

Company Registration No. 632718 (Republic of Ireland)

ALIMERA SCIENCES EUROPE LIMITED

**ANNUAL REPORT AND FINANCIAL
STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2023**

ALIMERA SCIENCES EUROPE LIMITED

COMPANY INFORMATION

Directors	R S Eiswirth Jr (Resigned 16 September 2024) P J Ashman R Skibsted (Appointed 1 February 2023 and resigned 15 February 2024) E Maltz (Appointed 15 February 2024 and resigned 16 September 2024) S Carey (Appointed 16 September 2024) N Lalwani (Appointed 16 September 2024)
Secretary	Matsack Trust Limited
Company number	632718
Registered office	Block C 77 Sir John Rogerson's Quay Dublin 2 D02VK60 Ireland
Auditor	Azets Audit Services Ireland Limited Chartered Accountants & Statutory Auditors 3rd Floor 40 Mespil Road Dublin 4 D04 C2N4 Ireland

ALIMERA SCIENCES EUROPE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The directors present their annual report and financial statements for the year ended 31 December 2023.

Principal activities

The principal activity of the company continued to be that of specialising in the commercialisation and development of ophthalmic pharmaceuticals.

Branches outside the State

The company has overseas operations in Portugal and Germany.

Fair review of the business

Alimera Sciences Europe Limited (the company) is a pharmaceutical company that specialises in the development and commercialisation of prescription ophthalmic pharmaceuticals. The company's only commercially approved product is ILUVIEN, which has been developed to treat diabetic macular oedema (DMO), a leading cause of blindness, and for non-infectious uveitis affecting the posterior segment of the eye (NIU-PS). The company is headquartered in Dublin, Ireland.

The company recorded turnover of €17,695,588 (2022: €14,408,558). In the year, the entity paid subsidisation expenses amounting to €9,421,821 (2022: €7,934,740). As at the year ended 31 December 2023, the company had cash and cash equivalents of €3,072,162 (2022: €2,943,757).

Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid (2022: €nil). The directors do not recommend payment of a final dividend.

Directors and secretary

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

R S Eiswirth Jr	(Resigned 16 September 2024)
P J Ashman	
R Skibsted	(Appointed 1 February 2023 and resigned 15 February 2024)
E Maltz	(Appointed 15 February 2024 and resigned 16 September 2024)
S Carey	(Appointed 16 September 2024)
N Lalwani	(Appointed 16 September 2024)

Directors' and secretary's interests

None of the directors have any interests at the beginning or the end of the financial year in the company or in any other group company.

There have been no other changes to the above shareholdings since the financial year end until the date of this report.

Principal risks and uncertainties

The Board continually reviews the risks facing the business and ensures those risks are managed appropriately. The key risks identified by the Board in relation to the business are:

- Reliance on a single product;
- Positioning versus competitors in the current market place; and
- Inability to achieve our strategic objectives

The key risks are regularly assessed by the Board and appropriate processes and controls have been put in place to monitor and mitigate them.

ALIMERA SCIENCES EUROPE LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Key performance indicators

A number of Key Performance Indicators (KPIs) are used by the company in managing and monitoring business performance. Financial KPIs include liquidity, turnover and overall profitability. As at the year ended 31 December 2023, the company had current assets of €22,536,533 (2022: €15,740,383) compared to current liabilities of €23,200,527 (2022: €17,395,819). In 2023 the company recorded turnover of €17,695,588 (2022: €14,408,558) and a net profit of €979,052 (2022: net loss of €885,583).

There was no material change in turnover, which was as expected. The decrease in current assets and current liabilities is due to the decision of management that it was appropriate to offset intercompany balances during the year.

Accounting records

The measures taken by the directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at Block C, 77 Sir John Rogerson's Quay, Dublin 2.

Research and development

There are no capitalisable research and development activities as at 31 December 2023 (2022: €nil). During the financial year, the company charged €751,269 (2022: €717,000) as research development in the Statement of Comprehensive Income.

Post reporting date events

There have been no significant events affecting the company since the year end.

Auditor

Grant Thornton resigned as auditors during the financial year and the directors appointed Azets Audit Services Ireland Limited, to fill the vacancy.

The auditors, Azets Audit Services Ireland Limited, continue in office in accordance with section 383(2) of the Companies Act 2014.

Statement of disclosure to auditor

Each of the directors in office at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 330 of the Companies Act 2014.

Going concern

These financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for at least 12 months from the date of approval of the financial statements.

During the year the company made a profit of €979,052 (2022: loss of €885,583) and at 31 December 2023 net current liabilities amounted to €752,527 (2022: €1,776,023). The directors of the company have prepared detailed financial forecasts for the short and medium term. The company's forecasts and projections reflect key assumptions based on information available at the time of the review. Based on the forecast, the company's ability to discharge its liabilities over the next 12 months is dependent primarily from the letter of financial support from its ultimate parent company, Alimera Sciences, Inc., including forbearance in demanding repayments of the net current amounts due to them amounting to €21,886,352 as of 31 December 2023 (2022: €16,026,482) until such time that the company has sufficient funds to repay. Management have concluded it is appropriate to prepare the financial statements on a going concern basis.

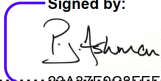
ALIMERA SCIENCES EUROPE LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

On behalf of the board

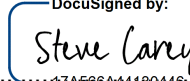
Signed by:



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P J Ashman
Director

DocuSigned by:



.....17A566A4419044C...

S Carey
Director

Date: 12/12/2025

Date: 12/12/2025

ALIMERA SCIENCES EUROPE LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable Irish law and regulations.


Irish company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with Companies Act 2014 and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (Generally accepted Accounting Practice in Ireland) issued by the Financial Reporting Council. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the profit or loss of the company for that financial year and otherwise comply with the Companies Act 2014.


In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board

Signed by:

.....23A37E9C8FEF48D...
P J Ashman
Director
12/12/2025
.....

DocuSigned by:

.....17A568A44130448...
S Carey
Director
12/12/2025
.....

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALIMERA SCIENCES EUROPE LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Alimera Sciences Europe Limited for the financial period ended 31 December 2023 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and the related notes to the financial statements, including the summary of significant accounting policies set out in note 3. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued in the United Kingdom by the Financial Reporting Council.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2023 and of the company's profit for the period then ended;
- have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusion relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014

In our opinion, based solely on the work undertaken in the course of the audit, we report that:

- the information given in the directors' report for the financial period ended for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALIMERA SCIENCES EUROPE LIMITED (CONTINUED)

Opinions on other matters prescribed by the Companies Act 2014 (continued)

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of the Directors for the Financial Statements

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the company's shareholders, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.



Aidan Kearney
For and on behalf of
Azets Audit Services Ireland Limited
Statutory Audit Firm
3rd Floor
40 Mespil Road
Dublin 4

Date: 12 December 2025
Date:

ALIMERA SCIENCES EUROPE LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	2023 €	2022 €
Turnover	3	17,695,588	14,408,558
Cost of sales		(3,399,024)	(2,655,617)
Gross profit		14,296,564	11,752,941
Administrative expenses		(13,282,350)	(12,629,497)
Operating profit/(loss)	5	1,014,214	(876,556)
Interest payable and similar expenses	6	(3,108)	(9,027)
Profit/(loss) before taxation		1,011,106	(885,583)
Tax benefit on profit/(loss)	7	(32,054)	-
Profit/(loss) for the financial year		979,052	(885,583)

The notes on pages 10 to 22 form part of these financial statements.

ALIMERA SCIENCES EUROPE LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2023**

	Notes	€	2023 €	€	2022 €
Fixed assets					
Tangible assets	8		26,554		38,944
Financial assets	9		9,234,736		9,234,736
			<u>9,261,290</u>		<u>9,273,680</u>
Current assets					
Stocks	11	114,715		360,138	
Debtors falling due after more than one year	12	88,533		120,587	
Debtors falling due within one year	12	19,261,123		12,315,901	
Cash at bank and in hand		3,072,162		2,943,757	
		<u>22,536,533</u>		<u>15,740,383</u>	
Creditors: amounts falling due within one year	13	<u>(23,200,527)</u>		<u>(17,395,819)</u>	
Net current liabilities			<u>(663,994)</u>		<u>(1,655,436)</u>
Total assets less current liabilities			<u>8,597,296</u>		<u>7,618,244</u>
Capital and reserves					
Called up share capital presented as equity	16		100		100
Capital contribution reserve	17		9,234,636		9,234,636
Profit and loss reserves	17		(637,440)		(1,616,492)
Total equity			<u>8,597,296</u>		<u>7,618,244</u>

The financial statements were approved by the board of directors and authorised for issue on and are signed on its behalf by:

.....
P J Ashman
Director

.....
S Carey
Director

The notes on pages 10 to 22 form part of these financial statements.

ALIMERA SCIENCES EUROPE LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Called up share capital €	Capital contribution reserve €	Profit and loss reserves €	Total €
Balance at 1 January 2022	100	9,234,636	(730,909)	8,503,827
Year ended 31 December 2022:				
Loss and total comprehensive income for the year	-	-	(885,583)	(885,583)
Balance at 31 December 2022	100	9,234,636	(1,616,492)	7,618,244
Year ended 31 December 2023:				
Profit and total comprehensive income for the year	-	-	979,052	979,052
Balance at 31 December 2023	100	9,234,636	(637,440)	8,597,296

The notes on pages 10 to 22 form part of these financial statements.

ALIMERA SCIENCES EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Company information

Alimera Sciences Europe Limited is a limited company domiciled and incorporated in the Republic of Ireland. The registered office is Block C, 77 Sir John Rogerson's Quay, Dublin 2, Ireland, D02VK60 and its company registration number is 632718.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2014.

The financial statements are prepared in Euros, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest €1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position': Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Alimera Sciences Inc. These consolidated financial statements are available from its website, www.alimerasciences.com.

Consolidation exemption

The company is exempt by virtue of section 300 of Companies Act 2014 from the requirement to prepare consolidated financial statements as the company's result are included in the consolidated financial statements of its ultimate parent company Alimera Sciences Inc. These financial statements present information about the company as an individual undertaking and not about its group. Alimera Sciences Inc.'s consolidated financial statements are readily available on their website, <https://alimerasciences.com/>. Alimera Sciences Inc. consolidated financial statements will be filed with the Companies registration office in Ireland, thereby satisfying section 300(4)(f) of the Companies Act 2014.

ALIMERA SCIENCES EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

Going concern

These financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for at least 12 months from the date of approval of the financial statements.

During the year the company made a profit of €979,052 (2022: loss of €885,583) and at 31 December 2023 net current liabilities amounted to €752,527 (2022: €1,776,023). The directors of the company have prepared detailed financial forecasts for the short and medium term. The company's forecasts and projections reflect key assumptions based on information available at the time of the review. Based on the forecast, the company's ability to discharge its liabilities over the next 12 months is dependent primarily from the letter of financial support from its ultimate parent company, Alimera Sciences, Inc., including forbearance in demanding repayments of the net current amounts due to them amounting to €21,886,352 as of 31 December 2023 (2022: €16,026,482) until such time that the company has sufficient funds to repay. Management have concluded it is appropriate to prepare the financial statements on a going concern basis.

Turnover

The company performs sales and marketing, distribution and logistics functions. Revenue is recognised in the profit and loss account when goods and services are supplied or made available to customers against orders received and significant risks and rewards or ownership have been transferred to the customer and the amount of turnover can be measure reliably.

Revenue excludes value added tax and other similar taxes. Revenue is stated after the deduction of discounts and allowances for estimated future rebates and returns. The methodology and assumptions used to estimate rebates and returns are monitored and adjusted in the light of contractual and legal obligations, historical trends, past experience and projected market returns.

Research and development expenditure

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Office equipment	5 years straight line
Computers	3 years straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

ALIMERA SCIENCES EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Comprehensive Income.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Stocks

Stocks and work in progress are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand and deposits held at call with banks.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the Statement of Financial Position, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

ALIMERA SCIENCES EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

Basic financial assets

Basic financial assets, which include trade and other debtors, amounts owed by group undertakings and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors and amounts owed to group undertakings are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

ALIMERA SCIENCES EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

Taxation (Continued)

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Operating leases: Company as a lessee

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

ALIMERA SCIENCES EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Impairment of investments in subsidiary companies

Determining whether non-financial assets are impaired requires an estimation of the value in use of the cash generating units to which the assets have been allocated. The value in use calculation requires the directors to estimate the future cash flows to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual cash flows are less than expected, a material impairment may arise. No impairment has been recognised on the company's investments held at 31 December 2022 (2022: €nil).

Recoverability of debtors

The company has made judgments when assessing the impairment of its debtors. Outstanding balances have been grouped on the basis of similar risk characteristics such as past-due status, and impairment has been reviewed with reference to historical loss experience updated for current conditions. An impairment loss of €1,106,856 (2022: €nil) was recognised against trade debtors. No additional allowance was provided and receivables written off during the year was €1,106,856 (2022: €nil).

Valuation of stocks

The company has made judgments when assessing the impairment of its stock. Slow moving stock, overstocked and obsolete items are reviewed regularly, and impairment has been reviewed with reference to historical loss experience updated for current conditions. An impairment loss of €nil (2022: €nil) was recognised in cost of sales against stock during the year due to slow-moving and obsolete stock.

Distinction between operating and finance leases

The company has entered into lease agreements as a lessee. Critical judgment was exercised by management to distinguish each lease agreement as either an operation or a finance lease by looking at the transfer or retention of significant risk and rewards of ownership of the properties covered by the agreements. Failure to make the right judgment will result in either overstatement or understatement of assets and liabilities.

ALIMERA SCIENCES EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

3 Turnover and other revenue

	2023	2022
	€	€
Turnover analysed by class of business		
Sale of services	17,695,588	14,408,558
	<u> </u>	<u> </u>
	2023	2022
	€	€
Turnover analysed by geographical market		
Republic of Ireland	412,614	265,557
Rest of the world	17,282,974	14,143,001
	<u> </u>	<u> </u>
	<u>17,695,588</u>	<u>14,408,558</u>

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023	2022
	Number	Number
Administrative staff	3	3
Key personnel	11	13
	<u> </u>	<u> </u>
Total	<u>14</u>	<u>16</u>

Their aggregate remuneration comprised:

	2023	2022
	€	€
Wages and salaries	1,262,056	1,312,007
Social security costs	234,377	221,057
Pension costs	31,635	53,575
	<u> </u>	<u> </u>
	<u>1,528,068</u>	<u>1,586,639</u>

There was €nil directors remuneration during the current or prior year.

Capitalised employee costs during the financial year amounted to €nil (2022: €nil)

ALIMERA SCIENCES EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

5 Operating profit/(loss)	2023	2022
	€	€
Operating profit/(loss) for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	(436,402)	1,340,937
Research and development costs	751,269	717,000
Fees payable to the company's auditor for the audit of the company's financial statements	70,636	31,100
Depreciation of owned tangible fixed assets	16,073	15,924
Operating lease charges	110,794	107,483
	<u> </u>	<u> </u>

6 Interest payable and similar expenses	2023	2022
	€	€
Other interest	3,108	9,027
	<u> </u>	<u> </u>

7 Taxation	2023	2022
	€	€
Deferred tax		
Origination and reversal of timing differences	130,135	-
Adjustment in respect of prior periods	(98,081)	-
	<u> </u>	<u> </u>
Total deferred tax	32,054	-
	<u> </u>	<u> </u>

The tax assessed for the financial year is lower than (2022: higher than) the standard rate of corporation tax in Ireland of 12.5% (2022: 12.5%).

The total tax charge for the year included in the income statement can be reconciled to the profit/(loss) before tax multiplied by the standard rate of tax as follows:

	2023	2022
	€	€
Profit/(loss) before taxation	1,011,106	(885,583)
	<u> </u>	<u> </u>
Expected tax charge/(credit) based on the standard rate of corporation tax of 12.50% (2022: 12.50%)	126,388	(110,698)
Tax effect of expenses that are not deductible in determining taxable profit	3,747	566
Permanent capital allowances in excess of depreciation	-	7,143
Deferred tax adjustments in respect of prior years	(98,081)	-
Tax losses carried forward	-	102,989
	<u> </u>	<u> </u>
Taxation charge for the year	32,054	-
	<u> </u>	<u> </u>

The company has losses available to carry forward for relief against future taxable profits of €683,997 (2022: €928,028).

ALIMERA SCIENCES EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

8 Tangible fixed assets

	Office equipment €	Computers €	Total €
Cost			
At 1 January 2023	22,887	35,333	58,220
Additions	-	3,683	3,683
At 31 December 2023	22,887	39,016	61,903
Depreciation and impairment			
At 1 January 2023	5,531	13,745	19,276
Depreciation charged in the year	4,577	11,496	16,073
At 31 December 2023	10,108	25,241	35,349
Carrying amount			
At 31 December 2023	12,779	13,775	26,554
At 31 December 2022	17,356	21,588	38,944

9 Financial assets

	Notes	2023 €	2022 €
Investments in subsidiaries	10	9,234,736	9,234,736

Movements in fixed asset investments

	Shares in group undertakings €
Cost	
At 1 January 2023 & 31 December 2023	9,234,736
Carrying amount	
At 31 December 2023	9,234,736
At 31 December 2022	9,234,736

ALIMERA SCIENCES EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

10 Subsidiaries

Details of the company's subsidiaries at 31 December 2023 are as follows:

Name of undertaking	Address	Nature of business	Class of shares held	% Held Direct
Alimera Sciences Ophthalmologie GmbH	1	Distribution	Ordinary	100.00
Alimera Sciences Limited	2	Distribution	Ordinary	100.00

Registered office addresses (all UK unless otherwise indicated):

- 1 Cicerostr. 21 10709, Berlin, Germany
- 2 Royal Pavilion, Wellesley Road, Aldershot, Hampshire, GU11 1PZ

The Company has acquired both entities through capital contribution provided by the ultimate parent Alimera Sciences Inc. See Note 17.

No impairment has been recognised on the company's investments held at 31 December 2023 (2022: €nil).

11 Stocks

	2023 €	2022 €
Work in progress	-	44,531
Finished goods and goods for resale	114,715	315,607
	<u>114,715</u>	<u>360,138</u>

Finished goods recognised as cost of sales in the year amounted to €2,479,029 (2022: €1,906,371).

An impairment loss of €nil (2022: €nil) was recognised in cost of sales against stock during the year due to slow-moving and obsolete stock.

12 Debtors

Amounts falling due within one year:	2023 €	2022 €
Trade debtors	7,501,133	3,236,854
Amounts owed by group undertakings	10,740,827	7,337,378
Other debtors	897,416	636,700
Prepayments	77,561	3,336
Accrued income	44,186	1,101,633
	<u>19,261,123</u>	<u>12,315,901</u>

ALIMERA SCIENCES EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

12 Debtors (Continued)

	2023 €	2022 €
Amounts falling due after more than one year:		
Deferred tax asset (note 14)	88,533	120,587
	<u> </u>	<u> </u>
Total debtors	<u>19,349,656</u>	<u>12,436,488</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Accrued income relates to amounts recoverable from the company's customers for sales to their end users. As per agreement, the company will bill the customers as they sell the product to their end users.

13 Creditors: amounts falling due within one year

	2023 €	2022 €
Trade creditors	428,634	566,430
Amounts owed to group undertakings	21,886,352	16,026,482
Taxation and social insurance	136,169	201,638
Other creditors	11,373	11,389
Accruals	737,999	589,880
	<u> </u>	<u> </u>
	<u>23,200,527</u>	<u>17,395,819</u>

Trade creditors are payable at various dates over the coming months in accordance with the supplier's usual customary credit terms.

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Corporation tax and other taxes including social insurance are repayable at various dates over the coming months in accordance with the applicable statutory provisions.

Accruals mainly relate to royalty and rebates.

	2023 €	2022 €
Other taxation and social insurance		
PAYE / PRSI control	38,984	44,397
VAT control	97,185	157,241
	<u> </u>	<u> </u>
	<u>136,169</u>	<u>201,638</u>

ALIMERA SCIENCES EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

14 Deferred taxation

The major deferred tax assets recognised by the company are:

	2023	2022
	€	€
Balances:		
Tax losses	85,000	120,587
Temporary differences	3,533	-
	<u>88,533</u>	<u>120,587</u>
		2023
Movements in the year:		€
Asset at 1 January 2023		(120,587)
Charge to profit or loss		32,054
		<u>(88,533)</u>

The deferred tax asset during the year is made up of tax losses carried forward amounting to €683,997 (2022: €933,986). Deferred tax was not recognised on losses carried forward amounting to €500 (2022: €790,573).

15 Retirement benefit schemes

	2023	2022
	€	€
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	31,635	53,575
	<u>31,635</u>	<u>53,575</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

Included within other creditors is €1,357 (2022: €6,097) in relation to pension contributions outstanding at year end.

16 Share capital

	2023	2022	2023	2022
	Number	Number	€	€
Ordinary share capital				
Authorised equity				
Issued and fully paid				
Ordinary shares of €1 each	100	100	100	100
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

There is a single class of ordinary shares. The shares have attached to them full voting, dividend and capital distribution rights.

In the prior year the entire share capital was transferred from Alimera Sciences B.V. to Alimera Sciences, Inc.

ALIMERA SCIENCES EUROPE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023****17 Reserves****Profit and loss reserves**

Includes all current and prior period retained profit and losses.

Capital contribution reserve

Includes the contribution value for the subsidiary companies, Alimera Sciences Ophthalmologie GmbH and Alimera Sciences Limited which were transferred to the company for no consideration.

18 Operating lease commitments**Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023	2022
	€	€
Within one year	40,000	89,514
Between one and five years	-	63,472
	<u>40,000</u>	<u>152,986</u>

19 Related party transactions

The company has availed of the exemption in FRS 102 Section 33, Paragraph 33.1A which allows non-disclosure of transactions between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Amounts owed to and by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

20 Ultimate controlling party

At the year end immediate parent was Alimera Sciences, Inc., a company incorporated in the United States which is listed on NASDAQ. Alimera Sciences Inc headed both the largest and smallest group undertaking for which consolidated financial statements are prepared.

Copies of the financial statements of Alimera Sciences, Inc. can be obtained from their website, www.alimerasciences.com.

Following the year end, the immediate parent became ANI Pharmaceuticals, Inc., a company incorporated in the United States which is listed on NASDAQ.

Copies of the financial statements of ANI Pharmaceuticals, Inc. can be obtained from their website, www.anipharmaceuticals.com.

21 Approval of financial statement

The financial statements were approved by the Board and authorised for issue on
12/12/2025