

# **magle** group.

Q4, 2023  
interim report

# Q4 2023.

## Oct-Dec '23

- Net sales amounted to 57.4 MSEK (45.9).
- EBITDA equalled 9.3 MSEK (6.2).
- Operating profit (EBIT) is 5.9 MSEK (3.2)
- Profit after tax amounted to 4.1 MSEK (0.6)
- Earnings per share SEK 0,4 (0,1) per share

## Period events

- Automated fill and finish line investment closed.
- Barbara Willkomm appointed as the Director of Human Resources.
- A subsidiary, Magle Chemoswed LLC, has been registered in Delaware, USA.

## Jan-Dec '23

- Net sales amounted to 170.4 MSEK (145.7).
- EBITDA equalled 31.1 MSEK (25.8).
- Operating profit (EBIT) is 18.0 MSEK (12.8)
- Profit after tax amounted to 12.2 MSEK (9.1)
- Earnings per share SEK 1,1 (0,8) per share

## After period

- Initiated U.S. registration process for EmboCept® S.
- The Board of Directors proposes a dividend of 0,35 SEK per share for the fiscal year.
- The detailed dividend proposal will be published in connection to the notice of Annual General Meeting.

Key financial indicators.	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec	2021 Jan-Dec	2020 Jan-Dec
Net sales, TSEK	57 374	45 917	170 440	145 677	132 145	142 337
EBITDA, TSEK	9 291	6 149	31 113	25 761	16 848	16 193
EBITDA margin, %	16%	13%	18%	18%	13%	11%
Operating profit, TSEK	5 897	3 197	18 009	12 782	5 201	4 526
Net profit/loss for the period, TSEK	4 059	577	12 169	9 145	4 278	1 819
Earnings per share, SEK	0,4	0,1	1,1	0,8	0,4	0,2
Operating cash flow, TSEK	-854	12 220	12 190	12 466	26 039	-5 545
Operating cash flow per share, SEK	-0,1	1,1	1,1	1,2	2,4	-0,5
Equity ratio, %	57%	58%	57%	58%	57%	59%
Equity at period end, TSEK	158 225	146 767	158 225	146 767	138 874	116 121
Return on Equity	3,1%	0,5%	9,5%	7,5%	4,0%	2,1%
Return on Asset	2,2%	0,6%	6,6%	5,1%	2,1%	2,6%
Net debt, TSEK	-45 421	-35 592	-45 421	-35 592	-26 380	-33 902

# CEO Statement.

The full year of 2023 marked another milestone in our journey of growth and innovation. With significant revenue growth, strategic expansions, and pioneering DSM products and pipeline, we're setting new standards in healthcare. Our dedication to improving patient care globally is stronger than ever as we move into 2024.

Looking back at 2023, we can conclude that Magle Group's successful growth journey is steadily continuing. In the fourth quarter, total revenues came in at SEK 57.4 million, representing a growth of 25 percent compared to the corresponding period in 2022. For the full year, we recorded sales of SEK 170.4 million, 17 percent up on last year, and a healthy profit increase of SEK 12.2 million despite rising operational and material costs.

## Strategic investments facilitate further growth

We are following a well-defined plan to further automate and modernize our manufacturing operations and are delighted to report that the first updated production lines have been successfully installed. With increased capacity and more cost-efficient production, we are poised to further expand our contract development and manufacturing (CDMO) business.



## Expanding our DSM-based business

Magle Group's proprietary DSM-based products are rapidly becoming an increasingly important part of our business. Royalty revenues from Becton Dickinson for 2023 exceeded our expectations, owing to the increased interest in DSM as a biodegradable and bioresorbable material.

In the fourth quarter, we have been focusing heavily on scaling up the manufacturing capacity to meet increasing demand – not least in light of our partnership with Sirtex Medical on Embo-Sept® S DSM 50 µm, which has the potential to offer significant growth opportunities.

We are steadily moving forward with our pipeline of DSM products, advancing into new territories with a focus on innovation and addressing unmet healthcare needs.

## Summary

To summarize, the fourth quarter concluded yet another successful year for Magle Group. We are looking forward to exploiting the many opportunities that this brings – our commitment to serving an expanding number of CDMO customers and bringing better health to patients around the world remains intact.

Malmö, 16th February 2024

# About Us.

“We win by bringing high quality life-changing healthcare innovations to patients in need”

The Magle Group is committed to becoming a leading provider of innovative healthcare solutions. Our focus is on developing high-quality products that address unmet medical needs and offering development and supply services on a fee-for-service basis to life science companies.

## Patient centricity

Our mission centers on delivering effective therapeutic solutions directly to patients. We prioritize making a positive impact on patients' lives through relentless innovation and uncompromising quality. Our dedication to improving patient outcomes is integral to our success.

## Self generating investment capital

We generate sustainable profits across our business divisions, enabling us to fund growth and invest in high-value opportunities without relying on external capital. This strategy ensures financial stability and supports strategic investments in promising areas.

## Operating units

The Magle Group operates through two primary units: **MCS**, a contract development and manufacturing organization (CDMO), and **Magle PharmaCept**, a sales and marketing firm responsible for distributing the Group's healthcare innovations. The Group has organized its operations into four revenue-generating units. Three of these units—**Contract Manufacturing**, **Contract Development**, and **Contract Laboratories**—are housed under MCS. The fourth unit, **DSM Products and Sales**, is managed by Magle PharmaCept.

## Stakeholder value

The Magle Group is dedicated to sustainable, innovation-driven growth, employing a strategy that balances risk effectively. By prioritizing profitable and ethical expansion grounded in a patient-first philosophy, we ensure more favorable long-term results for all stakeholders, including patients, partners, and investors.





# DSM.

Magle Group leverages its degradable starch microsphere technology (DSM) to create innovative health-care solutions with a strong focus on quality and impact.

## DSM a unique technology

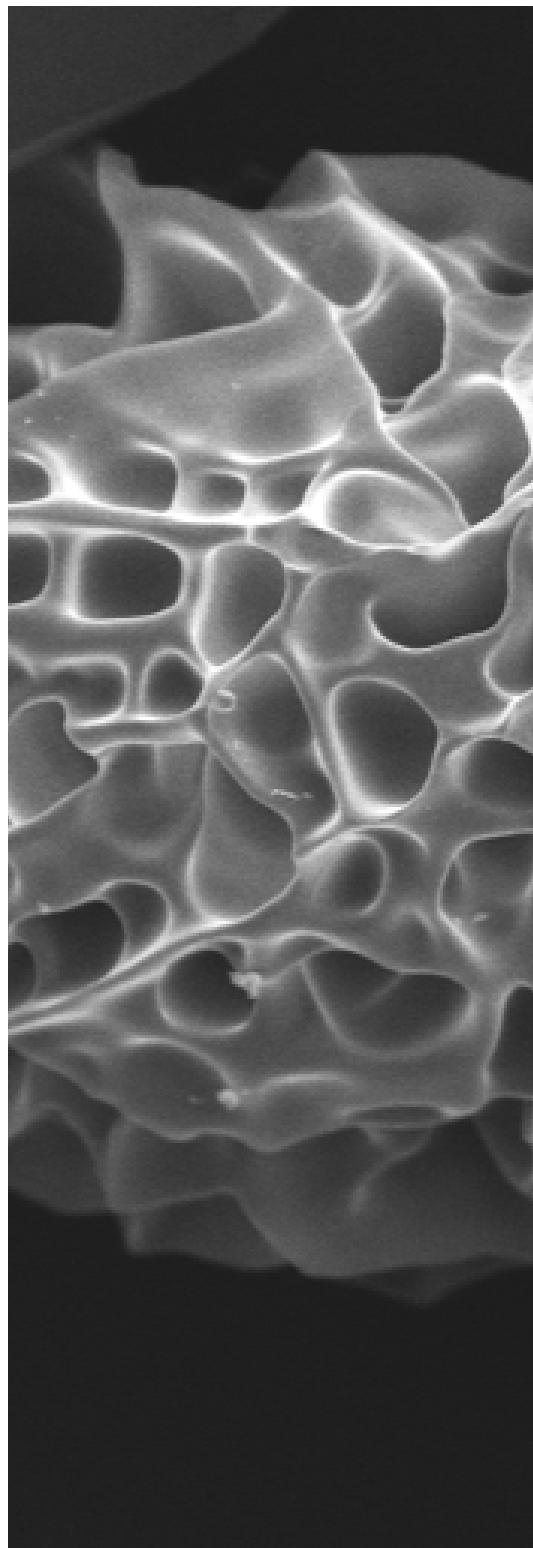
DSM is a unique polymer technology known for its biocompatibility and biodegradability. It offers versatility in administration methods, including intravenous, inhalation, surgical, oral, and topical applications. Backed by an extensive patent portfolio and multiple product registrations across various therapeutic fields, DSM has proven its robustness and value in development. Successful product launches have occurred in areas such as general surgery, oncological drug delivery, and advanced wound care.

## Agile innovation and scientific excellence

We prioritize agile innovation and scientific excellence, operating within interdisciplinary teams that possess the expertise, adaptability, and creativity necessary to address both current and future healthcare challenges. Magle collaborates closely with renowned clinics, key opinion leaders, and research institutions to ensure our products address genuine medical needs.

## Research program

Our research program is centered on further developing DSM and expanding into medical application areas with urgent demands. The Group's DSM medical technology exhibits substantial potential for positive patient outcomes.



# Value Creation.

The Magle Group aligns strategic initiatives with long-term success, focusing on healthcare innovation, operational excellence, and sustainable growth for all stakeholders.

The Magle Group has implemented a focused Value Creation Program, aimed at synchronizing our immediate strategic goals with our long-term aspirations for success. This initiative acts as a guide to promote growth, boost profitability, and achieve excellence in clinical outcomes. Its primary objective is to introduce innovative healthcare solutions that significantly improve lives by meeting unmet medical needs through scientific excellence.

## Value Creation in 2023

In 2023, we have dedicated ourselves to creating sustainable value that benefits all parties associated with the Magle Group. Our goal is to deliver innovative healthcare services to those in need, especially in areas lacking adequate medical treatments, while maintaining the utmost standards of quality and integrity.

This year, our strategy placed a strong emphasis on financial self-sufficiency, an essential element that enables us to capitalize on important opportunities without sacrificing our independence or straying from our core mission.

As part of this strategy, we have focused on strengthening our operational teams through selective hiring and extensive training programs. These efforts are aimed at expanding our market presence and meeting the growing demand for our DSM products.



We have also invested in our leadership development program, which seeks to enhance our management team's knowledge and leadership capabilities. A significant amount of our resources has gone into upgrading our manufacturing processes, including facility improvements, the introduction of state-of-the-art automated production lines, and the widespread adoption of digital technologies in our operations.

Our commitment to our DSM products is demonstrated by our investments in clinical research, the expansion of our workforce to support future growth, and increased funding for innovative research projects. These strategic moves are carefully planned to enhance value for both stakeholders and shareholders over the long term.

The strategic initiatives undertaken by the Magle Group over the past year have established a strong foundation for continuous growth and innovation. By focusing on investing in our people, advancing our production technologies, and dedicating ourselves to research and development, we are addressing the immediate needs of the patient while preparing to meet future challenges.

# Quarterly report.

## CONTENT

Contract Manufacturing	page 7
Contract Development	page 8
Contract Laboratories	page 9
DSM Products and Sales	page 10
DSM R&D Pipeline	page 11
Key Financial Information	page 12
Consolidated Financial Reports	page 13

# Manufacturing.

The Contract Manufacturing business unit manufactures products for internal use and on behalf of life science companies.

Magle Chemoswed's Contract Manufacturing Organization unit has demonstrated significant progress and resilience throughout the fourth quarter of 2023 and the entire year. Operating from our advanced 6,000 sqm facility in Malmö, Sweden, our unit has continuously delivered on our promise of comprehensive manufacturing support, adhering to the highest GMP and ISO standards.

Our facilities, inclusive of a logistics center, ensure seamless production and delivery, underpinning our capabilities in active pharmaceutical ingredient (API) manufacturing, and specialized production suites dedicated to orphan drug substances and small-batch manufacturing for pre-clinical and clinical stage products.

In the final quarter, Magle Chemoswed's CDMO Manufacturing unit witnessed a substantial increase in demand, propelled by the launch of DSM products and steady market interest. Active pharmaceutical ingredient (API) manufacturing remained stable, meeting quarterly and yearly expectations. Furthermore, our contract manufacturing services saw strong demand, emphasizing our operational efficiency and market credibility. This period reflects our capacity to fulfill rising manufacturing needs and solidifies our reputation as a reliable industry partner.



MCS offers non-sterile fill and finish services for tubes, vials, and syringes, involving precise coordination and adherence to established quality standards. These products are commonly used in medical devices, subsequently undergoing sterilization after the fill and finish processes.

In 2023, the launch of DSM products notably increased our manufacturing demand, demonstrating our innovation and market responsiveness. The consistent interest in these products throughout the year validated our strategy to expand our portfolio. Despite the challenges of rising global raw material and supply chain costs, our team effectively minimized disruptions, showcasing our operational resilience and commitment to seamless service delivery.

## Net Sales

Net sale before eliminations for the unit during the final quarter amount to 19.4 MSEK (17.2) and for the full year 64.8 MSEK (53.9). With a gross profit for the period amount to 16.3 MSEK and for the full year 59.9 MSEK.

# Development.

The Contract Development business unit offers product development services to both life science companies and internal projects within the organisation.

Throughout the fourth quarter of 2023, the Contract Development business unit at Magle Chemoswed (MCS) has seen a notable increase in demand, particularly within the internal DSM development arena. Our unit offers comprehensive product development services to life science companies and internal projects, leveraging fully equipped, state-of-the-art laboratories for analytical method development, validation, and transfer. Specializing in production process development, MCS is dedicated to optimizing solutions that meet customer needs, ensure regulatory compliance, reduce costs, and enhance product quality. Our extensive range of equipment and facilities supports these development activities, underpinning our commitment to innovation and excellence.

In the fourth quarter, the Contract Development unit saw a notable rise in demand for DSM project services, necessitating a strategic resource reallocation to balance external client services and DSM pipeline support. To address persistent market interest in DSM products, significant investments were made to bolster their development, aiming to enhance future value and affirm our dedication to DSM project success.

Demand in MCS's contract development unit was stable throughout the year, showcasing our efficiency in meeting client and project needs. Increased investments in DSM product development highlight our foresight and commitment to innovation, ensuring we stay competitive and continuously improve our offerings.

## Net Sales

Net sale before eliminations for the unit during the final quarter amount to 5.4 MSEK (1.7) and for the full year 30.8 MSEK (15.3).







## Laboratories.

The Contract Laboratories business unit offers specialized analytical services to life science companies on a pay-for-service basis.

Located in Lund, Sweden, the MCS Laboratories unit specializes in material characterization, offering an essential service for comprehending the physical properties of pharmaceutical solid materials. Understanding these properties is pivotal for ensuring the optimal physical form of these materials, which in turn affects their characteristics, formulation performance, processability, stability, and appearance. Our team is equipped to conduct a broad spectrum of characterization studies from routine analyses to more complex and challenging assessments.

In 2023, MCS Laboratories experienced a surge in demand for material characterization services operating at full capacity due to the sector's growing needs. This year-long trend highlights our services' vital role in ensuring pharmaceutical materials' quality and efficacy. The continuous high demand and our laboratories' capacity to meet these requirements reflect our expertise and the trust our clients place in us, emphasizing the critical importance of material characterization in pharmaceutical development.

### Net Sales

Net sale before eliminations for the unit during the final quarter amount to 4.9 MSEK (5.0) and for the full year 16.6MSEK (14.3).



# DSM Products.

Magle PharmaCept has four revenue generating approved products based on the DSM technology.



## EmboCept® S

EmboCept® S DSM 50 is certified for use as an embolic agent for chemo-embolization of inoperable liver and lung tumours. EmboCept® S is well established and in 2022 was approved as a standard of care.

## SmartPAN®

SmartPAN® is a first-in-class medical device for detecting pancreatic fluid leakage during open or minimally invasive surgical procedures. Pancreatic fluid, if left undetected, can potentially lead to significant postoperative side effects for patients.

## AXXO® Woundgel

This is a non-allergenic hydrogel based on our unique microsphere technology. The product is a unique wound hydrogel that contains an antimicrobial in DSM formulated as a gel for helping to activate healing.

## DSM Royalties

The Magle Group holds a long-term licence agreement with Becton Dickinson. The license agreement, which includes a right to use the DSM technology covers the use of DSM in the hemostasis product segments in Becton Dickinson's portfolio. The license agreement will generate license revenue on a long-term basis.

## Net Sales

Net sale before eliminations for the unit during the final quarter for DSM-products amount to 2.9 MSEK (2.8) and for the full year 14.0 MSEK (19.0). For the royalty the final quarter amount to 29.3 MSEK (12.9 MSEK) and for the full year 73.1 MSEK (39.0).

## R&D Pipeline.

The DSM research programme focuses on developing DSM and expanding into areas with pressing medical needs.



Magle Group uses its multi-modal degradable starch microsphere technology (DSM), to develop high-quality life-changing healthcare innovations.

### EmboCept® M

Treatment of benign prostatic hyperplasia through prostatic artery embolization. The candidate is in the final scale-up and commercial readiness stages before filing.

### EmboCept® L

Developed for use as an embolic agent for the treatment of benign uterine fibroids. The candidate is in the final validation stage before filing.

### SmartBone

DSM development of a new composition for inducing and facilitating repair and re-generation in dental bone tissue engineering incorporating an mRNA molecule that can be used to accelerate normal physiological repair.

### SmartCell

It is a European-funded project through Horizon 2020 (Eureka) in collaboration with two partners. The program focuses on coating DSM with media in a bioreactor to induce cell growth and harvesting with ease and provide higher yields and quality.

Development pipeline	Description	Discovery	Pre-clinical	Late Stage	Regulatory
EmboCept® M	prostate embolisation			○	
EmboCept® L	uterine embolisation			○	
SmartBone	surgical bone healing	○			
SmartCell	cell growth scaffold	○			

# Key Financials.

## Net sales

Net sales for the quarter amounted to 57.4 MSEK (45.9). For the full year net sales amounted to 170.4 MSEK (145.7).

## Operating income

Other revenue for the quarter amounted to 0.2 MSEK (0.3). For the full year operating income amounted to 11.7 MSEK (8.4).

## Operating expenses

Operating expenses for the quarter amounted to -18.0 MSEK (-16.0) and for the full year 2023 -52.2 MSEK (-48.5).

## DSM research and development costs

Research and development expenses for the quarter amounted to 2.3 MSEK (1.1) whereof 0.2 MSEK has been capitalized accordingly to IFRS regulations. Full year RnD cost amounts to 8.1 MSEK ( 7.1)

## Operating profit / loss

The operating profit for the quarter amounted to 5.9 MSEK (3.2). For the full year operating profit amounted to 18.0 MSEK (12.8).

## Cash flow, investments, & financial position

The net cash flow from the operating activities for the quarter amounted to -0,9 MSEK (12.2), from investing activities -8.2 MSEK (-4.0) and cash flow from financing activities amounted to 12.1 MSEK (-1.7)

## Raw materials and consumables

Raw materials and consumables for the period amounted to -7.6 MSEK (-5.7), including the change inventory of finished goods. For the full year raw material and consumable amounted to -17.6 MSEK (-13.6)

## Gross margin

Gross margin for the quarter amounted to 87% (88%), year on year

## Earnings per share, SEK

Earnings per share for the quarter amounted to 0,4 (0,1) .



Financial reports.

## Income statement.

TSEK	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
<b>Revenues</b>				
Net sales	57 374	45 917	170 440	145 677
Work performed by the company for its own use and capitalized	242	131	1 056	2 305
Other revenues	1 897	2 796	11 692	8 394
<b>Total</b>	<b>59 513</b>	<b>48 844</b>	<b>183 188</b>	<b>156 376</b>
Change in inventory of finish goods	6 953	9 201	19 141	25 990
Raw materials and consumables	-14 528	-14 888	-36 716	-39 857
Other external expenses	-17 950	-15 968	-52 229	-48 548
Personnel costs	-23 262	-18 675	-78 625	-64 881
Depreciation and amortization	-3 394	-2 952	-13 104	-12 979
Other operating expenses	-1 435	-2 364	-3 646	-3 589
<b>Total operating expenses</b>	<b>-53 616</b>	<b>-45 647</b>	<b>-165 179</b>	<b>-143 594</b>
<b>Operating profit/loss</b>	<b>5 897</b>	<b>3 197</b>	<b>18 009</b>	<b>12 782</b>
<b>Profit/loss from financial items</b>				
Financial income	288	-	291	11
Financial expenses	-1 240	-2 416	-3 215	-1 769
<b>Profit before tax</b>	<b>4 945</b>	<b>782</b>	<b>15 085</b>	<b>11 024</b>
<b>Taxes for the period</b>	<b>-886</b>	<b>-204</b>	<b>-2 917</b>	<b>-1 879</b>
<b>Net profit/loss for the period</b>	<b>4 059</b>	<b>577</b>	<b>12 169</b>	<b>9 145</b>

## Condensed statement of comprehensive income.

TSEK	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Profit/loss for the period	4 059	577	12 169	9 145
Other comprehensive income/loss	452	-375	-65	-1 470
Adjustment		-877		
Total comprehensive income for the period	4 511	-893	12 103	7 675

## Earnings per share.

	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Equity holders of the parent				
Earnings per share before dilution, share issue	0,38	0,05	1,13	0,85
Earnings per share after dilution, share issue	0,38	0,05	1,13	0,85
Profit/loss for the period	4 059	577	12 169	9 145
Average number of shares before dilution, share issue	10 800	10 800	10 800	10 800
Average number of shares after dilution, share issue	10 800	10 800	10 800	10 800



## Condensed consolidated balance sheet.

TSEK	Dec 2023	Dec 2022
<b>ASSETS</b>		
Intangible assets	83 480	82 506
Tangible assets	107 036	101 281
Deferred tax asset	2 605	1 722
Other non-current assets	661	676
<b>Total non-current assets</b>	<b>197 241</b>	<b>186 186</b>
Inventories	35 229	31 448
Trade receivables	18 702	14 457
Other operating receivables	23 953	10 893
Cash and cash equivalents	7 079	9 877
<b>Total current assets</b>	<b>84 963</b>	<b>66 675</b>
<b>TOTAL ASSETS</b>	<b>278 745</b>	<b>252 860</b>
<b>EQUITY AND LIABILITIES</b>		
Equity attributable to equity holders of the parent	<b>158 225</b>	<b>146 767</b>
Liabilities to credit institutions	32 582	31 582
Liabilities to associated companies	-	3 000
Leasing debt	4 658	2 899
Deferred tax liability	8 555	8 578
Other longterm liabilities	606	7 852
<b>Total non-current liabilities</b>	<b>46 401</b>	<b>53 911</b>
Liabilities to credit institutions	19 918	13 887
Leasing debt	3 144	1 974
Trade payables	12 654	9 563
Liabilities to associated companies	3 000	-
Other operating liabilities	35 403	26 757
<b>Total current liabilities</b>	<b>77 578</b>	<b>52 181</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>278 745</b>	<b>252 860</b>

## Condensed statement of changes in equity.

	Share capital	Other paid in capital	Translation reserves	Retained earnings incl. P/L for year	Total equity
<b>TSEK</b>					
<b>As at 1 January 2022</b>	<b>540</b>	<b>118 037</b>	<b>-675</b>	<b>20 972</b>	<b>138 874</b>
Profit/loss as at 31 December 2022				9 145	9 145
Adjustment on correction of error				84	84
<b>As at 1 January 2022 (restated)</b>	<b>540</b>	<b>118 037</b>	<b>-675</b>	<b>20 972</b>	<b>138 874</b>
Other comprehensive income as at 31 December 2022			-375		-375
Adjustments				-887	-887
<b>Equity as at 31 December 2022</b>	<b>540</b>	<b>118 037</b>	<b>-1 050</b>	<b>29 240</b>	<b>146 767</b>
<b>As at 1 January 2023</b>	<b>540</b>	<b>118 037</b>	<b>-1 050</b>	<b>29 240</b>	<b>146 767</b>
Profit/loss as at 31 December 2023				12 169	12 169
Other comprehensive income as at 31 December 2023: Translation difference			-68	-	-68
Warrant program				-643	-643
<b>Equity as at 31 December 2023</b>	<b>540</b>	<b>118 037</b>	<b>-1 118</b>	<b>40 766</b>	<b>158 225</b>

## Condensed consolidated statement of cashflows.

	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Profit/loss before tax	4 945	782	15 085	11 024
Adjustments for depreciation, amortization and other non-cash items:	4 916	-2 542	10 908	1 626
Income tax paid	-2 304	-562	-2 304	-562
Changes in working capital	-8 411	4 543	-11 499	-9 616
<b>Net cash flow from operating activities</b>	<b>-854</b>	<b>12 220</b>	<b>12 190</b>	<b>12 466</b>
Payment of Acquisition of subsidiary company (not 8)	-1 267	-1 161	-5 284	-4 620
Investments in assets	-6 935	-2 840	-15 125	-16 871
<b>Net cash flows from investing activities</b>	<b>-8 202</b>	<b>-4 001</b>	<b>-20 409</b>	<b>-21 491</b>
Debt incurred	32 633	5 269	30 784	8 049
Amortization of bank loan	-30 338	-856	-31 396	-1 981
Loan associated companies	-	3 000	-	3 000
Amortization of leasing	3 216	-856	-3 695	-3 300
Change in bank overdraft	7 234	-8 278	10 618	9 037
Repayment of warrant program	-643	-	643	-
<b>Net cash flow from financing activities</b>	<b>12 103</b>	<b>-1 721</b>	<b>5 668</b>	<b>14 805</b>
<b>Net cash flow</b>	<b>3 047</b>	<b>6 497</b>	<b>-2 551</b>	<b>5 780</b>
Cash and cash equivalents at beginning of period	4 281	3 266	9 878	3 985
Currency effects	-248	113	-248	133
<b>Cash and cash equivalents at end of period</b>	<b>7 079</b>	<b>9 877</b>	<b>7 079</b>	<b>9 877</b>

## Condensed income statement of parent company.

TSEK	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
<b>Net sales</b>				
Intercompany revenue	4 712	4 500	14 780	9 908
Other revenues	-20	-	134	26
<b>Total</b>	<b>4 692</b>	<b>4 500</b>	<b>14 914</b>	<b>9 934</b>
Other external expenses	-1 248	-980	-3 045	-2 357
Personnel costs	-3 333	-2 815	-12 661	-9 696
Other operating expenses	-1 064	-	-1 378	-
<b>Total Costs</b>	<b>-5 645</b>	<b>-3 796</b>	<b>-17 084</b>	<b>-12 053</b>
<b>Operating profit/loss</b>	<b>-953</b>	<b>704</b>	<b>-2 170</b>	<b>-2 119</b>
Net financial items	-538	-676	-89	-213
<b>Profit loss after financial items</b>	<b>-1 491</b>	<b>28</b>	<b>-2 259</b>	<b>-2 332</b>
Appropriations	2 305	2 377	2 305	2 377
Taxes for the period	-200	-507	-42	-21
<b>Net profit/loss for the period</b>	<b>614</b>	<b>1 898</b>	<b>4</b>	<b>24</b>

## Condensed balance sheet of parent company.

TSEK	Dec 2023	Dec 2022
<b>ASSETS</b>		
Current assets	335	325
Non-current assets	88 864	88 462
Other receivables	33 548	23 647
Prepaid expenses	4 867	2 398
Cash and cash equivalents	118	760
<b>TOTAL ASSETS</b>	<b>127 732</b>	<b>115 592</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Restricted equity	540	540
Unrestricted equity	90 674	91 317
<b>Total equity</b>	<b>91 214</b>	<b>91 857</b>
<b>Non-current liabilities</b>	-	7 231
<b>Current liabilities</b>	36 518	16 505
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>127 732</b>	<b>115 592</b>

# Financial notes.



# Financial notes.

## Note 1: General information, accounting principles

This interim report was prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The parent company's reporting has been prepared in accordance with RFR 2, Reporting for Legal Entities, and the Swedish Annual Accounts Act. Accounting principles have been applied as reported for the Annual Report per 31 December 2019. New or amended standards or interpretations of standards effective as of 31 December 2023 have not had any significant impact on Magle Chemoswed's financial statements.

## Note 2: Significant risks and uncertainties

The Group is exposed to various financial risks. The business is impacted by many factors that could affect the Group's result and financial position. It is Magle Chemoswed's strategy to continuously identify and manage risks. Financial risk management is described in the Annual report 2022.

## Note 3: Transactions with related parties

The financial reports include costs related to transactions between Magle Chemoswed and related parties.

Related party	Service	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
TSEK					
Hans Henrik Lidgard ( Chairman of the Board)	Office rent	60	-	150	-
Magle AB	Acquisition of dormant subsidiaries	119	-	119	-

## Note 4: Financial assets and liabilities

Fair values of current financial assets and liabilities are assessed agree with values accounted for.

## Note 5: Revenues

Operating units are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is the function responsible for allocating resources and assessing the performance of the operating units. In the Magle Chemoswed Group, the CEO has been identified as the chief operating decision maker who evaluates the Group's financial position and performance and makes strategic decisions. The CEO analyzes and monitors the business performance based on the Group as a whole.

# Financial notes.

	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
By nature of income				
TSEK				
Contract manufacturing	15 830	17 170	54 653	49 884
Contract development	2 003	1 674	15 320	23 092
Contract laboratories	4 428	4 954	14 961	14 714
DSM license and sales	32 241	15 710	87 069	57 987
Eliminations	-2 871	-600	-1 563	-2 847
<b>Total</b>	<b>57 374</b>	<b>39 507</b>	<b>170 440</b>	<b>145 677</b>

	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
By company				
TSEK				
Magle Chemoswed AB	56 221	41 910	159 446	131 621
Magle Chemoswed Holding AB	4 712	4 500	14 780	9 908
Adroit Science AB	468	1 258	1 670	3 367
Magle PharmaCept GmbH	1 804	4 592	14 841	16 888
Eliminations	-5 831	-6 343	-20 297	-16 107
<b>Total</b>	<b>57 374</b>	<b>45 917</b>	<b>170 440</b>	<b>145 677</b>

	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
By country				
TSEK				
Sweden	24 436	3 873	49 067	28 753
Europe excluding Sweden	14 777	7 023	58 038	62 777
Other territories	23 992	35 621	83 632	70 254
Intercompany sales	-5 831	-600	-20 297	-16 107
<b>Total</b>	<b>57 374</b>	<b>45 917</b>	<b>170 440</b>	<b>145 677</b>

# Financial notes.

## Note 6: number of shares

Ordinary Shares	Number of shares	Potential shares
31 December 2019	500	-
30 June 2020	10 000 000	225 000
4 January 2021	10 800 000	225 000
31 December 2023	10 800 000	-

## Note 7: Warrants

At period end, the management elected to not to exercise the warrant program. The warrant program was executed in June 2020 and should have exercised in October 2023. The effect on equity amounts to - 643 TSEK.

Warrant program	Number of options	Equals number of shares
Balance June 30, 2020	225 000	225 000
Balance December 31, 2020	225 000	225 000
Balance December 31, 2023	-	-

## Note 8: Acquisition

As of December 31, 2023, Magle Chemoswed Holding AB (publ.) acquired 100% of the share capital of two dormant companies Sheildheart Medtech AB and Nicachet AB from Magle AB (556163-0657). The two companies are within the extended group of Maria Magle Holding AB (556696-5884). The purchase consideration consist of a cash payment of 119 TSEK, which is the equity minus debt.

The payment of 1.267 TSEK reflected in the cash flow statement, relate to the down payment of the acquisition of Magle PharmaCept GmbH in 2021.

# Financial notes.

Fair value of net assets	Shieldheart Med-tech AB	Nicachet AB	Total fair value of net assets
<b>TSEK</b>			
<b>ASSETS</b>			
Inventories	-	-	-
Trade receivables - Magle AB	97	814	911
Other operating receivables	11	110	121
Cash and cash equivalents	-	-	-
<b>Total current assets</b>	<b>107</b>	<b>925</b>	<b>1 032</b>
<b>TOTAL ASSETS</b>	<b>107</b>	<b>925</b>	<b>1 032</b>
Short term liabilities to credit institutions	-	-	-
Trade payables	-	-	-
Other operating liabilities	-	-	-
<b>Total current liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL ACQUIRED NET ASSETS</b>	<b>107</b>	<b>925</b>	<b>1 032</b>

Purchase Price Allocation consideration	Shieldheart Med-tech AB	Nicachet AB	Total purchase price allocation consideration
<b>TSEK</b>			
<b>Allocation of purchase</b>			
Purchase consideration cash	107	923	1030
Consideration debt	-	-	-
<b>Total consideration</b>	<b>107</b>	<b>923</b>	<b>1 030</b>
Fair value of acquired net assets	107	925	1 032
<b>Goodwill</b>	<b>-</b>	<b>-2</b>	<b>-2</b>
<b>Investing activities</b>			
Purchase consideration	107	923	1 030
Debt collection from seller	97	814	911
Cash and cash equivalents in acquired subsidiaries	-	-	-
<b>Effects of acquisition on cash and cash equivalents</b>	<b>10</b>	<b>109</b>	<b>119</b>
<b>Contribution for acquired companies to consolidate sales and profit/loss</b>			
Net sales	-	-	-
Profit for the period	-	2	2

# Board of directors.



Hans Henrik Lidgard  
Founder and Chairman

Born 1946. Chairman since 2016,  
board member since 2013.



Mats Pettersson  
Board Member

Born 1945. Board member  
since 2016.



Sven-Christer Nilsson  
Board Member

Born 1944. Board member  
since 2016.



Martin Lidgard  
Board Member

Born 1977. Board member  
since 2021.



Malin Malmsjö  
Board Member

Born 1973. Board member  
since 2016.



Joel Eklund  
Board Member

Born 1980. Board member  
since 2020.



Claudia Lindwall  
Staff Representative

Born 1963. Employee representative  
since 2021.



Ingela Fritzson  
Staff Representative

Born 1964. Employee representative  
since 2019.

# Statement.

The Board of Directors certify that the interim report, to the best of their knowledge, provides a fair overview of the parent company's and the group's operations, financial position and results and describes the material risks and uncertainties faced by the parent company and the companies included in the group.

## FORTHCOMING DISCLOSURES OF INFORMATION

FINANCIAL CALENDAR	DATE
ANNUAL REPORT 2023	END OF MARCH, 2024
INTERIM REPORT Q1 2024	18TH OF APRIL, 2024
ANNUAL GENERAL MEETING 2024	25TH OF APRIL, 2024
INTERIM REPORT Q2 2024	18TH OF JULY, 2024
INTERIM REPORT Q3 2024	24TH OF OCTOBER, 2024
FULL YEAR AND INTERIM REPORT Q4 2024	26TH OF FEBRUARY, 2025
ANNUAL REPORT 2024	26TH OF MARCH, 2025

## CONTACT INFORMATION

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