



# Year End Report

## January-December 2023

## Interim Report Scandinavian Enviro Systems AB (publ) January – December 2023

*N.B. The English text is an in-house translation of the original Swedish text. Should there be any disparities between the Swedish and the English text, the Swedish text shall prevail.*

### Q4 2023

- Net revenues for the period were MSEK 3.2 (2.0)
- Earnings after tax for the period were MSEK -23.6 (-25.0)
- Earnings per share for the period (before dilution) was SEK -0.03 (-0.04)
- Cash flow for the period after investments was MSEK -28.4 (-26.2)
- Enviro has developed new type of recovered carbon black with improved properties
- Enviro wins prestigious award at the Recircle Awards – third year in a row

### Period of January-December 2023

- Net revenues for the period were MSEK 13.9 (8.0)
- Earnings after tax for the period were MSEK -92.3 (-83.6)
- Earnings per share for the period (before dilution) was SEK -0.12 (-0.13)
- Cash flow for the period after investments was MSEK -113,4 (-98.5)
- Enviro receives follow-up order for oil from a leading US oil company
- Enviro and Antin Infrastructure Partners to create the world's first large-scale tire recycling group, supported by Michelin
- Enviro has successfully completed directed share issue of 150 million shares and raises proceeds of SEK 300 million
- Enviro's Chairman and CEO represent the company on the board of new joint venture
- Recovered carbon black from Enviro in the tires as Michelin celebrates 100 years at Le Mans
- Enviro's recovered oil and carbon black receives renewed ISCC sustainability certification
- Enviro and Siemens signs MOU regarding cooperation around the European expansion plan

### Significant events after end of period

- Enviro and Antin announces final investment decision for plant in Uddevalla
- Enviro receives MSEK 53 as a first payment for costs incurred, of which half in cash and half as ownership share in joint venture
- Fredrik Emilson new CEO of Enviro
- The construction of the Enviro's plant in Uddevalla has received starting notice

**Scandinavian Enviro Systems contributes to enhanced environmental and economic sustainability** using a patented technology for the recovery of valuable raw materials from scrapped and end-of-life products, including tires. The production of new tires using carbon black recovered with Enviro's technology reduces carbon dioxide emissions by up to 93 per cent compared with the use of virgin carbon black. Enviro has its head office in Gothenburg and a plant for the recycling of end-of-life tires in Åsensbruk. The largest owner is the French tire manufacturer Michelin. Enviro was founded in 2001 and is listed on Nasdaq First North Growth Market with FNCA Sweden AB, +46 8-528 00 399, [info@fnca.se](mailto:info@fnca.se), as its Certified Advisor. [envirosystems.se](http://envirosystems.se)

## Intensive and exhaustive work laid the basis for the final investment decision

While the final investment decision for the plant in Uddevalla may not have been made in the fourth quarter of 2023 but the first quarter of 2024, it was all the effort in 2023 – and the fourth quarter in particular – that laid the basis for it. For that reason, I would like to devote a large part of the CEO comments to this decision, one that is key for Enviro. Specifically, it means not only that the construction of the plant in Uddevalla can now begin, but also that binding delivery contracts at an aggregate value of SEK 2 billion have entered force.

The contracts that our joint venture with Antin Infrastructure signed show tremendous interest in the products that will be produced in the forthcoming plant. Major players in the tire and oil industry are literally lining up to purchase the carbon black and oil that will be recovered. The fact that competitors in both the US and Europe have experienced difficulties in getting their operations up and running has made already significant interest in our products even greater, since it reduces access to recovered products from end-of-life tires. Among the customers who have now signed binding long-term delivery contracts from the forthcoming plant are a number of renowned players such as Nokian Tyres, Preem and H&R Group. And, of course, Michelin – our largest owner and, moreover, a partner in establishing both the joint venture with Antin and in constructing the plant in Uddevalla. The delivery contracts that have now been signed vary in length but run between 5 and 10 years and pertain solely to the plant in Uddevalla.

This investment decision also means that we can begin to be remunerated by the joint venture, for costs incurred that are linked to the plant in Uddevalla. After the end of the quarter, we could announce that we had received an initial payment of MSEK 53, half of which was received in cash and half in the form of shares in the joint venture. As previously communicated, Enviro has, over time an option to increase its ownership share in the joint venture that over time will ultimately correspond to up to 30 percent. Enviro intends to fully exercise this option. This compensates our finances, and after the share issue last spring and the final investment agreement, we have secured financing for the company's operations for 24 to 30 months counting from May of last year.

### Helping our customers transition

As we previously announced, the goal of the joint venture is to establish plants in Europe by 2030 with an annual total recycling capacity of one million metric tons of end-of-life tires. This figure is potentially interesting in and of itself, but to truly understand the value of what we are about to do, the recovered raw materials should be regarded from the perspective of our customers. In doing so, it will be clear that they are in the middle of a transition, with large sums being invested to make their products more environmentally sustainable and that, thanks to our technology, we are holding one of the keys that can help them achieve their goals. Our contribution also stands out clearly in our customers' own communication. The Swedish fuel manufacturer Preem is an interesting example. The company stated that the pyrolysis oil that the joint venture will deliver will be able to produce enough renewable fuel for 6,500 cars to drive 15,000 kilometers per year. Or, to put it differently: 200,000 car

trips between Stockholm and Gothenburg every year. Moreover, CO<sub>2</sub> emissions would decrease by 20,000 metric tons. Also, production of new tires using our recovered carbon black, instead of virgin carbon black, significantly reduces CO<sub>2</sub> emissions by a full 90 percent – something our ISCC certification has demonstrated, and something our customer Nokian Tyres has also pointed out in its communication. Like our largest owner Michelin, Nokian has set highly ambitious sustainability targets for its future tire production, and both state that recovered carbon black will play a key role in their possibilities of achieving them.

### **Standardization and modularization are key**

The future plants belonging to the joint venture have an estimated standard capacity of approximately 34,500 metric tons of end-of-life tires. Our ambition is to standardize the layout and construction of these production facilities (both the plants and the technology itself) to thereby facilitate construction and operation of new plants as well as maintenance and further development. This meant that in 2023 we put a great deal of effort into our procedures and plant layout, as well as the technology, in order to not only produce the right quality efficiently but also to do so in a plant that is as cost-efficient and suitable as possible. Standardize and modularize are terms of prestige in our efforts to ensure a successful global roll-out of our technology.

### **Enviro 2.0**

As noted, putting the final investment decision in place took a great deal of preparation, and I myself only came in at the very end of the process in conjunction with becoming the new CEO of Enviro on February 1. During the intense period that has elapsed since then I have gotten to know my new – and incredibly capable, competent and driven – colleagues who, under the management of previous CEO Thomas Sörensson and through a Board of Directors headed by Alf Blomqvist, fought tirelessly to create the fantastic starting point that Enviro now has. With the decision in place, we are now able to break ground for the first full-scale recycling plant in the Swedish town of Uddevalla. It has been more than 20 years since the entrepreneur Bengt Sture Ershag came up with the innovative idea on the capacity of pyrolysis to recycle end-of-life substances into new ones. And now we are taking the next major step.

So, in conclusion, I can say: welcome to Scandinavian Enviro Systems 2.0, one giant step closer to the vision of a market-leading environmental technology company with a yearly recycling capacity in Europe of 1 million metric tons of end-of-life tires.

*// Fredrik Emilson*

*Chief Executive Officer*

## Financial summary

### Q4 2023

#### Group revenue and results

Net revenues for the period were MSEK 3.2 (2.0). Operating results totalled MSEK -25.1 (-25.0), and earnings after tax were MSEK -23.6 (25.0).

The increase of the result compared to the same period last year with MSEK 1.4 is mainly due to an improved interest net of MSEK 1.5 and an improved gross profit of MSEK 1.1. The interest net has improved thanks to interest income deriving from the capital received in connection with the rights issue during Q2. Further the other external costs have been MSEK 1.0 lower than during the same period last year mainly due to lower consultancy costs, maintenance costs, electrical costs and a reclassification of MSEK 0.6 from personnel costs to other external costs. On the other hand, the other personnel costs have been MSEK 1.2 higher than during the same period last year due to strengthening of the staff in both the parent company and the subsidiary. Further the depreciation has been MSEK 1.0 higher than during the same period in 2022.

#### Investments and financial standing

Investments of the group in fixed assets amounted to MSEK 14.4 (8.5). The investments consist of additional investments in the plant in Åsensbruk, as well as parts of a so-called Detailed Design (DD), which applies to engineering hours for our technical platform, which will be used firstly in the Uddevalla plant. The cash flow from operating activities after investing activities for the period were MSEK -28.4 (-26.2).

The decrease in the cashflow is mainly due to higher investments with MSEK 5.9

compared to the same period last year. On the other hand, there has been a positive development in the change of working capital of MSEK 1.2 in combination with that the cash flow from operating activities before changes in working capital have been positive with MSEK 2.5 during the period compared to last year.

### JANUARY – DECEMBER 2023

#### Group revenues and results

Net revenues for the period were MSEK 13.9 (8.0). Operating results totalled MSEK -93.6 (-83.8), and earnings after tax were MSEK -92.3 (-83.6).

The decrease of the result compared to last year with MSEK 8.7 is explained of higher external costs of MSEK 7.0 compared with the same period in 2022, mainly in connection with lawyer and consultancy support as well as costs in connection with the new short-term loan, earlier in the year. The personnel costs were totally MSEK 7.8 higher than during the same period last year due to strengthening of the staff in both the parent company and the subsidiary. In addition to that depreciation has been MSEK 1.4 higher and the finance net has been MSEK 1.0 positive compared to the same period last year due to higher interest revenues. The gross profit has been MSEK 6.2 higher mainly thanks to an oil delivery during Q1 2023.

#### Liquidity planning

This investment decision also means that we can begin to be remunerated for the joint venture, for costs incurred that are linked to the plant in Uddevalla. After the end of the quarter, we could announce that we had received an initial payment of MSEK 53, half of which was received in

cash and half in the form of shares in the joint venture. This strengthens our finances, and after the share issue last spring and the final investment agreement, we have secured financing for the company's operations for 24 to 30 months counting from May of last year.

#### **Investments and financial standing**

Investments of the group in fixed assets amounted to MSEK 39.0 (32.8). The investments consist of mainly of parts of a so-called Detailed Design (DD), which applies to engineering hours for our technical platform, which will be used firstly in the Uddevalla plant, but also of additional investments in the plant in Åsensbruk. The cash flow from operating activities after investing activities for the period were MSEK -113.5 (-98.5).

The decrease in the cashflow is mainly due to a lower operating result before adjustments of working capital of MSEK 7.3. Added to that, the changes in working capital the change in working capital has been negative during the period with MSEK 1.4 compared to the same period last year. The investments have been MSEK 6.2 lower compared to the same period in 2022.

After closing of the financial year Enviro has made public that a final investment decision has been taken concerning a new plant in Uddevalla.

After closing of the financial year, the company has communicated that an initial payment for costs incurred relating to the plant in Uddevalla, Sweden, has been received. The payment has been made by the joint venture established by Enviro and Antin Infrastructure Partners. In this initial stage, Enviro has received a payment of MSEK 53 million, of which MSEK 26.5 in cash and MSEK 26.5 in the form of shares in the joint venture. As previously communicated, Enviro has an option to acquire an ownership share in the joint venture that over time will ultimately

correspond to up to 30 percent. Enviro intends to fully exercise this option.

The group cash amounted to MSEK 214.9 (30.0) at the end of the period.

The equity/assets ratio was 88 (84) percent.

There has been a reclassification of a respite from the Swedish tax authority (Skatteverket) concerning VAT and social fees (in connection with Covid19). This debt has moved in the cash flow analyses from financing to changes in working capital.

#### **Parent company**

The net revenues for the parent company totalled MSEK 3.2 (4.2), and the result after tax was MSEK -83.1 (-73.2). Around 100 (73) percent of the net turnover are sales related to group companies for internal services. For the rest the company has incurred higher external expenses of MSEK 5.7 compared to the same period in 2022, mainly consultancy and lawyer expenses as well as costs in connection with a new short-term loan from previously this year. The staff costs are MSEK 3.9 higher than during the same period last year due to strengthening of the staff. The finance net has been MSEK 1.6 positive compared to the same period last year thanks to an interest revenue from the capital from the rights issue, which was conducted during Q2. On the other hand, the company has had interest costs in connection with a previous, now repaid, short-term loan (bridge financing). The investments in fixed assets amounted to MSEK 35.1 (28.2). The investments of the year are mainly related to parts of a so-called Detailed Design (DD), which applies to engineering hours for our technical platform, which will be used firstly in the Uddevalla plant.

The Equity/assets ratio at the period-end was 93 (92) percent.

### **Staff and Organisation**

The group has 38 (36) employees at the period-end.

**Executed transactions with related parties**  
in the parent company, for 2023 consultancy fees to P 30 Ltd, (Peter Möller, board member), of MSEK 2.0 (1.1) have been included. In addition to that consultancy fees to Blomqvist Unlimited AB (Alf Blomqvist, chairman of the board) of MSEK 1.5 (1.3) have been included. Further, consultancy fees to M & K Industrials AB (Nina Macpherson, board member) of MSEK 0.4 (0.3) have been included. These transactions are evaluated by the company management to be according to market conditions.

### **Number of shares**

Total shares outstanding at the end of the period was 806,615,589 (656,615,589).

### **Risks and uncertainties**

A detailed description of risks and uncertainty factors is provided on page 39

and 52 of the annual report of 2022. The war in Ukraine has indirectly led to higher costs for the group, hereunder higher energy costs. Additional to that, the war could imply a negative effect on the will to invest.

### **FINANCIAL KEY RATIOS**

#### **Accounting policies**

There have been no changes of assessments since the last Annual Report. The consolidated reports for the group are prepared in compliance with the Swedish Annual Accounts Act, and BFNAR 2012:1 Annual Accounts and Consolidated Financial Statements (K3). Applicable accounting policies are detailed in the company consolidated annual report note 1.

## Financial Key Ratios

	okt-dec 2023	okt-dec 2022	jan-dec 2023	jan-dec 2022
EBITDA (KSEK)	-20,397	-21,359	-78,145	-69,753
Rörelsemarginal (%) <sup>1)</sup>	neg.	neg.	neg.	neg.
Soliditet (%) <sup>2)</sup>	-	-	87.5%	84.0%
Avkastning på sysselsatt kapital (%) <sup>3)</sup>	-6.4%	-15.4%	-36.1%	-44.2%
Räntebärande skulder (KSEK) <sup>4)</sup>	-	-	5,208	6,024
Resultat per aktie före utspädning (SEK)	-0.03	-0.04	-0.12	-0.13

<sup>1)</sup> Operating income as a percentage of net sales.

<sup>2)</sup> Total equity divided by total assets

<sup>3)</sup> Capital employed; equity plus interest bearing liabilities. Return on capital employed is calculated as earnings after financial items plus interest expenses divided by average capital employed.

<sup>4)</sup> Interest bearing liabilities, ending balance.

## Largest shareholders

Dec 29, 2023



Shareholders	Ownership share
Michelin Ventures S.A.S	16.28%
Försäkringsbolaget Avanza Pension	7.09%
Handelsbanken Funds	3.87%
Swedbank Robur Funds	3.10%
Nordnet Pensionsförsäkring AB	2.41%
<b>10 largest owners</b>	<b>39.88%</b>
<b>Others</b>	<b>60.12%</b>

Results Disposition	KSEK
<b>Unrestricted Equity</b>	
Share Premium Reserve	820,740
Retained Earnings	-464,416
Profit/Loss for the period	-83,074
	273,250
The Board of Directors propose that the whole unrestricted equity, KSEK 273,250, be carried over to the next financial year	

**Planned reporting schedule**

Annual Report 2023	May 23, 2024
Quarterly Report Jan-Mar 2024	May 28, 2024
Annual General Meeting 2024	June 13, 2024
Half Year Report Jan-Jun 2024	Aug 22, 2024
Interim Report Jan-Sep 2024	Nov 21, 2024
Year End Report Jan-Dec 2024	Feb 26, 2025

Gothenburg February 29, 2024

The board of directors and Managing Director

Scandinavian Enviro Systems AB (publ)

This interim report has not been subject to auditing by the company's auditors.

**Questions answered by**

Fredrik Emilson, CEO, Phone: +46 70 605 67 83, [fredrik.emilson@envirosystems.se](mailto:fredrik.emilson@envirosystems.se)

Christian Bergaust, CFO, Phone: +46 702 93 50 40, [christian.bergaust@envirosystems.se](mailto:christian.bergaust@envirosystems.se)

## CONSOLIDATED STATEMENT OF INCOME

Amounts in KSEK	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
<b>Operating income</b>				
Net sales	3,247	2,011	13,939	7,976
Other operating income	-	38	70	221
Changes in stocks of finished goods	177	-68	-132	-538
	<b>3,424</b>	<b>1,981</b>	<b>13,877</b>	<b>7,660</b>
<b>Operating expenses</b>				
Raw materials and consumables	- 423	- 249	- 1,383	- 1,527
Other external costs	- 12,824	- 13,699	- 50,719	- 43,743
Personnel costs	- 10,575	- 9,391	- 39,921	- 32,142
Depreciation of tangible and intangible assets	- 4,385	- 3,317	- 14,244	- 12,812
Amortization of acquired goodwill	- 305	- 305	- 1,219	- 1,219
	<b>- 28,511</b>	<b>- 26,962</b>	<b>- 107,485</b>	<b>- 91,443</b>
<b>Operating profit/loss</b>	<b>- 25,087</b>	<b>- 24,981</b>	<b>- 93,608</b>	<b>- 83,783</b>
<b>Profit/loss from financial items</b>				
Interest income and similar items	1,924	68	5,477	407
Interest expenses and similar items	- 390	- 87	- 4,192	- 212
	<b>1,534</b>	<b>- 19</b>	<b>1,285</b>	<b>195</b>
<b>Profit/loss after financial items</b>	<b>- 23,553</b>	<b>- 25,000</b>	<b>- 92,324</b>	<b>- 83,588</b>
Tax for the period	-	-	-	-
<b>Profit/loss for the period</b>	<b>- 23,553</b>	<b>- 25,000</b>	<b>- 92,324</b>	<b>- 83,588</b>
Number of shares at the end of the period	806,615,589	656,615,589	806,615,589	656,615,589
Average number of shares before dilution	806,615,589	656,615,589	769,629,288	656,615,589
Average number of shares after dilution	806,615,589	656,615,589	769,629,288	656,615,589
Earnings per share before dilution (SEK)	- 0.03	- 0.04	- 0.12	- 0.13
Earnings per share after dilution (SEK)	- 0.03	- 0.04	- 0.12	- 0.13

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in KSEK	Dec 31, 2023	Dec 31, 2022
<b>ASSETS</b>		
<b>Fixed assets</b>		
<i>Intangible fixed assets</i>		
Capitalized expenditures for development	73,722	48,948
Patents and similar rights	2,448	2,868
Goodwill	-	1,219
	<b>76,170</b>	<b>53,034</b>
<i>Property, plant and equipment</i>		
Machinery and other technical facilities	78,614	78,310
Equipment, tools, and installations	557	454
	<b>79,171</b>	<b>78,764</b>
<i>Financial non-current assets</i>		
Other non-current receivables	-	-
	-	-
<b>Total fixed assets</b>	<b>155,341</b>	<b>131,798</b>
<b>Current assets</b>		
<i>Inventories, etc.</i>		
Raw materials and consumables	66	52
Goods in progress	18	12
Finished products and goods for resale	648	907
Inventory spare parts	1,383	1,120
	<b>2,115</b>	<b>2,091</b>
<i>Current receivables</i>		
Trade receivables	2,607	774
Other receivables	3,945	3,614
Prepaid costs and accrued income	2,493	2,590
	<b>9,044</b>	<b>6,977</b>
<i>Cash and cash equivalents</i>		
	<b>214,896</b>	<b>29,979</b>
<b>Total current assets</b>	<b>226,055</b>	<b>39,047</b>
<b>TOTAL ASSETS</b>	<b>381,396</b>	<b>170,846</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	32,265	26,265
Other capital contributions	821,242	544,701
Other capital, including profit/loss for the year	-519,714	-427,391
	<b>333,792</b>	<b>143,575</b>
<b>Non-current liabilities</b>		
Other liabilities to credit institutions	4,392	5,208
	<b>4,392</b>	<b>5,208</b>
<b>Current liabilities</b>		
Amounts owed to credit institutions	816	816
Trade payables	10,141	9,333
Other current liabilities	18,216	1,303
Accrued expenditures and prepaid income	14,040	10,611
	<b>43,212</b>	<b>22,063</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>381,396</b>	<b>170,846</b>

## CHANGES IN EQUITY, CONSOLIDATED

Amounts in KSEK	Jan 1 - Dec 31, 2023		
	Share capital	Other capital contributions	Other equity, including profit/loss for the year
<b>Opening balance, equity</b>	<b>26,265</b>	<b>544,701</b>	<b>- 427,391</b>
Profit/loss for the period	-	-	- 92,324
New share issue	6,000	294,000	-
Expenses related to issue	-	-17,459	-
<b>Closing balance, equity</b>	<b>32,265</b>	<b>821,242</b>	<b>- 519,714</b>

Amounts in KSEK	Jan 1 - Dec 31, 2022		
	Share capital	Other capital contributions	Other equity, including profit/loss for the year
<b>Opening balance, equity</b>	<b>26,265</b>	<b>544,701</b>	<b>- 343,802</b>
Profit/loss for the period	-	-	- 83,588
<b>Closing balance, equity</b>	<b>26,265</b>	<b>544,701</b>	<b>- 427,391</b>

## STATEMENT OF CASH FLOW, CONSOLIDATED

Amounts in KSEK	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
<i>Operating activities</i>				
Operating profit/loss	-25,087	-24,981	-93,608	-83,783
Adjustments for items not part of the cash flow	4,689	3,622	15,463	14,031
Interest received	1,924	68	5,477	407
Interest paid	-390	-87	-4,192	-212
<b>Cash flow from operating activities before changes in working capital</b>	<b>- 18,863</b>	<b>- 21,378</b>	<b>- 76,861</b>	<b>- 69,557</b>
<i>Cash flow from changes in working capital</i>				
Increase (-) / reduction (+) in inventories	-260	-438	-24	207
Increase (-) / reduction (+) in trade receivables	-666	1,553	-1,833	-406
Increase (-) / reduction (+) in other receivables	2,917	-1,480	-234	-2,131
Increase (+) / reduction (-) in trade payables	586	3,989	808	3,789
Increase (+) / reduction (-) in current liabilities	2,278	64	20,342	2,361
<b>Cash flow from ordinary course of business</b>	<b>- 14,010</b>	<b>- 17,691</b>	<b>- 57,802</b>	<b>- 65,736</b>
<b>Investment activities</b>				
Acquisition of intangible assets	-11,870	-7,177	-31,451	-18,413
Acquisition of property, plant and equipment	-2,491	-1,502	-7,554	-14,512
Changes in long-term receivables	-	148	-	148
<b>Cash flow from investment activities</b>	<b>- 14,362</b>	<b>- 8,531</b>	<b>- 39,006</b>	<b>- 32,778</b>
<b>Financing activities</b>				
New rights issue	-	-	300,000	-
Expenses related to issue	-	-	-17,459	-
Amortisation / Increase of debts	-204	-204	-816	5,248
<b>Cashflow from financing activities</b>	<b>- 204</b>	<b>- 204</b>	<b>281,725</b>	<b>5,248</b>
<b>Cash flow for the period</b>	<b>- 28,576</b>	<b>- 26,426</b>	<b>184,917</b>	<b>- 93,266</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>243,472</b>	<b>56,405</b>	<b>29,979</b>	<b>123,245</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>214,896</b>	<b>29,979</b>	<b>214,896</b>	<b>29,979</b>

## STATEMENT OF INCOME, PARENT COMPANY

Amounts in KSEK	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
<b>Operating revenues</b>				
Net sales	798	886	3,195	4,199
Other Operating Income	-	38	70	210
	798	924	3,265	4,408
<b>Operating expenses</b>				
Other external costs	-13,347	-13,166	-55,820	-50,125
Personnel expenses	-6,937	-5,818	-25,237	-21,278
Depreciation of tangible and intangible assets	-2,391	-1,621	-7,161	-6,443
	-22,674	-20,605	-88,219	-77,846
<b>Operating profit/loss</b>	<b>- 21,876</b>	<b>- 19,682</b>	<b>- 84,954</b>	<b>- 73,438</b>
<b>Profit/loss from financial items</b>				
Interest income and similar items	1,847	31	5,138	218
Interest expenses and similar items	-74	-0	-3,257	-20
	1,773	31	1,881	198
<b>Profit/loss after financial items</b>	<b>- 20,104</b>	<b>- 19,651</b>	<b>- 83,074</b>	<b>- 73,240</b>
<b>Profit/loss after balance sheet allocations</b>	<b>- 20,104</b>	<b>- 19,651</b>	<b>- 83,074</b>	<b>- 73,240</b>
Tax on net profits for the period				
<b>Profit/loss for the period</b>	<b>- 20,104</b>	<b>- 19,651</b>	<b>- 83,074</b>	<b>- 73,240</b>

## STATEMENT OF FINANCIAL POSITION, PARENT COMPANY

Amounts in KSEK	Dec 31, 2023	Dec 31, 2022
<b>ASSETS</b>		
<b>Fixed assets</b>		
<i>Intangible fixed assets</i>		
Capitalized expenditures for development	73,672	48,898
Patents and similar rights	2,448	2,868
	<b>76,120</b>	<b>51,765</b>
<i>Tangible fixed assets</i>		
Equipment, tools, and installations	275	270
	<b>275</b>	<b>270</b>
<i>Financial non-current assets</i>		
Investments in group companies	36,916	36,891
Long-term receivables, group enterprises	63,311	59,771
Other long-term receivables	-	-
	<b>100,226</b>	<b>96,661</b>
<b>Total fixed and non-current assets</b>	<b>176,621</b>	<b>148,697</b>
<b>Current assets</b>		
<i>Current receivables</i>		
Trade receivables	-	88
Other receivables	3,870	3,468
Prepaid costs, accrued earnings	1,537	1,896
	<b>5,407</b>	<b>5,452</b>
<i>Cash and cash equivalents</i>		
	<b>210,814</b>	<b>27,985</b>
<b>Current assets, total</b>	<b>216,221</b>	<b>33,437</b>
<b>TOTAL ASSETS</b>	<b>392,841</b>	<b>182,134</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
<i>Restricted equity</i>		
Share capital	32,265	26,265
Share capital not registered	-	-
Statutory reserve	502	502
Fund for development expenses	60,711	31,192
<i>Unrestricted equity</i>		
Share premium reserve	820,740	544,199
Retained earnings	-464,416	-361,657
Profit/loss for the period	-83,074	-73,240
	<b>366,728</b>	<b>167,261</b>
<b>Current liabilities</b>		
Trade payables	7,210	6,184
Other current liabilities	8,076	498
Accrued costs and prepaid income	10,827	8,191
	<b>26,113</b>	<b>14,873</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>392,841</b>	<b>182,134</b>

**CHANGES IN EQUITY, PARENT COMPANY**

Amounts in KSEK		Jan 1-Dec 31, 2023							
		Restricted equity			Fund for development costs	Unrestricted equity			Profit/loss for the period
		Share capital	Ongoing rights issue	Statutory reserve		Share premium reserve	Ongoing rights issue	Retained earnings	
<b>Opening balance, equity</b>		<b>26,265</b>	-	<b>502</b>	<b>31,192</b>	<b>544,199</b>	-	<b>- 361,657</b>	<b>- 73,240</b>
Adjustment of previous year's profit and loss	-	-	-	-	-	-	-	-	73,240
Profit/loss for the period	-	-	-	-	-	-	-	-	-83,074
Fund for development costs	-	-	-	-	29,519	-	-	-	-29,519
New share issue	6,000	-	-	-	-	294,000	-	-	-
Expenses related to issue	-	-	-	-	-	-17,459	-	-	-
<b>Closing balance, equity</b>		<b>32,265</b>	-	<b>502</b>	<b>60,711</b>	<b>820,740</b>	-	<b>- 464,416</b>	<b>- 83,074</b>

		Jan 1-Dec 31, 2022							
		Restricted equity			Fund for development costs	Unrestricted equity			Profit/loss for the period
		Share capital	Ongoing rights issue	Statutory reserve		Share premium reserve	Ongoing rights issue	Retained earnings	
<b>Opening balance, equity</b>		<b>26,265</b>	-	<b>502</b>	<b>13,126</b>	<b>544,199</b>	-	<b>- 290,183</b>	<b>- 53,408</b>
Adjustment of previous year's profit and loss	-	-	-	-	-	-	-	-	53,408
Profit/loss for the period	-	-	-	-	-	-	-	-	-73,240
Fund for development costs	-	-	-	-	18,067	-	-	-	18,067
<b>Closing balance, equity</b>		<b>26,265</b>	-	<b>502</b>	<b>31,192</b>	<b>544,199</b>	-	<b>- 361,657</b>	<b>- 73,240</b>

## STATEMENT OF CASH FLOW, PARENT COMPANY

Amounts in KSEK	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
<i>Operating activities</i>				
Operating profit/loss	-21,876	-19,682	-84,954	-73,438
Adjustments for items not part of the cash flow	2,391	1,621	7,161	6,443
Interest received	1,847	31	5,138	218
Interest paid	-74	-0	-3,257	-20
<b>Cash flow from operating activities before changes in working capital</b>	<b>-17,713</b>	<b>-18,030</b>	<b>-75,912</b>	<b>-66,797</b>
<i>Cash flow from changes in working capital</i>				
Increase (-) reduction (+) in other receivables	3,092	-1,556	45	-1,951
Increase (+)/reduction (-) in trade payables	1,353	2,958	1,027	2,999
Increase (+)/reduction (-) in current liabilities	1,614	1,593	10,214	2,760
<b>Cash flow from ordinary course of business</b>	<b>-11,654</b>	<b>-15,035</b>	<b>-64,627</b>	<b>-62,989</b>
<b>Investment activities</b>				
Acquisition of intangible assets	-11,870	-7,177	-31,451	-18,413
Acquisition of property, plant and equipment	-	-51	-69	-193
Acquisition of financial assets	-	-	-25	-
Changes in long-term receivables	-4,985	-2,037	-3,540	-9,592
<b>Cash flow from investment activities</b>	<b>-16,855</b>	<b>-9,265</b>	<b>-35,085</b>	<b>-28,198</b>
New rights issue	-	-	300,000	-
Expenses related to issue	-	-	-17,459	-
Amortisation/Increase of debts	-	-	-	-
<b>Cashflow from financing activities</b>	<b>-</b>	<b>-</b>	<b>282,541</b>	<b>-</b>
<b>Cash flow for the period</b>	<b>-28,510</b>	<b>-24,300</b>	<b>182,829</b>	<b>-91,187</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>239,324</b>	<b>52,286</b>	<b>27,986</b>	<b>119,173</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>210,814</b>	<b>27,986</b>	<b>210,814</b>	<b>27,986</b>