

Simris Group presents a forward-looking statement and a financial forecast for its subsidiary Simris Biologics

Simris Group forecasts that Simris Biologics will generate annual sales revenue of €3.275m, with an EBITDA of €248k in FY2024 by licensing its ADC-platform and leveraging the potential within its library of cyanobacteria and novel, natural compounds.

All values in €k	2024	2025	2026	2027
TOTAL Sales Revenue	3 275	8 688	11 623	15 034
EBITDA	248	4 061	6 044	8 371

This forecast, extending out to FY2027, is based upon the following:

- Successful completion of the upcoming Rights Issue and Directed Placement
- One license agreement signed in 2024, and one in each of the following years.
- Fees being paid to Simris Biologics to reserve the use of a toxin towards a specific cancer cell target throughout the pre-clinical development phase.
- Research collaboration fees, covering two quarters in 2024, for Simris Biologics to support the drug developer by optimising Simris' payload for use in the developing ADC. These collaboration fees would increase annually, in-line with Simris Biologics supporting multiple development projects.
- Increasing amounts of Simris payload to be provided to drug developers to support their development activities, pre-clinical trials and clinical trials.
- Exclusivity fees paid to Simris to secure the right of a drug developer to exclusively use a Simris toxin towards a specific cancer cell target.
- One drug development being granted Investigational New Drug (IND) status and being cleared for use in human clinical trials and thereby triggering a milestone payment.

Simris Group AB acquired Cyano Biotech GmbH in August 2022 (renamed Simris Biologics GmbH in February 2023). Since then, significant progress has been in developing the patented scientific platform and driving it to commercialisation. The scientific progress will result in additional new patent applications and has already produced novel molecules that demonstrate greater potency towards targeted cancer cells with an even safer profile towards healthy cells.

Existing discussions with commercial partners for the potential development of new ADCs, as well as development of proprietary Payload-Linkers that could be offered to drug developers, continue to show promise, and hence the expectation that the first licensing agreement would be secured in the next 12-18 months.

In formal consultation with Alacrita Consulting, reputable advisors to the Pharma and Biotech industry, Simris has established that the indicative total value of such an agreement (based upon similar agreements announced to the market since 2018) would be ca. \$150m to Simris; upfront fees were, on average, 5% of the total agreement value.

Based upon the potential within Simris' ADC platform, its library of toxins and the status of commercial discussions, Simris would be disappointed if it were not able to sign its first license agreement, for a similar value, before the end of 2024.

Simris Group further forecasts that its subsidiary Simris Biologics will be profitable in FY 2024, even after investing in additional people and new bioreactors dedicated to the production of ADC-payloads. It is further forecast that Simris Biologics will continue to deliver a strong and growing return on investment in the following years.

Julian Read, Simris Group CEO, said *"This is the first forward looking statement to be made in the history of Simris, and marks a turning point in the way we interact with our Shareholders. Management make these forecasts based upon externally verified information and communicates them with transparency whilst still maintaining commercial sensitivity. We hold ourselves accountable to deliver."*

Steven Schapera, Simris Group Chairman, added *"Julian was brought in to lead the transformation of this company. It's not yet one full year since we acquired Cyano Biotech and what has been achieved is remarkable. If we can properly capitalise the business through the successful completion of the upcoming Rights Issue and Directed Placement, then I have no doubt that Julian and his team will deliver in line with this forecast."*

Contact Details:

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

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 2023-07-31 16:55 CEST.

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.

Forward-looking statements

This press release contains forward-looking statements that reflect the Company's intentions, beliefs or current expectations and goals for the Company's future operations, financial situation, liquidity, earnings, prospects, expected growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that are not historical facts and can be identified with words such as "believe", "expect", "anticipate", "refer", "can", "plan", "appreciate", "will", "should", "could", "aim" or "maybe" or, in each case, their negative, or similar, expressions. The forward-looking statements in this press release are based on various assumptions, many of which in turn are based on additional assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it cannot give any guarantees that they will occur or prove to be correct. As these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual result or results may differ significantly from those set forth in the forward-looking statements which are the result of many factors. Such risks, uncertainties, unforeseen events, and other significant factors may cause actual events to differ materially from the expectations expressed or implied in this press release by such forward-looking statements. The Company does not guarantee that the assumptions behind the forward-looking statements in this press release are free from errors and each reader should not place any excessive dependence on the forward-looking statements in this press release. The information, opinions and forward-looking statements in this press release relate only to the situation at its date and are subject to change without notice. The Company does not undertake any obligation to review, update, confirm or publish any revisions of forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release, unless it is required by law or by Nasdaq First North Growth Market's regulations for issuers.

Attachments

[Simris Group presents a forward-looking statement and a financial forecast for its subsidiary Simris Biologics](#)