



# Year-end Report 2023



LIDS<sup>TM</sup>

# LIDDS AB (publ) Year-end Report 2023

## Oktober - December

- Net sales amounted to 0 (-0.1) MSEK
- The operating result for the period was 19.2 (-8.9) MSEK
- The net result was -18.7 (-9.1)MSEK corresponding to earnings per share of SEK -0.27 (-0.26)
- Cash flow from operating activities amounted to -3.5 (-10.2) MSEK
- Cash and cash equivalents amounted to 13.5 (5.3) MSEK

## January – December

- Net sales amounted to 0 (1.9) MSEK
- The operating result for the period was -40.7 (-36.6) MSEK
- The net result was -40.2 (-36.9) MSEK corresponding to earnings per share of SEK -0.63 (-1.07)
- Cash flow from operating activities amounted to -26.2 (-35.6) MSEK

## Significant events 2023

- The rights issue was approved at an EGM in January 2023 and was completed in February 2023. Approximately 72.7 percent of the rights issue, were subscribed for. The bottom guarantors were allocated approx 8.6 percent of the rights issue, and the top guarantors approx 14.4 percent of the rights issue. The company received approximately SEK 46.5 million before issue costs. Three of the guarantors chose compensation in the form of shares.
- The company implements significant cost containment measures to maximize the possibility of reaching a license agreement without the need for further financing. The decision means that further investments in clinical development will be held back until licensing agreements can be secured. Staff reductions have been implemented and Anders Månsson left the CEO role in August 2023. The board appointed Matthew Lindon as acting CEO.
- Max Mitteregger resigned from the Board of Directors
- The collaboration agreement with Johnson & Johnson Enterprise Innovation Inc was closed.
- Jenni Björnulfson was appointed CEO.
- Daniel Lifveredson resigned from the Board of Directors.
- The Board of Directors made its seats available.

## Events after the reporting period

- On the Extraordinary General Meeting of shareholders on the 9 January 2024 Daniel Lifveredson, Torbjörn Browall and Lars-Inge Sjöqvist were elected new members of the Board.
- In January it was announced that an agreement to acquire Noviga Research AB had been signed.

## Financial Overview

KSEK	1 October - 31 December 2023	1 October - 31 December 2022	1 January - 31 December 2023	1 January - 31 December 2022
Net sales	0	-110	0	1 888
Operating result	-19 189	-8 873	-40 674	-36 617
Net result	-18 662	-9 112	-40 206	-36 860
Earnings per share, SEK	-0,27	-0,26	-0,63	-1,07
Cash flow from operating activities	-3 500	-10 183	-26 219	-35 592
Cash and cash equivalents by the end of the period	13 512	5 258	13 512	5 258

## LIDDS in brief:

LIDDS is a Swedish drug delivery company based on the proprietary technology NanoZolid®. With NanoZolid®, LIDDS can formulate drugs for local/intratumoral administration, with a maintained and controlled release for up to six months. LIDDS offers the NanoZolid technology to partners and has developed its own pipeline focused on oncology, where the technology enables delivery of a local and high drug dose, administered over time with very limited side effects. The company is listed on Nasdaq First North Growth market.

## CEO statement

When we sum up 2023, we can conclude that it was a turbulent year for LIDDS. The year began with a rights issue that provided the company with SEK 46.5 million before issuing costs. This was a good outcome given the weak market conditions that prevailed, but unfortunately not enough to be able to finance the Phase I clinical trials for the company's two projects as planned. The decision was therefore taken to carry out one of the trials with the funding we had secured. Nanodotax was chosen because it was the most advanced project and had the necessary approvals in place. In addition, the clinic was well prepared for the start of the clinical study. A number of circumstances pushed the start of the study, from a planned start in the second quarter to after summer.

In 2023, the main focus has been on finding a partner to out-license Liproca Depot and other projects. A successful out-licensing of Liproca Depot would give LIDDS the opportunity to finance further development of NanoZolid and other projects but would also serve as a clear validation of the technology and all the work that has been done within LIDDS over many years. We have been supported in this by Alira Health, which has played a key role in the work to find a partner for the company's assets. Together with Alira, LIDDS has been in contact with over 200 companies in the process, ranging from big pharma to smaller specialist companies, with a particular focus to oncology and urology. There has been no lack of interest in Liproca Depot, which has undergone Phase IIb and reached Proof-of-Concept. Preparations for a Phase III clinical trial has also been made through an advisory meeting with the EMA. Liproca Depot makes it possible to treat prostate cancer patients with very limited side effects, which is attractive. However, most of the companies we have been in contact with have declined the opportunity to license Liproca Depot and other assets from LIDDS. We are still working to find potential solutions, but the clear validation, and more importantly, the funding we had hoped for from out-licensing of Liproca Depot has not yet been achieved.

The fact that both the start of the study and the out-licensing were delayed, and that J&J chose to not prioritize our joint project was a clear challenge for the company. It was therefore decided to halt all clinical development in order to significantly strengthen the company's financial sustainability as additional funding was not considered possible to obtain in the weak market environment. As a result, the company's organization was reduced and all further investment in projects was stopped. The measures taken has significantly reduced the company's operating costs. The measures will have full effect from the beginning of 2024.

In recent months, LIDDS has evaluated a number of different options for the continued operation of the company. Discussions have been held with various potential stakeholders, but in such situations, both parties need to find a common solution in order for a transaction or collaboration to take place. The Board of Directors has now decided to propose to an Extraordinary General Meeting to resolve on a merger with Noviga Research, a privately held company with the drug candidate NOV202, which has shown good results in non-clinical studies in combination with PARPi drugs for the treatment of ovarian, pancreatic and prostate cancer. An additional toxicology study is required before NOV202 can be considered ready for Phase I clinical trials. The cost of such a toxicology study is estimated to amount to approximately SEK 5.5 million.

For LIDDS, we still have the option of conducting the DTX-002 clinical study with Nanodotax. As we have previously indicated, we had hoped to find an alternative solution for the study, which was never started due to the cost-cutting measures initiated in June. We have not yet given up on the possibility of achieving some form of implementation.

Finally, I would like to take this opportunity to thank the Board of Directors who resigned in connection with the Extraordinary General Meeting held in January 2024 and to welcome the new Board of Directors.

Jenni Björnulfson  
CEO and CFO



## Overview of activities

LIDDS is a Swedish drug delivery company who has developed a technology for local administration of drugs. The NanoZolid technology improve drug efficiency by allowing a more optimal dosage locally and at the same time reducing side effects, which is of great benefit to both patients and payers. LIDDS' technology can be used across different drug classes.

LIDDS offers the NanoZolid technology to partners but has also developed a pipeline within the oncology therapeutic area. LIDDS' leading project is Liproca Depot, which has shown good effect in Phase IIb in treating prostate cancer patients.

The aim has been to secure licensing deals for internally developed projects and for the technology as such.

### *NanoZolid improves efficacy and reduces side-effects*

NanoZolid addresses some of the challenges that conventional drugs face, such as systemic side effects and limited efficacy

The NanoZolid®-formulated drug is delivered locally through an injection and forms a solid and safe depot that releases the active drug over a period of up to six months. The controlled release of drug compounds can be tailored to specific needs and the drugs being used. This results in a more precise treatment with fewer side effects.

### *LIDDS' portfolio is focused on oncology where the benefits of the technology are obvious*

LIDDS' own development has been focused on the oncology therapeutic area, where the benefits of the NanoZolid technology are obvious: a local and high drug dose that is administered over time with very limited side effects. Liproca Depot has shown good effect in Phase IIb on prostate cancer patients. The company has also developed Nanodotax, a NanoZolid formulated cytotoxic drug (docetaxel), and Nanoimod, a combination therapy with checkpoint inhibitors. Both projects are in pre-clinical Phase.

### *Enables lower development costs for partners*

NanoZolid drug delivery technology offers benefits for potential partners. There is an opportunity to extend the commercial life of already existing products and to improve efficacy and reduce side-effects. A reformulation of an existing drug also means lower development costs and risks and shorter time to market.

## LIDDS oncology pipeline

### *Liproca Depot*

Liproca Depot is NanoZolid-formulated 2-hydroxyflutamide (2-HOF) which is an anti-androgen drug that binds and blocks androgen receptors. The product has been investigated in over 100 patients in several clinical studies including three Phase II studies. Liproca Depot has been shown to be well tolerated and safe with observed effects on tumor tissue, prostate volume and the prostate-specific antigen PSA. The product has been prepared for Phase III and LIDDS has received guidance from the European Medical Agency, EMA.

LIDDS' aim has been to out-license Liproca Depot to a company with the competence and financial resources to implement a clinical Phase III program, with a launch globally or in major markets. The ambition was to conclude such an agreement before the end of 2023.

### *Nanodotax*

Nanodotax is NanoZolid-formulated docetaxel which is a commonly used chemotherapeutic drug that has been approved for several oncological conditions and on the market since 1996. Nanodotax has shown to be safe and well tolerated in a Phase I study where adverse events were shown to be mild and local. Furthermore, there was an observed effect on systemic immunological biomarkers indicating that the immune system was responding positively and specifically to the drug. The project is Phase Ib ready on prostate cancer patients.

### *Nanoimod*

Nanoimod is the toll-like receptor 9 (TLR9) agonist agatolimod formulated in NanoZolid. The project is in preclinical development and has been prepared for a Phase Ib clinical study in malign melanoma in addition to treatment with Checkpoint inhibitors.

## Significant events during in 2023

### *Outcome of the rights issue*

In February 2023, the outcome of the rights issue was announced, which was approved by the extraordinary general meeting on January 9, 2023. The subscription summary showed that 25,253,268 shares, corresponding to approximately 72.7 percent of the rights issue, were subscribed for with or without the support of subscription rights, of which 20,688,813 shares, corresponding to approximately 59.6 percent of the rights issue was subscribed with the support of subscription rights and 4,564,455 shares, corresponding to approximately 13.1 percent of the rights issue, were subscribed without the support of subscription rights. The bottom guarantors were allocated approximately 8.6 percent of the rights issue, and the top guarantor approximately 14.4 percent. In total, approximately 95.7 percent of the rights issue was subscribed, and the company received approximately SEK 46.5 million before issue costs. Three guarantors chose shares instead of cash meaning the numbers of shares after the issue was 68,231,663.

### *Cost containment measures to maximize the runway to reach a License Agreement*

In June 2023 the company announced that significant cost containment measures will be implemented to maximize the runway for licensing agreements without the need for further financing. The decision means that investments in clinical development will be held back until licensing agreements can be secured. Staff reductions have been made and as part of this it was also announced that Anders Månsson would leave the CEO position in August 2023. The Board of Directors appointed Matthew Lindon acting CEO.

### *Max Mitteregger resigned from the Board of Directors*

In July 2023 the company announced that Max Mitteregger resigned from the Board of Directors at his own request. The Board thus consisted of Pontus Ottosson (Chairman), David Bejker, Daniel Lifveredson and Johan Lund.

### *The collaboration agreement with Johnson & Johnson Enterprise Innovation Inc was closed*

In July 2023 it was announced that the collaboration agreement with Johnson & Johnson Enterprise Innovation Inc was closed. LIDDS delivered a final report from the collaboration at the joint research committee, which was announced in May 2023. Johnson & Johnson Enterprise Innovation Inc chose not to continue the development activities further. The collaboration was formed in 2021 with the aim to develop an oncology product based on the NanoZolid technology for an undisclosed indication.

### *Jenni Björnulfson was appointed CEO*

In November 2023 the company announced that Jenni Björnulfson was appointed CEO starting 1 December 2023. She will continue in the role of CFO in parallel with her new position. Matthew Lindon remained as CSO until the end of the year.

### *Daniel Lifveredson resigned from the Board of Directors*

In December 2023 the company announced that Daniel Lifveredson resigned from the Board of Directors at his own request. The Board thus consisted of Pontus Ottosson (Chairman), David Bejker and Johan Lund.

### *LIDDS' Board of Directors made its seats available*

1 December 2023 the company announced that the Chairman of the Board Pontus Ottosson and Board members David Bejker and Johan Lund had informed the Nomination Committee that they were making their seats available. The Board of Directors decided to convene an Extraordinary General Meeting in January 2024.

## Events after the reporting period

### *New Board of Directors elected*

At the Extraordinary General Meeting in January 2024 Daniel Lifveredson was elected Chairman of the Board and Torbjörn Browall and Lars-Inge Sjöqvist were elected Board members.

### *Acquisition of Noviga*

In January 2024 the company announced that an agreement to acquire Noviga Research AB, a Swedish biotechnology company focused on the development of new cancer drugs, had been signed. Noviga's lead candidate NOV202 is in pre-clinical phase, with a final study planned for 2024 before the candidate is deemed ready for clinical studies. According to the agreement, LIDDS will acquire 100 percent of the shares in Noviga. The purchase price consists of newly issued shares in LIDDS in a ratio of 1:1, which means that the number of shares in LIDDS after the transaction amounts to 136,463,326, a dilution of 50%. The acquisition is subject to approval by the general meeting of LIDDS. The Board of Directors of LIDDS will convene an Extraordinary General Meeting to be held on 27 February 2024.

## Other events

- In January 2023 the company announced that an agreement was signed with Alira Health for business development support, with focus on outlicensing both company product candidates and technology.
- In March 2023 the company announced changes in the organization. The previous consultant Chief Medical Officer, Dr Johan Harmenberg, was replaced by Dr Roger Belusa on consultancy basis. Annette Møldrup, probationary CBDO, left the company and the business development was taken over by CEO Anders Månsson together with Alira Health.
- The company CEO Anders Månsson participated in BIO-Europe Spring Meeting, in Basel, Switzerland in March 2023.
- LIDDS CEO Anders Månsson and CSO Matthew Lindon participated in LSX World Congress in London, UK, in May 2023. The meeting focused on partnering, strategy & investment for life science executive leaders.
- In May 2023, LIDDS CSO Matthew Lindon participated in ELRIG Therapeutic Oligo and European Chemical Biology symposium at AstraZeneca in Gothenburg with a poster on LIDDS' Nanoimod-project.
- LIDDS' Head of preclinic, Erwin Brenndörfer participated in European Association for Cancer Research (EACR) "Defence is the Best Attack: Immuno-Oncology Breakthroughs" with a poster on LIDDS' Nanoimod-project in May 2023 in Barcelona, Spain.
- LIDDS' CEO Anders Månsson participated in US BIO in Boston, USA, in June 2023. US BIO is the world's largest meeting place for companies in the pharmaceutical and biotechnology sectors.

## Financial information

### Net sales and result for the fourth quarter 2023

In the fourth quarter 2023 net sales amounted to 0 (-0.1) MSEK. The operating result for the fourth quarter 2023 amounted to -19.2 (-8.9) MSEK. The higher costs compared to previous year is explained by an amortization of the company's immaterial assets. The amortization amounted to 15.2 MSEK and the operating costs has therefore decreased due to fewer employees and less activity in the company's projects. The costs for pre-clinical activities, production and consultants have decreased compared to the fourth quarter 2022. The cash flow from operating activities amounted to 3.5 MSEK in the fourth quarter 2023 compared to -10.2 MSEK in the fourth quarter 2022.

### Net sales and result for 2023

In 2023 net sales amounted to 0 (1.9) MSEK. Sales in 2022 related to income from the sale of research and development services under the collaboration agreement with J&J. The operating result for 2023 amounted to -40.2 (-36.9) MSEK, of which the amortization of the company's immaterial assets was 15.2 MSEK. The external costs decreased from 22.7 MSEK in 2022 to 13.8 MSEK in 2023 due to lower costs for production, pre-clinical and clinical activities and administration. Personnel costs decreased from 15.3 MSEK in 2022 to 10.6 MSEK due to fewer employees and a reclaim of previously paid social security contribution for the years 2020 – 2022, where a deduction for R&D personnel could be done.

### Cash flow and investments

Cash flow from the operating activities in 2023 amounted to -26.2 (-35.6) MSEK. As part of the cash flow from the operating activities change in operating capital amounted to -2.4 (0.8) MSEK.

LIDDS cash flow from investment activities in 2023 consist of investments in development work regarding the technology platform NanoZolid and ongoing patent applications and production equipment, please refer to the table below. The immaterial assets, that is the investments in the technology platform has been amortized in full by the end of 2023.

KSEK	1 October - 31 December 2023	1 October - 31 December 2022	1 January - 31 December 2023	1 January - 31 December 2022
Technology	39	37	140	500
Patents	43	24	141	259
Property, plant and equipment	0	0	0	52
<b>Total investments</b>	<b>82</b>	<b>61</b>	<b>282</b>	<b>810</b>

The cash flow from the financing activities in 2023 amounted to 34.8 (7.7) MSEK.

Total change in cash and cash equivalents in 2023 amounted to 8.3 (-28.7) MSEK. The company's cash and cash equivalents amounted to 13.5 (5.3) MSEK on 31 December 2023.

### Financial position

On 31 December 2023 the equity asset ratio was 79 percent (70) and equity 13.9 (15.3) MSEK.

LIDDS performed a rights issue with preferential rights for the shareholders during the first quarter 2023. The company does not view further such financing as a near-term option, but it is instead fully committed to cutting costs to maximally extend the runway to reach a license agreement. The decision means further investments in clinical development will be held back. Staff reductions have been done in 2023, which has full effect in 2024. The Board of Directors' assessment is that company's cash is sufficient for 2024 if the company's operations are at current level. Should costs increase in 2024, there is a risk for the company's continued operations.

## Auxiliary information

### LIDDS share

LIDDS share is listed on Nasdaq First North Growth Market in Stockholm since 2014 with ticker LIDDS and ISIN code SE0001958612. The number of shares as of 1 October 2023 was 68,231,663 (34,739,791) and of 31 December 2023 68,231,663 (34,739,791). The average number of shares in the fourth quarter 2023 was 68,231,663 (34,739,791) and in 2023 63,455,857 (34,396,041).

## The company's largest shareholders on 31 December 2023

Shareholders	Number of shares	Share of capital and votes (%)
Avanza Pension, Stockholm	9 170 419	13,4
Wikow Invest AB	4 151 408	6,1
Nordnet Pensionsförsäkring AB	3 421 503	5,0
Daniel Lifveredson, incl shares owned through companies	2 790 929	4,1
Swedbank Försäkring	1 938 675	2,8
SEB Life International	1 078 392	1,6
Westlight	1 045 735	1,5
August Martin Valdemar Hammarstedt	1 000 000	1,5
Viktor Lindström	887 985	1,3
Martin Hansson	808 150	1,2
Gunvald Berger	744 898	1,1
Other	41 193 569	60,4
<b>Total</b>	<b>68 231 663</b>	<b>100,0</b>

LIDDS resolved in 2021 to set up an incentive program for senior executives. In total, 146,000 out of 250,000 warrants were subscribed for by the CEO and key employees in the company. The remaining warrants were kept by the company to be offered for subscription by key employees in connection with recruitment.

*Personnel and organization*

LIDDS' organization has undergone a change following the cost containment measures the company decided on to maximize the runway to reach a licensing agreement without the need for further financing. The decision means that any further investments in clinical development are held back and staff reductions have been done. At the end of December 2023, the number of employees was two.

*Financial calendar*

Annual Report 2023	23 April 2024
Interim Report January – March 2024	15 May 2024
Annual General Meeting	15 May 2024
Interim Report January – June 2024	28 August 2024
Interim Report January – September 2024	21 November 2024

*Transactions with related parties*

The company has not had any transactions with related parties in the fourth quarter 2023 other than decided fees and remuneration for the board and management.

*Significant risks and uncertainties*

Apart from general uncertainties related to research and development activities, including delayed initiation and execution of clinical studies and financing and capital raises for the business, there are no known tendencies, uncertainties, potential liabilities and obligations, commitments or events that can be expected to have a significant impact on the company's future prospects.

*Parent company*

The operations in the parent company correspond the operations in the group and the comments for the group are therefore also applicable for the parent company.

*Review by auditor*

This report has not been reviewed by the company's auditor.



*Assurance by the Board of Directors*

The Board of Directors and the CEO affirm that this interim report provides a fair view of the operations, financial position and results for the parent company and the group and describes the significant risks and uncertainties that the company and the companies in the group are exposed to.

Uppsala 22 February 2024

LIDDS AB (publ) Board of Directors

Daniel Lifveredson  
Chairman

Torbjörn Browall

Lars-Inge Sjöqvist

Jenni Björnulfson  
CEO

## Consolidated statement of comprehensive income

KSEK	Note	1 October - 31 December 2023	1 October - 31 December 2022	1 January - 31 December 2023	1 January - 31 December 2022
<b>Operating income</b>					
Net sales	2	0	-110	0	1 888
Other operating income		0	0	0	2
<b>Total</b>		<b>0</b>	<b>-110</b>	<b>0</b>	<b>1 890</b>
<b>Operating expenses</b>					
External operating expenses		-2 399	-4 851	-13 747	-22 709
Personnel costs		-771	-3 787	-10 553	-15 315
Depreciation and impairment of fixed assets		-15 333	-124	-15 688	-484
Other operating costs		-686	0	-686	0
<b>Total</b>		<b>-19 189</b>	<b>-8 762</b>	<b>-40 674</b>	<b>-38 507</b>
<b>Operating result</b>		<b>-19 189</b>	<b>-8 873</b>	<b>-40 674</b>	<b>-36 617</b>
Financial income		528	19	529	19
Financial expenses		-1	-259	-61	-262
<b>Total</b>		<b>527</b>	<b>-240</b>	<b>468</b>	<b>-243</b>
<b>Result after financial items</b>		<b>-18 662</b>	<b>-9 112</b>	<b>-40 206</b>	<b>-36 860</b>
<b>Result before tax</b>		<b>-18 662</b>	<b>-9 112</b>	<b>-40 206</b>	<b>-36 860</b>
<b>Result for the period</b>		<b>-18 662</b>	<b>-9 112</b>	<b>-40 206</b>	<b>-36 860</b>

In the group there are no items that are accounted for in other comprehensive income and total comprehensive income and therefore correspond to the result for the period. Result for the period and total comprehensive income are in their entirety attributable to the parent company shareholders.

Earnings per share based on earnings attributable to Parent company shareholders for the year (SEK per share)	Note	1 October - 31 December 2023	1 October - 31 December 2022	1 January - 31 December 2023	1 January - 31 December 2022
Earnings per share before/after dilution, SEK	3	-0,27	-0,26	-0,63	-1,07

## Consolidated balance sheet

KSEK	Note	31 December 2023	31 December 2022
<b>ASSETS</b>			
<b>Fixed assets</b>			
Intangible assets	4		
Capitalized development expenditure		0	15 073
Patents		1 793	1 787
<b>Total</b>		<b>1 793</b>	<b>16 861</b>
<b>Tangible assets</b>			
Property, plan and equipment		5	1 030
<b>Total</b>		<b>5</b>	<b>1 030</b>
<b>Total non-current assets</b>		<b>1 798</b>	<b>17 891</b>
<b>Current assets</b>			
<b>Current receivables</b>			
Trade receivables		0	1 002
Receivables at suppliers		0	8
Other current receivables		1 871	950
		0	0
Prepaid expenses and accrued income		473	812
<b>Total</b>		<b>2 344</b>	<b>2 771</b>
Cash and cash equivalents		13 512	5 258
<b>Total current assets</b>		<b>15 857</b>	<b>8 029</b>
<b>TOTAL ASSETS</b>		<b>17 655</b>	<b>25 920</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		3 616	1 841
Additional paid-in capital		366 438	329 458
Retained earnings (including loss for the period)		-356 155	-315 950
<b>Total equity attributable to Parent Company shareholders</b>		<b>13 899</b>	<b>15 349</b>
<b>Current liabilities</b>			
Trade payables		1 351	1 584
Other current liabilities		183	463
Accrued expenses and deferred income		2 222	4 531
<b>Total</b>		<b>3 756</b>	<b>6 577</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>17 655</b>	<b>21 927</b>

## Consolidated statement of changes in equity

KSEK	Attributable to the Parent Company shareholders			Total equity
	Share capital	Other contributed capital	Retained earnings, incl compr income for the period	
Opening balance 1 January, 2023	1 841	329 458	-315 950	15 349
Comprehensive income for the period			-40 206	-40 206
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>0</b>	<b>-40 206</b>	<b>-40 206</b>

### Transactions with shareholders

Share issue	1 775	40 464	0	42 239
Issue costs	0	-3 483	0	-3 483
<b>Total transactions with shareholders</b>	<b>1 775</b>	<b>36 980</b>	<b>0</b>	<b>38 755</b>
<b>Closing balance 31 December, 2023</b>	<b>3 616</b>	<b>366 438</b>	<b>-356 155</b>	<b>13 899</b>

KSEK	Attributable to the Parent Company shareholders			Total equity
	Share capital	Other contributed capital	Retained earnings, incl compr income for the period	
Opening balance 1 January, 2022	1 801	325 801	-279 090	48 512
Comprehensive income for the period			-36 860	-36 860
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>0</b>	<b>-36 860</b>	<b>-36 860</b>

### Transactions with shareholders

Share issue	40	4 460	0	4 500
Issue costs	0	-803	0	-803
<b>Total transactions with shareholders</b>	<b>40</b>	<b>3 657</b>	<b>0</b>	<b>3 697</b>
<b>Closing balance 31 December, 2022</b>	<b>1 841</b>	<b>329 458</b>	<b>-315 950</b>	<b>15 349</b>

## Consolidated statement of cash flow

KSEK	1 October - 31 December 2023	1 October - 31 December 2022	1 January - 31 December 2023	1 January - 31 December 2022
<b>Operating activities</b>				
Operating profit/loss before financial items	-19 189	-8 873	-40 674	-36 617
Interest received	528	19	529	19
Interest paid	-1	-225	-61	-228
<i>Adjustments for non-cash items</i>				
Depreciation and Impairment of intangible and tangible assets	15 333	124	15 688	484
		-34		-34
Capital loss tangible assets	686	0	686	0
<b>Cash flow from operating activities before changes in working capital</b>	<b>-2 643</b>	<b>-8 988</b>	<b>-23 832</b>	<b>-36 376</b>
<b>Cash flow from changes in working capital</b>				
Change in operating receivables	-756	489	427	1 239
Change in operating liabilities	-101	-1 684	-2 815	-456
<b>Cash flow from operating activities</b>	<b>-3 500</b>	<b>-10 183</b>	<b>-26 219</b>	<b>-35 592</b>
<b>Investing activities</b>				
Acquisition of intangible assets	-82	-61	-282	-759
Acquisition of tangible assets	0	0	0	-52
<b>Cash flow from investing activities</b>	<b>-82</b>	<b>-61</b>	<b>-282</b>	<b>-809</b>
<b>Financing activities</b>				
Share issue	0	0	42 239	4 500
Issuance costs	0	-706	-3 483	-803
Subscription warrants	0	0	0	0
Net borrowings	0	3 960	0	6 620
Payment convertible loan	0	-2 660	-4 000	-2 660
<b>Cash flow from financing activities</b>	<b>0</b>	<b>594</b>	<b>34 755</b>	<b>7 657</b>
<b>Net cash flow for the period</b>	<b>-3 582</b>	<b>-9 650</b>	<b>8 254</b>	<b>-28 744</b>
Cash and cash equivalents at the beginning of the period	17 094	14 908	5 258	34 003
<b>Cash and cash equivalents at the end of the period</b>	<b>13 512</b>	<b>5 258</b>	<b>13 512</b>	<b>5 258</b>

## Income statement Parent company

KSEK	Note	1 October - 31 December 2023	1 October - 31 December 2022	1 January - 31 December 2023	1 January - 31 December 2022
<b>Operating income</b>					
Net sales	2	0	-110	0	1 888
Other operating income		0	0	0	2
<b>Total</b>		<b>0</b>	<b>-110</b>	<b>0</b>	<b>1 890</b>
<b>Operating expenses</b>					
Other operating expenses		-2 399	-4 833	-13 728	-22 685
Personnel costs		-771	-3 787	-10 553	-15 315
Depreciation and impairment of fixed assets		-15 333	-124	-15 688	-484
Other operating costs		-686	0	-686	0
<b>Total</b>		<b>-19 189</b>	<b>-8 744</b>	<b>-40 654</b>	<b>-38 484</b>
<b>Operating result</b>		<b>-19 189</b>	<b>-8 855</b>	<b>-40 654</b>	<b>-36 593</b>
Write-down shares in subsidiary		-18	-24	-18	-24
Financial income		528	19	529	19
Financial expenses		-1	-259	-61	-262
<b>Net financial items</b>		<b>509</b>	<b>-264</b>	<b>450</b>	<b>-267</b>
<b>Result after financial items</b>		<b>-18 680</b>	<b>-9 118</b>	<b>-40 204</b>	<b>-36 860</b>
<b>Result before tax</b>		<b>-18 680</b>	<b>-9 118</b>	<b>-40 204</b>	<b>-36 860</b>
<b>Result for the period</b>		<b>-18 680</b>	<b>-9 118</b>	<b>-40 204</b>	<b>-36 860</b>

In the parent company there are no items accounted for in other comprehensive income and total comprehensive income correspond to the result for the period

## Balance sheet parent company

KSEK	Not	31 December 2023	31 December 2022
<b>ASSETS</b>			
<b>Fixed assets</b>			
Intangible assets			
Capitalized development expenditure		0	15 073
Patents		1 793	1 787
<b>Total</b>		<b>1 793</b>	<b>16 861</b>
Tangible assets			
Property, plan and equipment		5	1 030
<b>Total</b>		<b>5</b>	<b>1 030</b>
Financial assets			
Interests in group companies		50	50
<b>Total</b>		<b>50</b>	<b>50</b>
<b>Total fixed assets</b>		<b>1 848</b>	<b>17 941</b>
<b>Current assets</b>			
<b>Current receivables</b>			
Trade receivables		0	1 002
Receivables at suppliers		0	8
Other current receivables		1 871	950
Accumulataed not invoiced revenue		0	0
Prepaid expenses and accrued income		473	812
<b>Total</b>		<b>2 344</b>	<b>2 771</b>
Cash and cash equivalents		13 479	5 224
<b>Total current assets</b>		<b>15 824</b>	<b>7 995</b>
<b>TOTAL ASSETS</b>		<b>17 672</b>	<b>25 936</b>

## Balance sheet parent company

KSEK	Not	31 December 2023	31 December 2022
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Restricted equity</b>			
Share capital		3 616	1 841
Statutory reserve		15 223	15 223
Fund for development expenditure		0	15 073
<b>Total</b>		<b>18 839</b>	<b>32 138</b>
<b>Unrestricted equity</b>			
Share premium reserve		350 215	298 161
Retained earnings (including result for the period)		-355 155	-314 951
<b>Total</b>		<b>-4 940</b>	<b>-16 790</b>
<b>Total equity</b>		<b>13 899</b>	<b>15 348</b>
<b>Current liabilities</b>			
Other liabilities to credit institutions		0	3 994
Förskott från kunder		0	0
Trade payables		1 351	1 584
Other liabilities		218	498
Accrued expenses		2 204	4 513
<b>Total</b>		<b>3 773</b>	<b>10 588</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>17 672</b>	<b>25 936</b>



## Notes to the group and parent company accounts

### Note 1 Accounting principles

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. For the parent company, the interim report has been prepared in accordance with the Annual Accounts Act. All amounts in this report are in thousands of Swedish kronor (KSEK), unless stated otherwise.

The same accounting principles are applied in this interim report as in the annual report 2022 with the addition below. The interim report should be read together with these. Changed and new standards and interpretations from IASB and IFRS Interpretations Committee that have come into force and are applicable for the financial year 2022 have not had an impact on the group's financial reporting. Nor has changes in RFR2 that have come into force and are applicable from 1 January 2023 had any significant effect on the parent company's financial reports.

### Net sales

For LIDDS customer agreement at fixed price the income is based on how large share of the total agreed services to be provided has been delivered. The share of the service that has been delivered is calculated based on actual costs compared to total expected costs to perform the assignment. Estimates for income, costs or the degree of completion of the project is revised if circumstances are changed. An increase or decrease in estimated income or costs that are dependent on a changed assessment, is accounted for in the period the circumstances were known to management. In a fixed price agreement, the transaction price is paid at agreed points in time. If the services delivered exceeds the payment an asset is accounted for as contractual asset and if payments exceed the delivered services a liability is accounted for as contractual liability. Contractual liabilities are accounted for under Advance payments from customers in the balance sheet.

### Note 2 Net sales

Group and Parent company, KSEK	1 October - 31 December 2023	1 October - 31 December 2022	1 January - 31 December 2023	1 January - 31 December 2022
<b>Income from external customers</b>				
Research and development services	0	-110	0	1 888
Licens revenues	0	0	0	0
<b>Total</b>	<b>0</b>	<b>-110</b>	<b>0</b>	<b>1 888</b>

### Note 3 Earnings per share

Earnings per share is calculated by dividing the result for the period with a weighted average number of outstanding shares during the period. LIDDS has, and has had outstanding warrants, which could cause dilution. Earnings per share has not been recalculated taking dilution from outstanding warrants into account since the result has been negative and a recalculation would mean an improved earnings per share.

Group and Parent company, KSEK	1 October - 31 December 2023	1 October - 31 December 2022	1 January - 31 December 2023	1 January - 31 December 2022
Result attributable to Parent Company shareholders, KSEK	-18 662	-9 112	-40 206	-36 860
<b>Total</b>	<b>-18 662</b>	<b>-9 112</b>	<b>-40 206</b>	<b>-36 860</b>
<b>Weighted average number of shares outstanding, thousands</b>	<b>68 232</b>	<b>34 740</b>	<b>63 456</b>	<b>34 396</b>
<b>Group Earnings per share, SEK</b>	<b>-0,27</b>	<b>-0,26</b>	<b>-0,63</b>	<b>-1,07</b>

## Note 4 Intangible assets

KSEK	Patents	Other intangible assets	Total
<b>Financial year 2022</b>			
January 1, 2022 opening balance assets	1 677	14 574	16 250
This year's acquisitions	259	500	759
Depreciation for the year	-148	0	-148
Write-downs for the year	0	0	0
<b>Closing carrying amount 31 December, 2022</b>	<b>1 787</b>	<b>15 073</b>	<b>16 861</b>
<b>Financial year 2023</b>			
January 1, 2023 opening balance assets	1 787	15 073	16 861
This year's acquisitions	141	140	282
Divestments and scraps	0	0	0
Depreciation for the year	-136	0	-136
Write-downs for the year	0	-15 214	-15 214
<b>Closing carrying amount 31 December, 2023</b>	<b>1 793</b>	<b>0</b>	<b>1 793</b>

## For further information, please contact

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