

SIMRIS GROUP SIGNS LETTER OF INTENT TO SECURE INDUSTRIAL SCALE PRODUCTION CAPACITY THROUGH COMMERCIAL PARTNERSHIP

Simris has signed a Letter of Intent (LOI) to secure the production of microalgae biomass via a manufacturing collaboration agreement with Protinext BV. Simris intends to work exclusively with Protinext as its European microalgae biomass production partner. Protinext, who will begin operating one of the largest biomass growth facilities in Europe during the second half of 2024, will give Simris prioritised access to its production facility.

Stockholm Sweden, 4th August 2023.

Simris Group AB (publ), a European biologics company focused on extracting high value biological active compounds from microalgae and cyanobacteria, today announced that it has executed a non-binding Letter of Intent (LOI) with Protinext BV (Protinext), a microalgae biomass production and processing company. The companies will now enter into exclusive negotiations with respect to a proposed commercial partnership between Simris and Protinext for the industrial-scale production of biological compounds sourced from microalgae and cyanobacteria at Protinext's €60m facility, currently under construction in The Netherlands and expected to commence operations in H2 2024.

With this LOI, Simris and Protinext confirm their mutual intention to develop the partnership opportunity, allowing Simris to leverage its core strengths of identifying, extracting, and commercialising proprietary biological compounds, and Protinext leveraging its strengths in the manufacturing and processing of biological compounds sourced from microalgae and cyanobacteria.

Both parties will now begin work on drafting a framework manufacturing agreement in anticipation of the initial commissioning of the first operational phase of the multiple thousands of tons nameplate production capacity.

Julian Read, CEO at Simris Group AB, commented: *"We are delighted that Protinext shares our vision to be a global player operating at industrial scale, and values our proprietary knowledge developed over the years. A strategic partnership with Protinext gives Simris prioritised access to what will be one of the largest microalgae growth facilities in Europe, and this increased scale is what improves cost competitiveness. The team behind Protinext have many years of experience in this space and are very well funded. Their decision to build a best-in-class facility with massive capacity in the Netherlands, and to partner with Simris for the production of high-margin compounds, removes any scale constraints to limit Simris' growth objectives."*

Peter van den Dorpel, CEO at Protinext BV, commented: *"This proposed collaboration with Simris enables Protinext to focus on growing highly specialised biomass, and Simris to focus on driving their*

extracts to commercialisation. Our industrial operating scale will reduce costs substantially, making everything they do more competitive. Most importantly, industrial scale gives Simris access to the big multinationals and secures the supply chain. This proposed partnership with Simris is also sure to drive innovation through a sharing of know-how."

About Simris Group AB (PUBL):

Simris Group is a biologics company identifying high value, natural, biologically active compounds found in microalgae and cyanobacteria to extract for applications in skincare, nutrition, and biopharmaceuticals. The company sustainably grows microalgae and cyanobacteria at industrial scale within its photobioreactor facility whereby conditions are optimized for production of these high-value compounds.

Simris Group's shares are traded on the Nasdaq First North Growth Market with the short name SIMRIS and ISIN code SE0008091664.

Certified Adviser is Amudova AB, telephone: 08-546 017 58, email: info@amudova.se.

Contact Details:

Julian Read
CEO Simris Group AB
Email: ir@simris.com
Mobile: +46767888212
www.simrisgroup.com

About Protinext BV

Protinext is a leading producer of microalgae and other microorganisms, and their respective valuable compounds, through precision fermentation and mixotrophic technologies. With over 15 years of international experience in algae technologies, Protinext develops innovative solutions for applications in bio-pharmaceuticals, health and beauty, human food and animal feed.

Protinext BV Contact Details:

Peter van den Dorpel
CEO Protinext BV
Email: ir@protinext.com
Mobile: +31653224356
www.protinext.com

Attachments

[SIMRIS GROUP SIGNS LETTER OF INTENT TO SECURE INDUSTRIAL SCALE PRODUCTION CAPACITY THROUGH COMMERCIAL PARTNERSHIP](#)