

# SIMRIS GROUP

## INTERIM REPORT

### JANUARY–DECEMBER 2024

#### QUARTER 4, OCTOBER – DECEMBER 2024

- Net revenue decreased by 63 percent to SEK 971k (2 657k).
- EBITDA improved by 41 percent to SEK -3 180k (-5 403k).
- EBIT/Operating result deteriorate by 6 percent to SEK -9 241k (-8 683k).

#### INTERIM PERIOD, JANUARY – DECEMBER 2024

- Net revenue decreased by 34 percent to SEK 2 890k (4 354k).
- EBITDA improved by 21 percent to SEK -17 593k (-22 366k).
- EBIT/Operating result improved by 5 percent to SEK -34 714k (-36 635k).

#### KEY EVENTS DURING THE QUARTER

- Simris Group major owner and chairman Steven Schapera passed away after complications after surgery. Jonathan Royce, an existing board member, has assumed the role of chairman of the board.
- Simris Group announced that payments from the previously announced and agreed loan facility, established by the recently deceased major shareholder and chairman Steven Schapera's company, may be delayed. The Simris board is reviewing other financing options in case the payments are further delayed.
- Simris Group resolved a share issue, repayment of convertible debentures, prolongation of loan agreements, entering into and to call for a general meeting to resolve to enter into new loan agreements.

#### KEY EVENTS AFTER THE END OF THE QUARTER

- Simris Group held an extraordinary general meeting on 20 January 2025. The general meeting resolved on entering into loan agreements from board and management on total €140 000.

#### THE PERIOD IN BRIEF

SEK thousands	Oct-Dec 2024	Oct-Dec 2023	Δ	Full year 2024	Full year 2023	Δ
Net revenue	971	2 657	-63%	2 890	4 354	-34%
EBITDA	-3 180	-5 403	41%	-17 593	-22 366	21%
EBIT / Operating result	-9 241	-8 683	-6%	-34 714	-36 635	5%
Result before tax	-10 673	-10 302	-4%	-38 178	-40 622	6%
Cash flow from operating activities	-1 568	-17 427	91%	-18 016	-36 353	50%
Cash at the end of the period	1 946	5 665	-66%	1 946	5 665	-66%

## CEO UPDATE

**Our mission is to treat cancer with greater precision than chemotherapy or radiotherapy. We will do this using our ground-breaking IP protected ADC payload technology, via strategic alliances with experienced drug developers. Every day we move closer towards this pivotal goal.**

In reflection writing this update for our Simris Group, it is with sadness we all remember our previous Chairman Steven Schapera's passing and his vision. However, over this last quarter, we have galvanized our energy, financial status, focus & determination to continue the mission and vision of delivering novel and sustainable ADC payloads to advance the war against cancer.



We continued to push forward our collaborations in a number of fronts. Through our work with an independent global Pharma company, we obtained the first set of in-vitro study data with our novel payloads conjugated to a monoclonal antibody. This work demonstrated promising results for our monomer microcystins—a favorable safety profile and a comparable effectiveness versus leading commercialized ADC constructs. We also continue dialogues with other pharma companies.

We initiated discussion with the world-renowned Cancer Research Centre to build a research programme for multiple myeloma cancer treatment to screen our most advanced microcystin payloads in specific ADC conjugates.

We continue to obtain approval for our patents in several key regions around the world for the next generation of bioconjugate innovation and manufacturing technology, specifically as these inventions relate to ADC payloads. Continuing to build our strong, defensible and protected IP position for our payload platform is a high priority for Simris. Our patent library protects our unique position to offer specifically optimizable payloads which are ready to conjugate for further ADC development and commercialization.

Our unique science and value to cancer precision medicine was recognized in our recent key publication in the American Chemical Society's Journal of Natural Products (also awarded Editor's Choice) that describes the outstanding work on "Derivatization of Mycrocystins can increase target inhibition while reducing cellular update".

<https://pubs.acs.org/doi/10.1021/acs.jnatprod.4c00688>

Our groundbreaking science is leading the way in ADC payload safety and efficacy for oncology.

The first phase of the Proof of Concept (POC) for our Peptide Drug Conjugate (PDC) research programme with the New Zealand Universities has yielded some interesting early data during a fertility and fecundity (mating) study cycle over a 53 day period. The next steps of this POC is currently being initiated.

With respect our Hammenhög Facility in Southern Sweden, we have thoroughly explored opportunities for industrial and academic collaborations to maximize the future potential for the facility.

Our laser focused plan to continue to grow our expertise in conjugation of ADC payloads and applications with specific microcystin science is leading to fruitful data for further optimization which in turn will attract stronger interest in partnerships/collaborations to achieve in-vivo data.

**Dr Alexis Roberts-McIntosh**  
CEO Simris Group

## OVERVIEW

### NET REVENUE AND PROFIT

The sales for the quarter decreased by 63% and amounted to SEK 971k (2 657k) and the sales for the full year decreased by 34% and amounted to SEK 2 890k (4 354k).

The EBITDA result for the quarter improved by 41% to SEK -3 180k (-5 403k) and the EBITDA result for the full year improved by 21% to SEK -17 593k (-22 366k). The EBIT/ operating result for the quarter deteriorated by 6% to SEK -9 241k (-8 683k) and the EBIT/ operating result for the full year improved by 5% to SEK -34 714k (-36 635k). Land building in Hammenhög was charged with an impairment charge in addition to depreciation of SEK 2 200k that affected the EBIT for the quarter.

The financial net on the income statement deteriorated during the quarter by SEK 245k (0) and during the interim period by SEK 279k (0) as a result of non-realized exchange rate costs for conversion of exchange rate changes due to additional purchase price in EUR for Simris Biologics.

The total inventory value amounted to SEK 509k (1 091k) at the end of the year. All inventory accounted for at the end of the year is related to Simris Biologics.

### FIXED ASSETS

The total book value of the Group's fixed assets amounted to SEK 154 003k (165 337k) at the end of the year. Intangible Assets at the end of the year were SEK 138 974k (144 848k). Tangible Assets at the end of the period were SEK 15 029k (20 489k).

The depreciation of fixed assets was made according to relevant accounting standards, with SEK 3 861k (3 280k) during the quarter. During the quarter, the land and building in Hammenhög was charged with an impairment charge in addition to depreciation of 2 200k. Fixed assets are depreciated over 5–10 years for most fixtures and fittings, and over the remaining lifetime for patents (15 years for the patents and technology gained through the Cyano Biotech acquisition, now renamed to Simris Biologics), and up to 50 years for the buildings.

### LIQUIDITY AND FINANCING

Cash flow from operating activities improved by 91 percent to SEK -1 568k (-17 427k) during the quarter and cash flow from operating activities improved by 50 percent to SEK -18 016k (-36 353k) during the full year. Cash flow amounted to SEK -24k (-13 117k) for the quarter and cash flow amounted to SEK -3 719k (1 671k) for the full year. At the end of the period, cash and cash equivalents amounted to SEK 1 946k (5 665k). The total liabilities at the end of the period amounted to SEK 151 417k (148 938k).

The deferred tax liability at the end of the quarter amounting to SEK 41 816k (43 858k) is not a payable debt as it is related to the purchase price allocation of Simris Biologics.

It is important to note that €8m of the long-term debt on the balance sheet is associated with the acquisition of Cyano Biotech (now Simris Biologics). This is the maximum earn-out remaining to be paid for the acquisition of the ADC platform. For this to become payable, Simris Biologics would have to first earn sales revenue of at least €80m from the ADC platform over the next 15 years. This revenue would be expected to be at a very high profit margin. Importantly, Simris Group has executed a back-to-back agreement with Simris Biologics whereby Simris Biologics will recompense Simris Group for the amount of this future earn-out payment.

During the interim period an Extraordinary General Meeting resolved on a directed issue of convertible debentures with a combined value of €1,15M to a group of investors including a company closely associated with Simris former chairman, Steven Schapera. The Convertibles have a maturity date of 31 March 2025, to the extent conversion has not taken place before such date. The subscribers will be entitled to demand conversion of all or parts of their claim into new shares of class B in the Company at a

conversion price of SEK 0.1 during the period commencing 3rd March 2025 up to and including 31st March 2025. With a conversion price of SEK 0.1 and at full conversion of the Convertibles, calculated as of the date of this announcement, the dilution would amount to approximately 28 percent, the number of shares in the Company would increase by 132,250,000 shares.

On December 23, 2024, Simris Group AB (publ) secured a financing package to strengthen its working capital. The measures included a directed share issue of 277 074 328 B-shares at SEK 0.05 per share, raising approximately SEK 13.85 million before transaction costs. The company also repaid €1,15k (as an offset in the directed issue) in outstanding convertible debenture, entered into new convertible loan agreements totaling €600k with an option for the lender to increase by €900k, and additional convertible loans of €140k to management that was approved by the extraordinary general meeting 20 of January 2025. In the end of the year Simris Group has received payment of €150k of the total new convertible loan agreements.

The Brand Laboratories FZ (TBL), a company associated with Simris former Chairman, Steven Schapera, has provided the business with a flexible funding facility of up to €778k, to be drawn down and repaid as and when required. The facility maturity date is 31 December 2025, and interest is charged at 1.0% per month. At the end of the year the full loan facility is utilized. Interest will be accumulated and start to be paid out from 1 of July 2025.

The Board of Directors wishes to inform stakeholders that the company's current cash reserves may not be sufficient to cover ongoing operations through the end of the calendar year. We recognize the gravity of this situation and are actively working on multiple fronts to secure the necessary funding to support the company's ongoing operations and future growth. Efforts are underway and explore various financing options, including debt refinancing, potential loans, new investment opportunities, and strategic partnerships. The Board remains committed to ensuring the long-term stability and success of the company and will continue to update stakeholders as progress is made.

## EQUITY

The Group's equity amounted to SEK 5 641k (25 614k) at the end of the quarter. The solidity was 3,6 percent, compared with 14.7 percent on December 31, 2023.

The general meeting resolved that the Company's share capital shall be reduced by a total of SEK 26 758 039,97 (corresponding to approximately SEK 0.077 per share) for allocation to non-restricted equity. The reduction was made without cancellation of shares. After the reduction of the share capital quota value of SEK 0.01 per share. The reduction has been registered with the Companies Registry.

The total number of shares amounted to 348 070 570 B and the share capital amounted to SEK 3 480 705,70. Each share has a quota value amounting to 0,01 SEK.

The company has in December carried out a directed issue of a total of SEK 13 854k mainly through offsetting for early repayment of the convertible debt. The transaction increases the number of shares by 277 074 328 and was partially registered in February. The number of shares after this transaction will be 625 144 898 and the share capital will be SEK 6 251 448,98.

## OPTION PROGRAM

At the end of the period, Simris Group had one outstanding Option program.

Series 2022/1 consists of 1 750 000 options and was issued to the CEO of the company, at that time, in May 2022. The options have a term of three years, and each option gives the right to subscription of 1.35 B shares at a subscription price of SEK 0.90 per share. Utilization of outstanding options corresponds to a dilution of the share capital by 0.68 percent.

## STAFF AND ORGANIZATION

The average number of full-time equivalents (FTEs) employed during the quarter amounted to 5 (8) and the average number of full-time equivalents (FTEs) employed during the full year amounted to 7 (9). At the end of the quarter, the Group had 4 FTEs excluding the CEO and the CFO that are contracted as consultants.

After consultation with employees and their Trade Union, all employees in the Hammenhög production facility have been advised that their employment has been terminated. Offsetting this, Simris plans to expand the team at Simris Biologics in the upcoming quarters.

## PARENT COMPANY

Simis Group AB is the parent company. Net revenue for the Parent Company during the quarter amounted to SEK 5k (1 962k) and amounted to SEK 159k (2 815k) for the full year. EBIT/ operating result amounted to SEK -4 893k (-3 538k) for the quarter and amounted to SEK -16 756k (-17 078k) for the full year. The result before tax amounted to SEK -6 061k (-4 274k) for the quarter and amounted to SEK -19 852k (-20 830k) for the full year.

## TRANSACTIONS WITH RELATED PARTIES

In addition to normal Board work during the quarter, Board Directors performed consulting services for the company, of which Magnus Högström SEK 41k and Jonathan Royce SEK 82k.

## ACCOUNTING PRINCIPLES

Simris Group prepares its accounts in accordance with the Annual Accounts Act and the Accounting Boards general advice 2012:1(K3). Information on accounting principles in general is provided in the Financial Statement for 2023.

## AUDIT

This report has not been reviewed by Simris Group's auditor.

## RISKS AND UNCERTAINTIES

Simris Group's operations, financial position and earnings can be affected by a number of risks and uncertainties. These are described in Simris Group's Financial Statement for 2023, at [www.simrisgroup.com](http://www.simrisgroup.com).

Simris Group is in the start-up phase and still lacks sufficient earnings to cover the costs of the business through sales revenue. Simris Group is reliant upon planned additional external funding to be able to continue its operations, repay loans, and implement growth plans. Whilst the Board is confident that the business is in its strongest position ever, and that it will be able to raise the funds required for future investment and growth, there is always a risk that capital markets change and that new capital cannot be accessed when needed, or that new capital cannot be obtained on satisfactory terms, or that the procured capital is insufficient to finance the planned operations in accordance forecasts and objectives.

The Board of Directors and the CEO confirms that this report provides a fair overview of the Group's operations, position and results.

**Jonathan Royce**  
Chairman

**Magnus Högström**  
Board Director

**Frank Puccio**  
Board Director

**Dr Alexis Roberts-McIntosh**  
CEO



## INCOME STATEMENT - CONSOLIDATED GROUP

SEK thousands	Oct-Dec 2024	Oct-Dec 2023	Full year 2024	Full year 2023
Net revenue	971	2 657	2 890	4 354
Change of finished goods and work in progress	-202	-1 644	-404	-1 096
Other operating income	137	130	263	798
Raw materials and consumables	-196	-464	-1 269	-1 251
Other external expenses	-2 614	-3 843	-11 639	-15 324
Personnel expenses	-1 276	-2 239	-7 434	-9 847
Depreciation and amortization	-6 061	-3 280	-17 121	-14 269
<b>Operating result / EBIT</b>	<b>-9 241</b>	<b>-8 683</b>	<b>-34 714</b>	<b>-36 635</b>
Financial net	-1 432	-1 619	-3 464	-3 987
<b>Result before tax</b>	<b>-10 673</b>	<b>-10 302</b>	<b>-38 178</b>	<b>-40 622</b>
Tax	1 031	724	3 573	3 317
<b>Result for the period</b>	<b>-9 642</b>	<b>-9 578</b>	<b>-34 605</b>	<b>-37 305</b>
(Attributable to the parent company's shareholders)	<b>-9 642</b>	<b>-9 578</b>	<b>-34 605</b>	<b>-37 305</b>

## BALANCE SHEET - CONSOLIDATED GROUP

SEK thousands	31 Dec 2024	31 Dec 2023
<b>Assets</b>		
<b>Fixed Assets</b>		
Intangible assets	138 974	144 848
Tangible assets	15 029	20 489
<b>Total Fixed Assets</b>	<b>154 003</b>	<b>165 337</b>
<b>Current Assets</b>		
Inventory	509	1 091
Other receivables	599	2 459
Cash and bank balances	1 946	5 665
<b>Total Current Assets</b>	<b>3 054</b>	<b>9 215</b>
<b>Total Assets</b>	<b>157 057</b>	<b>174 552</b>
<b>Equity and Liabilities</b>		
Equity	5 641	25 614
<b>Provisions</b>		
Deferred tax	41 816	43 858
<b>Liabilities</b>		
Long-term Liabilities	93 631	90 740
Short-term Liabilities	15 969	14 340
<b>Total Liabilities</b>	<b>151 416</b>	<b>148 938</b>
<b>Total Equity and Liabilities</b>	<b>157 057</b>	<b>174 552</b>

## CASH FLOW ANALYSIS - CONSOLIDATED GROUP

SEK thousands	Oct-Dec 2024	Oct-Dec 2023	Full year 2024	Full year 2023
Cash flow from operating activities before changes in working capital	-5 105	-6 098	-22 088	-25 744
Cash flow from working capital	3 537	-11 329	4 072	-10 609
<b>Cash flow from operating activities</b>	<b>-1 568</b>	<b>-17 427</b>	<b>-18 016</b>	<b>-36 353</b>
Cash flow from investing activities	-613	-1 066	-613	-1 611
Cash flow from financing activities	2 157	5 376	14 910	39 635
<b>Cash flow for the period</b>	<b>-24</b>	<b>-13 117</b>	<b>-3 719</b>	<b>1 671</b>
Cash and cash equivalents opening balance	1 970	18 782	5 665	3 994
<b>Cash and cash equivalents closing balance</b>	<b>1 946</b>	<b>5 665</b>	<b>1 946</b>	<b>5 665</b>

## CHANGES IN EQUITY - CONSOLIDATED GROUP

SEK thousands	Oct-Dec 2024	Oct-Dec 2023	Full year 2024	Full year 2023
Opening balance	941	30 333	25 614	23 034
Issue	13 854	4 474	13 854	45 446
Issue costs	0	-185	0	-6 175
Translation differences	488	570	778	614
Result for the period	-9 642	-9 578	-34 605	-37 305
<b>Closing balance</b>	<b>5 641</b>	<b>25 614</b>	<b>5 641</b>	<b>25 614</b>

## KEY FIGURES - CONSOLIDATED GROUP

	Oct-Dec 2024	Oct-Dec 2023	Full year 2024	Full year 2023
Net revenue (kSEK)	971	2 657	2 890	4 354
EBIT (kSEK)	-9 241	-8 683	-34 714	-36 635
Cash at the end of the period (kSEK)	1 946	5 665	1 946	5 665
Equity (kSEK)	5 641	25 614	5 641	25 614
Earnings per share (SEK)	neg.	neg.	neg.	neg.
Earnings per share after full dilution (SEK)	neg.	neg.	neg.	neg.
Equity per share (SEK)	0,00	0,07	0,00	0,07
Equity per share after full dilution(SEK)	0,00	0,07	0,00	0,07
Number of shares, average	348 070 570	339 037 188	348 070 570	228 627 315
Number of shares, end of period	348 070 570	348 070 570	348 070 570	348 070 570
Number of shares after full dilution*	348 070 570	348 070 570	348 070 570	348 070 570
Solidity (%)	3,6	14,7	3,6	14,7
Balance sheet total (kSEK)	157 057	174 552	157 057	174 552
Cash liquidity (%)	16	57	16	57
Average number of employees	5	8	7	9

\*Simris Group has one outstanding warrant program. Dilution effects have not been taken into account for any of the programs for any of the above period, as the average price of Simris Groups's share in each period has been less than the subscription price in the program. If full subscription takes place within the framework of the option program, the number of shares will increase by 2 362 500.

## INCOME STATEMENT - PARENT COMPANY

SEK thousands	Oct-Dec 2024	Oct-Dec 2023	Full year 2024	Full year 2023
Net revenue	5	1 962	159	2 815
Change of finished goods and work in progress	0	-819	-202	-184
Other operating income	129	126	255	506
Raw materials and consumables	0	-290	-249	-842
Other external expenses	-1 915	-2 375	-8 772	-10 254
Personnel expenses	-165	-1 396	-2 761	-6 148
Depreciation and amortization	-2 947	-746	-5 186	-2 971
<b>Operating result / EBIT</b>	<b>-4 893</b>	<b>-3 538</b>	<b>-16 756</b>	<b>-17 078</b>
Financial net	-1 168	-736	-3 096	-3 752
<b>Result before tax</b>	<b>-6 061</b>	<b>-4 274</b>	<b>-19 852</b>	<b>-20 830</b>
Tax	124	-3	114	-13
<b>Result for the period</b>	<b>-5 937</b>	<b>-4 277</b>	<b>-19 738</b>	<b>-20 843</b>

## BALANCE SHEET - PARENT COMPANY

SEK thousands	31 Dec 2024	31 Dec 2023
<b>Assets</b>		
<b>Fixed Assets</b>		
Tangible assets	12 947	18 132
Financial assets	132 478	121 878
<b>Total Fixed Assets</b>	<b>145 425</b>	<b>140 010</b>
<b>Current Assets</b>		
Inventory	0	404
Other receivables	433	1 760
Cash and bank balances	909	5 436
<b>Total Current Assets</b>	<b>1 342</b>	<b>7 600</b>
<b>Total Assets</b>	<b>146 767</b>	<b>147 610</b>
<b>Equity and Liabilities</b>		
<b>Equity</b>	38 201	44 086
<b>Provisions</b>		
Deferred tax	0	114
<b>Liabilities</b>		
Long-term Liabilities	93 631	90 740
Short-term Liabilities	14 935	12 670
<b>Total Liabilities</b>	<b>108 566</b>	<b>103 524</b>
<b>Total Equity and Liabilities</b>	<b>146 767</b>	<b>147 610</b>



## ABOUT SIMRIS GROUP

Simris Group is a biologics company identifying and commercialising high value, natural, biologically active compounds found in microalgae and cyanobacteria to extract for applications in biopharmaceuticals, dietary supplements and cosmetics. Simris Group's shares are traded on the Nasdaq First North Growth Market with the short name SIMRIS and ISIN code SE0008091664.

## FINANCIAL CALENDAR:

Interim Report Q1, 2025	14 May 2025
Annual General Meeting	14 May 2025
Interim Report Q2, 2025	13 Aug 2025
Interim Report Q3, 2025	12 November 2025
Year-end Report 2025	25 February 2026

## Certified Adviser

Amudova AB is the Company's Certified Adviser on Nasdaq First North and can be reached at [info@amudova.se](mailto:info@amudova.se) or +46 (0) 8-546 017 58.

## FOR MORE INFORMATION:

Dr Alexis Roberts-McIntosh, CEO  
 Phone: +44 (0)7940 585298  
 Email: [IR@simris.com](mailto:IR@simris.com)

## KEY FIGURE DEFINITIONS

**Balance sheet total** - The sum of all assets in the balance sheet or sum of all liabilities and equity.

**Equity per share** - Adjusted equity (equity and untaxed reserves less deferred tax) divided by the number of shares at the end of the period.

**Equity per share after full dilution** - Adjusted equity (equity and untaxed reserves less deferred tax) divided by the number shares at the end of the period taking into account after conversion and adjusted for effect of share-based payments.

**Cash liquidity** - Current assets excluding inventories and work in progress as a percentage of current liabilities

**Net revenue** - Operating main income, invoiced costs, side income and income corrections.

**Earnings per share** - Earnings for the period divided by the number of shares after the end of the period.

**Earnings per share after full dilution** - Earnings for the period divided by number shares after the end of the period, taking into account after conversion and adjusted for effect of share-based payments.

**EBIT/ Operating result** - Result before financial expenses and tax.

**Solidity** - Adjusted equity at the end of the period as a percentage of total asset.

*This information is information that Simris Group is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 08:00 CET on 26 February 2025.*

