

KNOPP BIOSCIENCES LLC AND SUBSIDIARY
COMBINED FINANCIAL STATEMENTS
TAX BASIS
Quarter Ended March 31, 2024

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INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Board of Managers
Knopp Biosciences LLC and Subsidiary
Pittsburgh, Pennsylvania

Management is responsible for the accompanying combined financial statements of Knopp Biosciences LLC and Subsidiary, which comprise the combined statement of assets, liabilities, and members' equity - tax basis as of March 31, 2024, and the related combined statements of revenue and expenses - tax basis, changes in members' equity - tax basis and cash flows - tax basis for the quarter then ended, in accordance with the tax basis of accounting, and for determining that the tax basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the combined financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these combined financial statements.

The financial statements are prepared in accordance with the tax basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all the disclosures ordinarily included in financial statements prepared in accordance with the tax basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's assets, liabilities, equity, revenues, and expenses. Accordingly, the combined financial statements are not designed for those who are not informed about such matters.

EG Conley, P.C.
Pittsburgh, Pennsylvania
April 30, 2024

Knopp Biosciences LLC

Combined Statement of Assets, Liabilities, and Members' Equity - Tax Basis

	March 31
	2024
Assets	
Current assets:	
Cash and cash equivalents	\$ 700,127
Investments - certificate of deposit	200,000
Investments - U.S. government securities	2,884,899
Prepaid expenses and other assets	779,465
Total current assets	4,564,491
Total assets	\$ 4,564,491
Liabilities and members' equity	
Current liabilities:	
Accounts payable	\$ 172,283
Total current liabilities	172,283
Members' equity:	
Contributed capital	78,510,865
Accumulated deficit	(74,118,657)
Total members' equity	4,392,208
Total liabilities and members' equity	\$ 4,564,491

See independent accountants' compilation report.

Knopp Biosciences LLC

Combined Statement of Revenue and Expenses - Tax Basis

	Quarter Ended March 31 2024
Revenue	\$ —
CORPORATE EXPENSES	
Professional fees	448,470
Personnel	19,875
Other insurance	9,737
IT support, hardware and communications	5,940
Rent expense	4,784
Office supplies and postage	859
Other taxes	225
	<u>489,890</u>
TOTAL OPERATING EXPENSES	<u>489,890</u>
LOSS FROM OPERATIONS BEFORE OTHER INCOME	(489,890)
OTHER INCOME	
Investment and other income	10,876
	<u>10,876</u>
LOSS BEFORE INCOME TAXES	(479,014)
Income tax benefit	—
NET LOSS	<u>\$ (479,014)</u>

See independent accountants' compilation report.

Knopp Biosciences LLC

Combined Statement of Changes in Members' Equity - Tax Basis

	Contributed Capital	Accumulated Deficit	Members' Equity
Balance at December 31, 2023	\$ 78,510,865	\$ (73,639,643)	\$ 4,871,222
Net loss	—	(479,014)	(479,014)
Balance at March 31, 2024	\$ 78,510,865	\$ (74,118,657)	\$ 4,392,208

See independent accountants' compilation report.

Knopp Biosciences LLC

Combined Statement of Cash Flows - Tax Basis

	Quarter Ended March 31
	2024
Operating activities	
Net loss	\$ (479,014)
Adjustments to reconcile net loss to net cash used by operating activities:	
Changes in operating assets and liabilities:	
Prepaid expenses and other assets	9,737
Accounts payable	122,153
Net cash used by operating activities	(347,124)
Investing activities	—
Financing activities	—
Net change in cash and cash equivalents	(347,124)
Cash and cash equivalents at beginning of period	1,047,251
Cash and cash equivalents at end of period	\$ 700,127

See independent accountants' compilation report.