

Company announcement

No. 16/2023

11 October 2023

Place: Herlev

Orphazyme A/S

Lyskær 8 A

DK-2730 Herlev

www.orphazyme.com

Company Registration No. 32266355

Notice of proposal to Consolidate Shares in Orphazyme A/S

As described in Company Announcements 12/2023, the strategy for Orphazyme is to optimize the cost structure of the company, while the search for a new activity is ongoing.

To reduce the running costs, the company has evaluated the current shareholder structure, which is the biggest cost for Orphazyme of being publicly listed due to the costs paid to banks for the depots that hold the Orphazyme shares. This cost is around DKK 600.000 annually.

Today Orphazyme has around 12.000 shareholders, where 82% has less than 1.000 shares (a value less than DKK 1.000), which means that the annual cost of the depots in many cases exceeds the value of the shares in the depot. Through a consolidation of shares at a ratio 1.000:1, the company can reduce the number of depots to approximately 2.500 shareholders, and thereby realize a cost reduction around DKK 400.000 DKK annually (Estimate is based on current shareholder structure) at a one-off cost of around DKK 475.000. The final cost reduction depends on how many depots ultimately are eliminated in connection with the share consolidation.

A Consolidation of Shares means that 1.000 shares are exchanged to 1 (one) new share in Orphazyme. The company will redeem all shares that are not divisible by 1.000 at a predetermined share price. Shareholders who hold below 1.000 shares at the day of the consolidation, will therefore be fully redeemed and no longer be shareholders in Orphazyme. Shareholders who hold more than 1.000 shares will get 1 share for every 1.000 shares, and get any excess shares redeemed in cash at the predetermined share price.

The share price for the exchange of shares is based on the weighted average closing price in the 5 trading days from 4-10 October 2023 leading up to the notice convening the extraordinary General Meeting. Based on the Weighted closing trading price, the

shareprice for redemption is set at DKK 0,94 per share above consolidation rate and redemption price is for shares of nominally DKK 1,00.

Examples:

a) A shareholder who on the day of consolidation holds 2.500 shares, will receive 2 new Orphazyme shares as well as a cash payment of DKK 470,00 (500 shares multiplied by DKK 0,94).

b) A shareholder who on the day of consolidation holds 200 shares, will receive a cash payment of DKK 188,00 (200 shares multiplied by DKK 0,94) and no longer be a shareholder in Orphazyme.

If the proposal is adopted at the Extraordinary General Meeting, the consolidation will be executed after the expiry of a 4-week period after the General Meeting (precise dates will be communicated at that time). During the 4-week period up to the consolidation date, shareholders can trade shares if they wish to adapt their shareholdings in connection with the consolidation.

Based on current share structure, Orphazyme expects to redeem shares at a total value between DKK 2-3 million. The redeemed shares are expected to be kept until further decision will be taken at the coming ordinary General Meeting.

Further information about the proposal from the board is described in the Notice Convening the Extraordinary General Meeting, which will be announced separately following this announcement.

Herlev, October 11th, 2023

The Board of Directors

For additional information, please contact

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