
Carrolee Barlow      Bo Jesper Hansen

\_\_\_\_\_  
Martin Bonde

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**POWER OF ATTORNEY**

Restructuring proceedings were initiated against Orphazyme A/S pursuant to order issued on 11 March 2022 by the Bankruptcy Court of the Danish Maritime and Commercial High Court. Attorney John Sommer Schmidt, Gorrissen Federspiel, was appointed restructuring administrator, and state-authorised public accountant Søren Søndergaard Jensen, BDO, was appointed restructuring accountant.

The undersigned \_\_\_\_\_, CVR no. \_\_\_\_\_,

has a claim against Orphazyme A/S under restructuring proceedings of DKK \_\_\_\_\_, and hereby authorizes John Sommer Schmidt to appear on behalf of the undersigned at the in court creditors' meeting on 7 April 2022, at 11.00 am CEST, and to vote in favour of the adoption of the restructuring plan at the meeting.

\_\_\_\_\_, \_\_\_\_\_ April 2022

\_\_\_\_\_  
Name:  
Position:

\_\_\_\_\_

**Preliminary Set-off Balance Sheet of ORPHAZYME in Reconstruction****To the Creditors in the Composition Arrangement of ORPHAZYME in Reconstruction**

I have compiled the interim set-off balance sheet of ORPHAZYME in reconstruction at 11 March 2022 on the basis of the company's accounting records and additional documentation and information received.

The set-off balance sheet is stated in accordance with the provisions of the Danish Bankruptcy Act on reconstruction for the purpose of the creditors' consideration of the reconstruction plan presented. The compiled set-off balance sheet is an interim balance sheet as any filed claims, etc. have not been considered yet. The set-off balance sheet which is presented in connection with the proposed reconstruction will thus be corrected with supplementary information and will therefore probably differ from the interim set-off balance sheet.

I have applied my professional expertise to assist Management in compiling a set-off balance sheet in accordance with the Danish Bankruptcy Act. I have complied with the relevant provisions of the Danish Accountants Act and FSR - Danish accountants' guidelines for ethical conduct (Ethical rules for accountants), including the principles of integrity, objectivity, professional competence and due care. The Management and the Board of Directors of ORPHAZYME in reconstruction are responsible for the company's accounting records and for obtaining the documentation of the information that are of importance for the completeness, accuracy and validity of interim set-off balance sheet.

Since an engagement to compile financial information is not an assurance engagement, I am not required to verify the accuracy or completeness of the information provided by Management to me to compile this set-off balance sheet. Accordingly, I do not express an audit opinion or a review conclusion on whether the set-off balance sheet is prepared in accordance with the Danish Bankruptcy Act.

Copenhagen, 31 March 2022

BDO Statsautoriseret revisionsaktieselskab  
CVR No. 20 22 26 70

Søren Søndergaard Jensen  
State Authorised Public Accountant

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This document is an unofficial translation of the original Danish text, and in case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.

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## Foreløbig modregnet balance for Orphazyme A/S under rekonstruktion pr. 11. marts 2022/Interim set-off balance of Orphazyme A/S in reconstruction 11 March 2022

Beløb i mio. DKK / DKK million	Rekonstruktion/reconstruction					Note	Konkurs/bankruptcy		
	Bogført værdi/ booked value	Reguler- inger/ adjust- ments	Vurdering/ Valuation	Virksom- heds pant /Pledge floating charge	Netto- aktiver/ net assets		Vur- dering/ Valuation	Virksom- heds pant /Pledge floating charge	Netto- aktiver/ net assets
Udviklingsprojekt/development project - Arimocromol for NPC	0	75.000	75.000	-15.916	59.084	1	0	0	
Licenser, rettigheder/Licenses, rights	1.603	-1.603	0		0	2	0	0	
Udskudte skatteaktiver/Deferred tax assets	0	0	0		0	3	0	0	
Depositum/Deposits	605	-303	303		303	4	0	0	
Software/Software	450	0	450	-450	0	5	0	0	
Andre anlæg og maskiner/Property plant & equipments	2.046	-1.046	1.000	-1.000	0	6	100	-100	
Right of use assets - leasing aktiver	3.493	-2.743	750		750	7	750	750	
Investering i datterselskaber/Investment in subsidiaries	2.735	-2.735	0		0	8	0	0	
Tilgodehavende i tilknyttede virksomheder/Intercompany receivables	9.982	-9.982	0		0	9	0	0	
Tilgodehavende skattekreditordning/ Tax receivable R&D	8.250	2.750	11.000		11.000	10	5.500	5.500	
Forudbetalte omkostninger/Prepaid expenses	7.374	-2.429	4.945		4.945	11	0	0	
Tilgodehavende moms/VAT receivable	3.970		3.970		3.970	12	3.970	3.970	
Tilgodehavender fra salg/Trade receivables	15.111	1.637	16.748	-16.748	0	13	16.748	-16.748	
Likvide beholdninger/Cash	36.819	291	37.110		37.110	14	37.110	37.110	
<b>Ubehæftede aktiver/Assets</b>	<b>92.438</b>	<b>58.838</b>	<b>151.276</b>	<b>-34.114</b>	<b>117.162</b>		<b>64.178</b>	<b>-16.848</b>	<b>47.330</b>
<b>Anslåede omkostninger der har forrang/Estimated costs ranking prior to other costs:</b>									
Boomkostninger/Cost under bankruptcy	KL 993								-7.500
Rekonstruktionsomkostninger/Costs of reconstruction	KL 994				-5.000				-5.000
Anslået driftsunderskud i rekonstruktionen/Estimated covered losses in reconstruction	KL 994				-35.000				-18.625
					77.162				16.205
<b>Anslåede opsigelseomkostninger/Estimated payroll termination c</b>									
Anslåede lønmodtager pr. 11. marts 2022 feriepenge og skyldig løn/estimated Employee at 11 Mar., holiday pay and accrued pay	KL 995				-8.514				-17.000
	KL 995	-6.800			-6.800				-6.800
<b>Anslåede nettoaktiver til usikrede kreditorer/Estimated net assets to unsecured creditors</b>					<b>61.848</b>				<b>-7.595</b>
<b>Anslåede akkordkreditorer (simple krav)/Estimated creditors in composition (ordinary claims)</b>									
	122.326	-5.980	116.346	-34.114	82.232				99.498
<b>Foreløbig beregnet dividende/Calculated interim dividend</b>					<b>75%</b>				<b>0%</b>
<b>Akkordkreditorer/Creditors in composition:</b>									
Leasingforpligtelser /Lease liabilities	4.201	-3.493	708		708				708
French EAP program nATU - refund liability 50%	43.756		43.756		43.756				43.756
Kreos loan - Virksomhedspant/Pledge floating charge 9m Euro	28.938	5.176	34.114	-34.114	0		-16.848	17.266	
Leverandørgæld/Trade payables	23.073	-863	22.210		22.210			22.210	
Skyldige omkostninger/accruals	3.659		3.659		3.659			3.659	
Anden gæld/other liabilities	3.658		3.658		3.658			3.658	
Intercompany payable Orphazyme GmbH (CH)	5.697		5.697		5.697			5.697	
Lønmodtager poster, A-skat/Employee liabilities, payroll taxes	9.344	-6.800	2.544		2.544			2.544	
	122.326	-5.980	116.346	-34.114	82.232		0	-16.848	99.498
<b>Equity reconciliation/Afstemning egenkapital</b>	<b>29.888</b>				<b>-20.385</b>				<b>-107.093</b>

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BDO Statsautoriseret Revisionsaktieselskab, Havneholmen 29, DK-1561 København V, CVR-no. 20 22 26 70

## INDEPENDENT AUDITOR'S REPORT

### To the Creditors of ORPHAZYME A/S in Reconstruction

In accordance with section 11c (2)(3), we as accounting experts have examined the most recent annual report available comprising the period 1 January 2020 to 31 December 2020 (signed by Management and Board on 2 March 2021) for the purpose of disclosing whether there are deficiencies in the debtor's most recent annual report, in our opinion.

Our opinion in the report is expressed with limited assurance.

Our report is prepared solely to comply with the requirements of the Danish Bankruptcy Act in connection with the reconstruction of the Company and may not be used for any other purposes.

The most recent presented annual report for the debtor is presented with a balance sheet day more than 14 months before the commencement of the reconstruction, for which reason the annual report may only be used to a limited extent in the work with the reconstruction.

### Management's and Auditor's responsibilities

The then management of Orphazyme A/S is responsible for the annual report and that it is presented in accordance with the Danish Financial Statements Act. The auditor of the Company is responsible for expressing an opinion on the Financial Statements based on his audit.

### The Accounting Expert's responsibilities

Based on our examinations, it is our responsibility to conclude whether there are deficiencies in the debtor's most recent annual report.

We have performed our examinations in accordance with ISAE 3000, other assurance reports than audit or review of historical financial information and additional requirements according to the Danish Act on Approved Auditors and Audit Firms for the purpose of achieving limited assurance for our opinion.

BDO Statsautoriseret revisionsaktieselskab is subject to the international standard on quality control, ISQC 1, and thus, applies an extensive quality control system, including documented policies and procedures regarding compliance with ethical requirements, professional standards as well as applicable statutory requirements and other regulation.

We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, and ethical requirements applicable in Denmark.

Our work is limited to read through the annual report and did not comprise examination of audit documentation or underlying documentation for the annual report presented.

The extent of the actions we have performed during our examination are less than at a reasonable assurance engagement. As a consequence hereof, the assurance level for our opinion is significantly less than the assurance obtained had it been a reasonable assurance engagement.

In connection with our work, we ascertained counting and typing errors in the equity note for the Group, page 44 of the annual report, and cash flow statement for the parent company, page 86 of the annual report.

The equity note for the Group shows a counting error of DKK ('000) 1,080,178 for the financial year 2020 regarding the sum of "*Total transactions with owners*" where a typing error of DKK ('000) 120,019 against calculated DKK ('000) 1,200,197 is stated.

The cash flow statement for the parent company shows a counting error of DKK ('000) -326,211 for the financial year 2019 regarding the sum of "Cash flow from operating activities" where a typing error of DKK ('000) 707 against calculated DKK ('000) -325,504 is stated. The counting of "Changes in cash and cash equivalents" entails the same counting error of DKK ('000) -326,211, where the annual report states DKK ('000) 56,361 against calculated DKK ('000) -269,850.

The cash flow statement for the parent company also shows a counting error of DKK ('000) -1,769 for the financial year 2020 regarding the sum of "Cash flow from investing activities" where a typing error of DKK ('000) -386 against calculated DKK ('000) -2,155 is stated. The counting of "Changes in cash and cash equivalents" entails the same counting error of DKK ('000) -1,769, where the annual report states DKK ('000) 365,366 against calculated DKK ('000) 367,135.

The counting and typing errors have no effect on the result for the year or the Company's balance sheet at 31 December 2020.

**Conclusion**

Based on the examinations performed, we have not become familiar with any deficiencies in the debtor's most recent annual report.

Copenhagen, 31 March 2022

BDO Statsautoriseret Revisionsaktieselskab  
CVR no. 20 22 26 70

Søren Søndergaard Jensen  
State-Authorised Public Accountant

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BDO Statsautoriseret Revisionsaktieselskab, Havneholmen 29, DK-1561 København V, CVR-no. 20 22 26 70

## ACCOUNTING EXPERT'S ASSESSMENT OF THE ASSETS

### INDEPENDENT AUDITOR'S REPORT

#### To the Creditors of ORPHAZYME A/S in Reconstruction

##### Basis for Valuation of the Assets

According to section 11c(3) of the Danish Bankruptcy Act the accounting expert is to assess whether the value assessed for the assets is fair in relation to preconditions forming basis for the reconstruction plan.

The "assessed financial value" of the assets is for the purpose of this report the value recognised for the assets in the reconstruction plan.

My conclusion in this report is expressed with a limited degree of assurance.

The valuation of the assets is made on the basis of the preconditions forming basis for the reconstruction plan described in the Reconstruction plan.

The preconditions are subject to uncertainty. The actual outcome will probably differ from that expected because events often do not happen as expected, which may impact the feasibility of the reconstruction plan.

My report is prepared solely to comply with the requirements of the Danish Bankruptcy Act relating to the company's reconstruction and it is not be used for any other purposes.

##### Description of assets and valuation method

The company's assets and the valuation hereof are described below:

#### 1. Development project - Arimoclomol for NPC

The value of the asset is dependent on achieving approval for the product "Arimoclomol for NPC" with US Food and Drug Administration (FDA) and that sufficient financing of the operating loss is achieved until the product is approved by FDA (resubmission) and the sale of the product starts. The valuation is made according to the "DCF method" under the assumption of going concern and the above assumptions, but only based on the American market.

Thus, the value is based on the present value of the expected future cash flows in the Company. The calculation is solely based on the assumptions and budgets prepared by Management. A discount rate (WACC) of 10% is used and a 10-year budget period, corresponding to the remaining duration of the company's patents, as stated by Management. Based on these assumptions a fair value of 3,3 billion kr. is calculated, without adjusting for risk related to FDA approval.

The estimated value of the Company is reduced by an estimate as a consequence of the uncertainties which is a result of the Company's current situation in reconstruction. It is assumed in the valuation, that there is a 0-15% likelihood that the product will be approved by the FDA, and the company will succeed with the restructuring process. The value, after adjusting for the uncertainties related to the restructuring process, is estimated 0-493 million kr. The deviation in the estimates reflects the significant uncertainty, which is a consequence of the Company's current financial situation. The table below shows how changes in WACC and the probability factor affect the valuation.

In addition, in our value indication we have included the assessment from Equity Research from Danske Bank of 24 February 2022, in which the fair value of "Arimoclomol for NPT" is determined at DKK 75 m with application of a WACC of 20% and a probability factor of 5%.

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If approval or bridging finance are not achieved until the expected approval in 2023, the value is assessed at DKK 0. At a potential bankruptcy the asset is assessed to have a value of DKK 0 as reflected in the column “at bankruptcy”.

Sandsynlighedsfaktor	WACC				
	8%	9%	10%	11%	12%
49%					
5%	183	173	164	156	148
15%	549	520	493	469	445
25%	914	867	822	781	742
35%	1.280	1.213	1.151	1.093	1.039
45%	1.646	1.560	1.480	1.406	1.336

## 2. Licenses, Rights

The item Licenses and rights constitutes incurred “milestones” payments to CytRx in accordance with Asset Purchase Agreement. The value of the asset is dependent on whether approval for the product is achieved with the FDA. The item is recognised at DKK 0, as the value hereof is recognised in the total calculated value of the development project, cf. section 1.

At a potential bankruptcy the asset is assessed to have a value of DKK 0 as reflected in the column “at bankruptcy”

## 3. Deferred tax assets

The Company has not recognised deferred tax asset of DKK 454 m. This tax asset can be used in future income. The deferred tax asset can have financial impact in the future but is not recognised with value in the offset balance sheet owing to the uncertainties in the reconstruction plan as utilisation depends on whether approval of the product is achieved and that taxable positive results are created looking forward. If the FDA allows the Company to utilise the product, the asset will be of value for the Company.

## 4. Rental deposits

The value of the assets is assessed based on the value that the assets will have at continuous use in the Company, cf. the assumptions of the reconstruction plan. The carrying amount of deposit is written down with 50% as an estimation as a consequence of lease disposal and expected costs for renovation.

At a potential bankruptcy the asset is assessed to have a significantly reduced value as reflected in the column “at bankruptcy”.

## 5. Software

Software is Orphazyme's ERP system. The ERP software is amortised over a period of 7 years and is recognised at the carrying amount in the reconstruction, which is the expected value in continuous application in the Company in accordance with the reconstruction plan.

At a potential bankruptcy the asset is assessed to have a value of DKK 0 as reflected in the column “at bankruptcy”.

## 6. Leased assets/Right of use assets

Leased assets are measured at expected net proceeds for sale of laboratory equipment, which is expected to be bought out from the lease agreement in the reconstruction period.

## 7. Property, plant and equipment

Property, plant and equipment consist of various IT equipment, inventories, and laboratory equipment carried at cost with deductions of annual amortisations based on an estimated useful life of between 3-5 years. A total of DKK 1,046 on laboratory rebuilding, as the premises have been vacated, has been written down.

Other assets under Property, plant and equipment are assessed based on the value of the assets at continuous application in the Company, cf. the assumptions in the reconstruction plan corresponding to the accounting cost with deduction of amortisations made.

At a potential bankruptcy the asset is assessed to have a significantly reduced value as reflected in the column "at bankruptcy".

#### **8. Investment in subsidiaries**

Equity investments in subsidiaries are being closed down and proceeds for the parent company are not expected, for which reason the equity investments are written down to DKK 0.

#### **9. Intercompany receivables**

Equity investments in subsidiaries are being closed down and proceeds for the parent company are not expected for which reason the receivables are written down to DKK 0.

#### **10. Receivable tax credit plan**

The Company has requested a tax credit plan of DKK ('000) 5,500 in total, in accordance with section 8x of the Danish Tax Assessment Act for the accounting period 2020/21. In the reconstruction plan there is assumed going concern after the tax return period (1 July 2021 - 30 June 2022), for which reason additional DKK ('000) 5,500 can be applied for in the tax credit plan.

At a potential bankruptcy the asset is assessed to have a value of DKK ('000) 5,500 as reflected in the column "at bankruptcy".

#### **11. Prepaid expenses**

The carrying amount constituted DKK ('000) 4,945 and is pertinent to prepayments and accruals, primarily. The item is solely of value in going concern and cannot be applied for satisfaction by the creditors.

At a potential bankruptcy the asset is assessed to have a value of DKK 0 as reflected in the column "at bankruptcy".

#### **12. VAT receivable**

The item consists of input VAT receivable at the deadline.

#### **13. Trade receivables**

Trade receivables are 2 invoices not fallen due of DKK ('000) 15,111 in total, which are added expected income of DKK ('000) 2,500 until the deadline, so that trade receivables at 10 March 2022 constitute DKK ('000) 17,611. Offsetting against receivables at DKK ('000) 863 in total have been made.

At a potential bankruptcy the asset is assessed to have an unchanged value as reflected in the column "at bankruptcy".

#### **14. Cash at bank and in hand**

Cash at bank and in hand consist of deposits with banks at the deadline.

#### **Accounting Expert's Responsibility**

My responsibility is to express a conclusion, based on my examinations, as to whether the value assessed for the assets is fair in relation to preconditions of the reconstruction plan.

I have performed my examinations in accordance with ISAE 3000, Assurance Engagements other than Audit or Review of Historical Financial Information and additional requirements under Danish accounting legislation to obtain a limited degree of assurance for my conclusion.

This document is an unofficial translation of the original Danish text, and in case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.

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BDO Statsautoriseret revisionsaktieselskab is subject to the international standard on quality control, ISQC 1, and applies a comprehensive quality control system, including documented policies and procedures concerning compliance with ethical requirements, professional standards, and the current provisions of legislation and other regulations.

I have complied with the requirements for independence and other ethical requirements of FSR - Danish accountants' guidelines for ethical conduct (Ethical rules for accountants) which are based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional conduct.

In my assessment, I have considered whether the valuation methods applied are suitable and in accordance with generally accepted valuation principles. I have verified that the valuations are made on the basis of the methods and preconditions forming basis for the reconstruction plan, and I have verified the data used and the calculations made.

The scope of the procedures I have performed in my examinations is less than that of an assurance engagement expressing a reasonable degree of assurance. Accordingly, the degree of assurance of my conclusion is considerably less than the assurance that would have been obtained if an assurance engagement with a reasonable degree of assurance had been performed.

**Conclusion**

Based on the work performed, no matters have come to my attention causing me to believe that the value assessed for the assets is not fair and in accordance with the reconstruction plan.

Copenhagen, 31 March 2022

BDO Statsautoriseret Revisionsaktieselskab  
CVR No. 20 22 26 70

Søren Søndergaard Jensen  
State Authorised Public Accountant

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## INDEPENDENT AUDITOR'S REPORT

### To the Creditors of Orphazyme A/S in Reconstruction

I have, as an accounting expert according to section 11c(3) of the Danish Bankruptcy Act, reviewed the reconstruction plan of 31 March 2022 presented for Orphazyme A/S in reconstruction with the purpose of issuing a report on whether the plan, in my opinion, is realistic.

My conclusion in this report is expressed with a limited degree of assurance.

The reconstruction plan is prepared on the basis of the valuation of the debtor's assets at the time of commencing the reconstruction. I refer also to the reconstruction plan in which the preconditions of the reconstruction plan are described. These preconditions are subject to uncertainty which may have an impact on the implementation of the reconstruction plan.

My report is prepared solely to comply with the requirements of the Danish Bankruptcy Act in connection with the company's reconstruction and it is not to be used for other purposes.

### Reconstructor's Responsibility

The Reconstructor is responsible for the preparation of the reconstruction plan.

### Accounting Expert's Responsibility

My responsibility is to express a conclusion, based on my examinations, as to whether the reconstruction plan, in my opinion, is realistic.

I have performed my examinations in accordance with ISAE 3000, Assurance Engagements other than Audit or Review of Historical Financial Information and additional requirements under Danish accounting legislation to obtain a limited degree of assurance for our conclusion.

BDO Statsautoriseret revisionsaktieselskab is subject to the international standard on quality control, ISQC 1, and applies a comprehensive quality control system, including documented policies and procedures concerning compliance with ethical requirements, professional standards, and the current provisions of legislation and other regulations.

I have complied with the requirements for independence and other ethical requirements of FSR - Danish accountants' guidelines for ethical conduct (Ethical rules for accountants) which are based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional conduct.

As part of my examinations I have inquired the Reconstructor and the company's Management and carried out analytical procedures.

The scope of the procedures I have performed in my examinations is less than that of an assurance engagement expressing a reasonable degree of assurance. Accordingly, the degree of assurance of my conclusion is considerably less than the assurance that would have been obtained if an assurance engagement with a reasonable degree of assurance had been performed.

**Conclusion**

On basis of the work performed, no matters have come to my attention causing me to conclude that the reconstruction plan, in my opinion, is not realistic.

Copenhagen, 31 March 2022

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