



CONSOLIDATED INTERIM REPORT FOR THE 12 MONTHS OF 2024 (UNAUDITED)

beginning of the interim report: 01.01.2024
end of the interim report: 31.12.2024

business name: J. Molner AS

register code: 16579077

postal address: Harju maakond, Tallinn, Mustamäe
linnaosa, Akadeemia tee 21/5

postal code: 12618

e-mail address: jmolner@jmolner.com

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Management report

The Management Report has been prepared for the consolidated financial results of J. Molner AS, The J. Molner Company OÜ, The J. Molner Company LLC and Nordisk Element LLC (hereinafter the "Group ") for the 12 months of 2024.

Throughout 2024, Group continued expanding its presence in the pharmaceutical industry, focusing on the development of its own generic drugs and providing analytical chemistry and method development services to third-party clients. The company primarily served customers in the United States and Europe, strengthening its position in the global market.

Key Business Developments in 2024

Product Launches & Approvals:

- Lidocaine HCL Topical Solution USP, 4% launched in the U.S. market in November 2024
- Received approval from the U.S. Food and Drug Administration (FDA) for the supplemental application to the ANDA for Desoximetasone Ointment USP, 0.05%

Strategic Partnerships:

- Product development agreement signed with a U.S. pharmaceutical company, securing:
 - Development of two new formulations
 - Elimination of future royalties on three key products
- Agreement with the U.S. Centers for Medicaid and Medicare Services (CMS), enabling broader access to generic medications market

Important notes:

- The Group's business is not seasonal.
- The Group's activities are not accompanied by significant environmental and social impacts.
- Interest rates did not change significantly during the financial year and the period of preparation of the annual report.

Risk Factors

The company operates in a highly regulated and competitive pharmaceutical industry, which presents potential challenges:

- Regulatory risks – Compliance with U.S. Food and Drug Administration (FDA) and Health Canada regulations is crucial for future approvals
- Market risks – Generic drug pricing pressures and competition from larger pharmaceutical companies
- Operational risks – Supply chain disruptions or delays in product development could impact revenue growth

Revenue

The Group's consolidated total revenue increased by 272% year-on-year, reaching EUR 2,294,628 in 2024 (2023: EUR 617,563). Growth reflects increased demand for the company's development expertise and research services. Revenue increase is also supported by the successful launch of Hydrocortisone Butyrate Lotion, 0.1% in November 2023, which contributed to full year of sales in 2024. Additionally, in November 2024, the company introduced Lidocaine Hydrochloride Topical Solution USP, 4%, further expanding its product portfolio.

Direct costs

In 2024, direct costs amounted to EUR 1,935,768, representing 84% of revenue (2023: EUR 324,958, 53% of revenue). Pass-through costs totaled EUR 1,102,892 in 2024 (2023: EUR 0). Excluding pass-through revenue and costs, the direct cost ratio would have been 70% of sales in 2024.

Other operating expenses

Operating expenses increased by 39%, reaching EUR 1,128,559 in 2024 (2023: EUR 811,948). The increase was primarily driven by higher regulatory and legal costs related to entering the U.S. pharmaceutical market, including FDA fees, pharmacovigilance, and legal consultations. The second largest contributor to operating expenses was employee-related costs, reflecting the growth in headcount.

Employee expense

Over the past year, the J. Molner team expanded from an average of 27 employees in 2023 to 33 in 2024. As a result, personnel expenses increased significantly, reaching EUR 1,614,070 in 2024 (2023: EUR 1,059,938). This growth is primarily due to the strategic expansion of the research and development team, aimed at increasing in-house product development capacity and meeting the rising demand for research and development services from customers.

To reflect the investment in own product development, J. Molner capitalized 23% (EUR 370,211) of personnel costs in 2024 (2023: 44%, EUR 466,772).

Interest Expenses

The Group's interest expenses increased by 116% in 2024, reaching EUR 339,729 (2023: EUR 157,022). The rise in expenses is attributable to the growth in loan obligations, driven by the need to finance the development of the company's proprietary products.

Other income and expenses

Other operating income and expenses reflect movements from currency rate fluctuations. Other operating income amounted to EUR 80,814 (2023: EUR 21,079) and other operating expenses in 2024 amounted to EUR 57,282 (2023: EUR 24,584).

Financial Ratios

	2024	H1 2024	2023
Current ratio	0.68	1.16	0.5
Net Working Capital	-482,564	164,682	-475,228
EBITDA	-1,827,186	-724,972	-914,864
Equity Ratio, %	20.35	19.65	8.41
Return on Total Assets, %	-198.92	-75.24	-175.72
Total Debt Ratio, %	0.8	0.8	0.92

Current Ratio = Current Assets/Current Liabilities

Net Working Capital = Current Assets-Current Liabilities

EBITDA = Operating Profit + Depreciation and Impairment Loss

Equity Ratio = Equity/Cost of Assets*100

Net profit margin = Net Profit/Revenue*100

Total Debt Ratio = Liabilities/Total Liabilities and Owners Equity

The consolidated interim accounts

Consolidated statement of financial position

(In Euros)

	31.12.2024	30.06.2024	31.12.2023	Note
Assets				
Current assets				
Cash and cash equivalents	215 550	611 512	92 522	2
Receivables and prepayments	587 347	518 601	316 330	3
Inventories	219 176	87 611	72 242	4
Total current assets	1 022 073	1 217 724	481 094	
Non-current assets				
Investments in subsidiaries and associates	262	262	263	
Receivables and prepayments	9 415	9 595	9 595	3
Property, plant and equipment	285 792	291 511	213 402	6
Intangible assets	3 228 189	2 787 253	2 426 307	7
Total non-current assets	3 523 658	3 088 621	2 649 567	
Total assets	4 545 731	4 306 345	3 130 661	
Liabilities and equity				
Liabilities				
Current liabilities				
Loan liabilities	264 128	279 734	267 645	8
Payables and prepayments	1 240 509	773 308	688 677	9,10
Total current liabilities	1 504 637	1 053 042	956 322	
Non-current liabilities				
Loan liabilities	2 116 257	2 407 183	1 911 170	8
Total non-current liabilities	2 116 257	2 407 183	1 911 170	
Total liabilities	3 620 894	3 460 225	2 867 492	
Equity				
Equity held by shareholders and partners in parent company				
Issued capital	1 686 001	1 686 001	1 686 001	11
Share premium	612 327	612 327	612 327	
Other reserves	4 937 000	3 401 781	1 836 711	
Retained earnings (loss)	-3 871 870	-3 871 870	-2 786 685	
Period profit (loss)	-2 438 621	-982 119	-1 085 185	
Total equity held by shareholders and partners in parent company	924 837	846 120	263 169	
Total equity	924 837	846 120	263 169	
Total liabilities and equity	4 545 731	4 306 345	3 130 661	

Consolidated income statement

(In Euros)

	2024	01.07.2024- 31.12.2024	01.01.2024- 30.06.2024	2023	Note
Revenue	2 294 628	989 301	1 305 327	617 563	12
Other income	80 814	73 616	7 198	21 079	
Work performed by entity and capitalized	533 051	257 750	275 301	667 922	
Raw materials and consumables used	-1 935 768	-891 807	-1 043 961	-324 958	13
Other operating expense	-1 128 559	-590 337	-538 222	-811 948	14
Employee expense	-1 614 070	-892 097	-721 973	-1 059 938	15
Depreciation and impairment loss (reversal)	-109 702	-67 074	-42 628	-31 979	6,7
Other expense	-57 282	-48 640	-8 642	-24 584	
Operating profit (loss)	-1 936 888	-1 169 288	-767 600	-946 843	
Interest expenses	-339 729	-202 609	-137 120	-157 022	
Other financial income and expense	-162 004	-84 605	-77 399	18 680	
Profit (loss) before tax	-2 438 621	-1 456 502	-982 119	-1 085 185	
Period profit (loss)	-2 438 621	-1 456 502	-982 119	-1 085 185	
Profit (loss) from shareholders and partners in parent company	-2 438 621	-1 456 502	-982 119	-1 085 185	

Consolidated statement of cash flows

(In Euros)

	2024	01.07.2024- 31.12.2024	01.01.2024- 30.06.2024	2023	Note
Cash flows from operating activities					
Receipts of sales of goods and rendering of services	1 844 412	1 000 558	843 854	498 480	
Payments to suppliers for goods and services	-2 155 372	-949 971	-1 205 401	-1 428 419	
Payments to employees	-779 805	-369 604	-410 201	-609 082	
Other cash flows from operating activities	-797 942	-752 562	-45 380	604 490	
Total cash flows from operating activities	-1 888 707	-1 071 579	-817 128	-934 531	
Cash flows from investing activities					
Purchase of property, plant and equipment and intangible assets	-749 635	-237 997	-511 638	-1 712 317	
Other cash payments to acquire other financial investments	0	0	0	-9 415	
Interest received	106	55	51	170	
Total cash flows from investing activities	-749 529	-237 942	-511 587	-1 721 562	
Cash flows from financing activities					
Loans received	2 761 264	913 559	1 847 705	1 812 304	
Other cash inflows from financing activities	0	0	0	213 515	
Total cash flows from financing activities	2 761 264	913 559	1 847 705	2 025 819	
Total cash flows	123 028	-395 962	518 990	-630 274	
Cash and cash equivalents at beginning of period	92 522	611 512	92 522	722 796	2
Change in cash and cash equivalents	123 028	-395 962	518 990	-630 274	
Cash and cash equivalents at end of period	215 550	215 550	611 512	92 522	2

Consolidated statement of changes in equity

(In Euros)

	Equity held by shareholders and partners in parent company				Total
	Issued capital	Share premium	Other reserves	Retained earnings (loss)	
31.12.2023	1 686 001	612 327	1 836 711	-3 871 870	263 169
Period profit (loss)	0	0	0	-982 119	-982 119
Changes in reserves	0	0	1 565 070	0	1 565 070
30.06.2024	1 686 001	612 327	3 401 781	-4 853 989	846 120
Period profit (loss)	0	0	0	-1 456 502	263 169
Changes in reserves	0	0	1 535 219	0	-2 438 621
31.12.2024	1 686 001	612 327	4 937 000	-6 310 491	924 837

In the year 2024, the voluntary reserve increased in the amount of EUR 3,059,945 and the option reserve of 40,344 euros are reflected in changes in other reserves.

Notes

Note 1 Accounting policies

General information

The financial accounts of J. Molner AS for the 12 months of financial year 2024 have been prepared in accordance with the Estonian financial reporting standard. The Estonian financial reporting standard is established by the Accounting Act of the Republic of Estonia, which is supplemented by the guidelines issued by the Accounting Standards Board.

This is a consolidated unaudited interim report of a small sized business.

The interim accounts have been prepared in Euros.

The principal accounting policies adopted are set out below.

Changes in accounting policies or presentation of information

In 2024, the account other services (related to the main activity) were reclassified from the item Goods, raw materials, materials and services to the item Miscellaneous operating expenses. The account reflects various program fees related to the main activity and fees related to the maintenance of marketing authorizations and pharmacovigilance follow-up.

The expense is reflected in the item Miscellaneous operating expenses in the note line Other.

The correction has also been made in 2023 - the item Goods, raw materials, materials and services decreased by 86,470 euros, totaling 324,958 euros, and the item Miscellaneous operating expenses increased by 86,470 euros, totaling 811,948 euros.

Preparation of consolidated statements

In the audited consolidated report, all subsidiaries are consolidated line by line. All claims and liabilities within the group, transactions between group companies and unrealized profits and losses resulting from them have been eliminated.

Separate non-consolidated main statements of the consolidating entity (parent company) are published in the appendices to the audited consolidated financial statements. The parent company's basic reports have been prepared using the same accounting principles that have been applied in the preparation of the consolidated interim report, except for investments in subsidiaries and affiliates, which are reflected in the unconsolidated report using the acquisition cost method.

A company over which the parent company has control is considered a subsidiary company. A subsidiary is under the control of the parent company if the parent company directly or indirectly owns more than 50% of the subsidiary's voting shares or parts or is otherwise able to control the subsidiary's operational and financial policy.

Financial assets

The company has the following financial asset: cash. Financial assets are initially recognized at cost, this being the fair value of the consideration given. The acquisition cost includes all expenditure directly related to the purchase of the financial asset. All regular purchases and sales of financial assets in market value are recognized on the transaction date. Following initial recognition, financial assets are measured based on their type either at fair value, at acquisition cost or at amortized cost.

Financial assets are derecognized when the company loses the right to receive cash flows from the financial asset or it transfers the financial asset, the cash flows from the financial assets and the majority of risks and rewards to other parties.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet and in the cash flow include cash in bank accounts (except overdraft).

Foreign currency transactions and assets and liabilities denominated in a foreign currency

The company's functional currency is Euro, all other currencies are deemed foreign currencies. Transactions denominated in foreign currencies are recorded on the basis of the foreign currency exchange rates of the European Central Bank officially valid on the transaction date. Monetary assets and liabilities (receivables paid in cash and loans) denominated in foreign currency are translated at balance sheet date into Euros based on the official foreign exchange rates of the European Central Bank. Gains and losses on foreign currency revaluations

are recognized in the income statement in the corresponding accounting period. Non-monetary assets and liabilities denominated in foreign currencies, which are not carried out at fair value (e.g. prepayments, property, plant and equipment and intangible assets), are not revalued at balance sheet date but instead are recorded with the exchange rate of the European Central Bank that was valid on the transaction date.

Shares of subsidiaries and associates

A company over which the parent company has a dominant influence is considered a subsidiary company. Dominant influence is assumed if the parent company directly or through subsidiaries owns more than 50% of the subsidiary's voting rights. Dominant influence also exists if the parent company owns 50% or less of the voting power in the subsidiary, but the parent company: (1) has actual controlling influence over more than 50% of the voting power by agreement with other investors; (2) has a dominant influence over the company's financial and operating policy based on the articles of association or contract; (3) can appoint or recall the majority of the members of the executive management and higher management bodies (e.g. the company's management board and supervisory board); or (4) can determine the decisions of executive management and senior management meetings.

Investments in subsidiaries are recorded on the balance sheet using the acquisition cost method.

Receivables and prepayments

Accounts receivable are receivables arising from ordinary business transactions of the company. Accounts receivable are recorded using the amortized cost method (i.e. nominal value less impairment loss).

The collectability of the accounts receivable is considered separately by each customer. Accounts receivable, which partly or fully are not expected to be collected, are expensed and reported in the income statement as "Other operating expense". Receivables, collection of which is not feasible nor economically justified, are considered to be non-collectible and written off from the balance sheet.

Receipt of doubtful receivables previously written down are recognized as a decrease in the expense of doubtful receivables.

Inventories

Inventories are initially recognized at cost which comprises costs of purchase, production costs and other costs incurred in bringing the inventories to their present location and condition.

Inventories are expensed using the FIFO method.

Inventories are measured in the balance sheet at the lower cost or net realizable value. Net realizable value is the estimated selling price of an annual report product in the ordinary course of business less than the estimated costs of completion and those necessary to make the sale.

Plant, property and equipment and intangible assets

Property, plant and equipment are assets used in the company's own business activities with a useful life exceeding one year and the cost of at least 1 350 euros.

A property, plant and equipment are initially recorded at cost which comprises the purchase price and other costs directly attributable to the acquisition that are necessary for bringing the asset to its operating condition and location. Property, plant and equipment is carried in the balance sheet at acquisition cost, less accumulated depreciation and any accumulated impairment losses.

If the major components of an item of property, plant and equipment have significantly different useful lives, these components shall be recognized initially as separate items of property, plant and equipment and separate depreciation rates shall be assigned to them depending on their useful lives.

An intangible asset is initially recorded at cost which comprises the purchase price and other costs directly attributable to the acquisition. An intangible asset is carried in the balance sheet at its cost, less accumulated amortization and any accumulated impairment losses.

Pharmaceutical products in development are recorded as unfinished projects. Once products in development are approved for sale, the amounts will be allocated to product rights and will be amortized. Unfinished projects include also product acquisition costs representing product rights obtained from third parties possessing regulatory approvals in respective markets, however, the production of which has not yet started. Product acquisition costs are reclassified as intangible assets in use and will be amortized once products are commercialized.

Minimal acquisition cost 1350 EUR

Useful life by assets group (years)

Assets group name	Useful life
Machinery and equipment	5-20
Other property, plant and equipment	2-5
Concessions, patents, licenses, trademarks	10

Company performs an impairment test at each balance sheet date on those assets where there is any indication of potential impairment.

An impairment test is performed to determine the recoverable amount of an asset, which is the higher of the two indicators – fair value of an asset (less costs to sell) and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the use of an asset and from the disposal at the end of its useful life.

When an impairment test is not feasible for an individual asset because the cash flows being generated by the asset are indistinguishable from the cash flows of the rest of the entity, an impairment test shall be performed for the cash-generating unit to which the asset belongs.

Assets are written down to their recoverable amount if the recoverable amount of the asset is lower than its carrying amount. The impairment loss is recognized on an accrual basis as an expense in the income statement under "Depreciation and impairment loss".

Products in development are subject to the annual impairment testing. These valuations reflect, among other things, the impact of changes to the development programs, the projected development and regulatory time frames and the current competitive environment.

Recording of property, plant and equipment and intangible assets is finished in case of disposal of the asset or in case the economic benefits are no longer expected from use or sale of the asset.

The straight-line method is used for depreciating property, plant and equipment. The depreciation rates are assigned to each item of property, plant and equipment or major component separately, based on the useful life of the specific item.

The straight-line method is used for amortizing intangible assets. The amortization rates are assigned to each item of intangible asset, based on the useful life of the specific item.

Leases

Lease transactions, where all material risks and rewards from the ownership of an asset are transferred to the lessee, are treated as a finance lease. All other lease transactions are treated as operating leases.

Operating lease payments are recorded as expenses based on straight-line method over the entire lease period.

Financial liabilities

Financial liabilities (trade payables, received loans, accrued expenses) are initially measured at cost, which is the fair value of consideration received. Initial cost of financial liabilities includes all direct transaction costs. Subsequently the financial liabilities are recorded at amortized cost.

The amortized cost of short-term liabilities, as general, is equal to their nominal value. Therefore, they are recognized in the amount required to settle the liability. For calculating the amortized cost of long-term financial liabilities, the effective interest rate method is used.

Financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires.

Financial liability is classified as long-term in the balance sheet if it is due more than 12 months after the balance sheet date. All other liabilities are classified as short-term.

Revenue recognition

Revenue from the sale of goods is recognized when all significant risks related to ownership of goods are transferred to the buyer, the sales revenue and transaction costs can be reliably measured and the receipt of payment from the transaction is probable. Revenue from services is

recognized in the period the services are rendered, assuming that the receipt of payment from the transaction is probable and the sales revenue and the expenses related to providing the services can be reliably measured.

Taxation

According to the Income Tax Act, Estonian companies are not subject to pay income tax on the annual period profit. Income tax is paid on distribution of dividends, fringe benefits, gifts, donations, receptions costs, expenses not related to business activities and transfer pricing adjustments. The tax rate is 20/80 of the taxable amount.

Related parties

The following are considered as related parties in the preparation of the annual report for J. Molner AS in 2024:

- owner;
- members of management board;
- companies under control or significant influence of aforementioned individuals or their close relatives.

Note 2 Cash and cash equivalents

(In Euros)

	31.12.2024	30.06.2024	31.12.2023
Cash and cash equivalents	215 550	611 512	92 522
Total cash and cash equivalents	215 550	611 512	92 522

Note 3 Receivables and prepayments

(In Euros)

	31.12.2024	Allocation by remaining maturity	
		Within 12 months	1 - 5 years
Accounts receivable	292 416	292 416	0
Accounts receivable	292 416	292 416	0
Tax prepayments and receivables	16 181	16 181	0
Prepayments	288 165	278 750	9 415
Deferred expenses	5 855	5 855	0
Other paid prepayments	282 310	272 895	9 415
Total receivables and prepayments	596 762	587 347	9 415
	30.06.2024	Allocation by remaining maturity	
		Within 12 months	1 - 5 years
Accounts receivable	309 551	309 551	0
Accounts receivable	309 551	309 551	0
Tax prepayments and receivables	33 106	33 106	0
Prepayments	185 539	175 944	9 595
Deferred expenses	173 389	173 389	0
Other paid prepayments	12 150	2 555	9 595
Total receivables and prepayments	528 196	518 601	9 595
	31.12.2023	Allocation by remaining maturity	
		Within 12 months	1 - 5 years
Accounts receivable	70 211	70 211	0
Accounts receivable	70 221	70 211	0
Tax prepayments and receivables	11 427	11 427	0
Prepayments	244 287	234 692	9 595
Deferred expenses	227 293	227 293	0
Other paid prepayments	16 994	7 399	9 595
Total receivables and prepayments	325 925	316 330	9 595

Note 4 Inventories

(In Euros)

	31.12.2024	30.06.2024	31.12.2023
Raw materials	14 512	6 664	6 664
Raw materials	14 512	6 664	6 664
Merchandise	204 664	80 947	65 578
Merchandise	204 664	80 947	65 578
Total Inventories	219 176	87 611	72 242

Note 5 Shares of subsidiaries

(In Euros)

Shares of subsidiaries, general information					
Subsidiary's registry code	Name of subsidiary	Country of incorporation	Principal activity	hip interest (%)	
				31.12.2023	31.12.2024
16049586	The J. Molner Company OÜ	Estonia	Research and development in the field of biotechnology	100	100
87-2118750	The J. Molner Company LLC	United States of America	Wholesale	100	100
99-4998744	Nordisk Element LLC	United States of America	Sale of cosmetic products	0	100

Acquired ownership interests			
Name of subsidiary	Acquired ownership interest %	Acquisition date	Cost of acquired ownership interest
The J. Molner Company OÜ	100	06.09.2022	1 600 000
The J. Molner Company LLC	100	09.01.2023	467
Nordisk Element LLC	100	06.09.2024	0

Note 6 Property, plant and equipment

(In Euros)

					Total
	Computers and computer systems	Other machinery and equipment	Machinery and equipment	Other property, plant and equipment	
31.12.2023					
Carried at cost	26 360	228 841	2585 201	7 468	262 669
Accumulated depreciation	-4 079	-44 939	-49 018	-249	-49 267
Residual cost	22 281	183 902	206 183	7 219	213 402
Acquisitions and additions	1 787	56 674	58 461	36 786	95 247
Other acquisitions and additions	1 787	56 674	58 461	36 786	95 247
Depreciation	-2 696	-13 212	-15 908	-1 230	-17 138
30.06.2024					
Carried at cost	28 148	285 515	313 662	44 254	357 916
Accumulated depreciation	-6 775	-58 151	-64 926	-1 479	-66 405
Residual cost	21 372	227 364	248 736	42 775	291 511
Acquisitions and additions	1 410	3 592	5 002	13 550	18 552
Other acquisitions and additions	1 410	3 592	5 002	13 550	18 552
Depreciation	-2 844	-17 972	-20 816	-3 455	-24 271
31.12.2024					
Carried at cost	29 557	289 107	318 664	57 804	376 468
Accumulated depreciation	-9 619	-76 123	-85 742	-4 934	-90 676
Residual cost	19 938	212 984	232 922	52 870	285 792

Note 7 Intangible assets

(In Euros)

				Total
	Computer software	Concessions, patents, licenses, trademarks	Unfinished projects and prepayments	
31.12.2023				
Carried at cost	5 152	481 449	1 948 869	2 435 470
Accumulated depreciation	-1 288	-7 875	0	-9 163
Residual cost	3 864	-473 574	1 948 869	2 426 307
Acquisitions and additions	0	27 847	358 589	386 436
Depreciation	-257	-25 233	0	-25 490
30.06.2024				
Carried at cost	5 152	509 296	2 307 458	2 821 906
Accumulated depreciation	-1 545	-33 108	0	-34 653
Residual cost	3 607	476 188	2 307 458	2 787 253
Acquisitions and additions	0	948 907	792 587	1 741 494
Depreciation	-258	-42 544	0	-42 802
Reclassifications	0	0	-1 257 756	-1 257 756
31.12.2024				
Carried at cost	5 152	1 458 203	1 842 289	3 305 644
Accumulated depreciation	-1 803	-75 652	0	-77 455
Residual cost	3 349	1 382 551	1 842 289	3 228 189

Note 8 Loan commitments

(In Euros)

	31.12.2024	Allocation by remaining maturity			Interest rate	Base currencies	Due date
		Within 12 months	1 - 5 years	Over 5 years			
Current loans							
Short-term shareholder loan, EUR	92 169	92 169	0	0	5%	EUR	31.12.2023
Short-term shareholder loan, USD	171 959	171 959	0	0	5%	USD	31.12.2023
Current loans total	264 128	264 128	0	0			
Non-current loans							
Long-term loan	120 517	0	120 517	0	5%	USD	20.09.2026
Long-term loan, USD	535 644	0	535 644	0	7%	USD	06.04.2028
Long-term loan, USD	1 460 096	0	1 460 096	0	7%	USD	06.04.2028
Non-current loans total	2 116 257	0	2 116 257	0			
Loan commitments total	2 380 385	264 128	2 116 257	0			
	30.06.2024	Allocation by remaining maturity			Interest rate	Base currencies	Due date
		Within 12 months	1 - 5 years	Over 5 years			
Current loans							
Short-term shareholder loan, EUR	92 169	92 169	0	0	5%	EUR	31.12.2023
Short-term shareholder loan, USD	171 959	171 959	0	0	5%	USD	31.12.2023
Current loans total	264 128	264 128	0	0			
Non-current loans							
Long-term loan	120 517	0	120 517	0	5%	USD	20.09.2026
Long-term loan, USD	535 644	0	535 644	0	7%	USD	06.04.2028
Long-term loan, USD	1 460 096	0	1 460 096	0	7%	USD	06.04.2028
Non-current loans total	2 116 257	0	2 116 257	0			
Loan commitments total	2 380 385	264 128	2 116 257	0			
	31.12.2023	Allocation by remaining maturity			Interest rate	Base currencies	Due date
		Within 12 months	1 - 5 years	Over 5 years			
Current loans							
Short-term shareholder loan, EUR	95 735	95 735	0	0	5%	EUR	31.12.2023
Short-term shareholder loan, USD	171 910	171 910	0	0	5%	USD	31.12.2023
Current loans total	267 645	267 645	0	0			
Non-current loans							
Long-term loan	44 554	0	44 554	0	5%	USD	20.09.2026
Long-term loan, USD	1 866 616	0	1 866 616	0	7%	USD	06.04.2028
Non-current loans total	1 911 170	0	1 911 170	0			
Loan commitments total	2 178 815	267 645	1 911 170	0			

Note 9 Payables and prepayments

(In Euros)

	31.12.2024	Within 12 months	Note
Trade payables	560 721	560 721	
Employee payables	92 881	92 881	10
Tax payables	122 635	122 635	
Other payables	460 422	460 422	
Other accrued expenses	460 422	460 422	
Prepayments received	3 850	3 850	
Deferred income	3 850	3 850	
Total payables and prepayments	1 240 509	1 240 509	
	30.06.2024	Within 12 months	Note
Trade payables	332 362	332 362	
Employee payables	105 990	105 990	10
Tax payables	88 552	88 552	
Other payables	219 178	219 178	
Other accrued expenses	219 178	219 178	
Prepayments received	27 226	27 226	
Deferred income	27 226	27 226	
Total payables and prepayments	773 308	773 308	
	31.12.2023	Within 12 months	Note
Trade payables	271 546	271 546	
Employee payables	70 135	70 135	10
Tax payables	76 096	76 096	
Other payables	247 716	247 716	
Other accrued expenses	247 716	247 716	
Prepayments received	23 184	23 184	
Deferred income	23 184	23 184	
Total payables and prepayments	688 677	688 677	

In US entity, labor taxes are paid quarterly by the last day of the month following the end of the quarter.

Note 10 Employee payables

(In Euros)

	31.12.2024	30.06.2024	31.12.2023
Remuneration liability	68 916	59 334	50 012
Vacation pay liability	23 965	46 656	20 123
Total employee payables	92 881	105 990	70 135

Note 11 Share capital

(In Euros)

	31.12.2024	30.06.2024	31.12.2023
Share capital	1 686 001	1 686 001	1 686 001
Number of shares (pcs)	1 686 001	1 686 001	1 686 001
Nominal value of shares	1 686 001	1 686 001	1 686 001

Note 12 Net sales

(In Euros)

	2024	01.07.2024- 31.12.2024	01.01.2024- 30.06.2021	2023
Net sales by geographical location				
Net sales in European Union				
Estonia	51 440	50 156	1 284	4 746
Latvia	62 554	24 383	38 171	38 908
Total net sales in European Union	113 994	74 539	39 455	43 654
Net sales outside of European Union				
United States of America	2 173 227	908 391	1 264 836	287 862
Canada	7 407	6 371	1 036	286 047
Total net sales outside of European Union	2 180 634	914 762	1 265 872	573 909
Total net sales	2 294 628	989 301	1 305 327	617 563
Net sales by operating activities				
Research and development in the field of biotechnology	1 933 184	757 006	1 176 178	617 563
Sale of Goods	361 444	232 295	129 149	0
Total net sales	2 294 628	989 301	1 305 327	617 563

Note 13 Goods, raw materials and services

(In Euros)

	2024	01.07.2024- 31.12.2024	01.01.2024- 30.06.2024	2023
Raw materials	117 747	53 564	64 184	42 435
Inventory write-off	79 286	30 603	48 683	2 724
Goods purchased for resale	470 646	183 963	286 684	107 978
Services purchased for resale	783 474	396 398	387 078	17 861
Energy	14 967	8 010	6 957	16 085
Electricity	12 650	7 022	5 628	13 807
Heat energy	2 317	988	1 329	2 278
Water supply services	1 032	548	483	829
Transportation expense	4 569	2 598	1 971	1 255
Leases	71 048	34 735	36 313	47 553
Other	392 999	194 115	198 884	88 238
Total goods, raw materials and services	1 935 768	904 532	1 031 236	324 958

In 2024, the account other services (related to the main activity) were reclassified from the item Goods, raw materials, materials and services to the item Miscellaneous operating expenses.

The account reflects various program fees related to the main activity and fees related to the maintenance of marketing authorizations and pharmacovigilance.

The correction was also made in the year 2023.

Note 14 Miscellaneous operating expenses

(In Euros)

	2024	01.07.2024- 31.12.2024	01.01.2024- 30.06.2024	2023
Leases	48 553	18 692	29 861	39 293
Energy	12 041	6 444	5 597	22 987
Electricity	10 177	5 648	4 529	19 658
Heat energy	1 864	796	1 068	3 329
Water supply services	830	442	388	1 185
Miscellaneous office expenses	511 194	275 488	235 706	93 605
Travel expense	157 843	93 604	64 239	162 850
Training expense	45 710	8 291	37 419	237 868
State and local taxes	500	500	0	10 872
Other	351 888	192 671	159 217	243 288
Total miscellaneous operating expenses	1 128 559	590 337	538 222	811 948

In 2024, the account other services (related to the main activity) were reclassified from the item Goods, raw materials, materials and services to the item Miscellaneous operating expenses.

The account reflects various program fees related to the main activity and fees related to the maintenance of marketing authorizations and pharmacovigilance.

The expense is reflected in the line Other in the note above. The correction was also made in the year 2023.

Note 15 Labor expense

(In Euros)

	2024	01.07.2024- 31.12.2024	01.01.2024- 30.06.2024	2023
Wage and salary expense	1 225 904	674 491	550 963	787 676
Social security taxes	347 822	181 937	165 885	250 551
Option costs	40 344	35 219	5 125	21 711
Total labor expense	1 614 070	892 097	721 973	1 059 938
Average number of employees in full-time equivalent units	33	33	29	27
Average number of employees by types of employment:				
Person employed under employment contract	32	32	28	26
Person providing service under law of obligations, except for self-employed person	1	1	1	1

Note 16 Related parties

(In Euros)

Related party balances according to groups

SHORT TERM	31.12.2024	30.06.2024	31.12.2023	Note
Receivables and prepayments				
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	0	0	7 399	3
Total receivables and prepayments	0	0	7 399	
Loan commitments				
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	264 128	279 734	267 645	8
Total loan commitments	264 128	279 734	267 645	

LOAN COMMITMENTS	31.12.2022	Loans received repayments	31.12.2023	Interest accrued for period	Note
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	274 178	19 426	267 645	12 891	8
Total loan commitments	274 178	19 426	267 645	12 891	

LOAN COMMITMENTS	31.12.2023	Loans received repayments	30.06.2024	Interest accrued for period	Note
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	267 645	0	279 734	6 790	8
Total loan commitments	267 645	0	279 734	6 790	

LOAN COMMITMENTS	30.06.2024	Loans received repayments	31.12.2024	Interest accrued for period	Note
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	279 734	13 601	264 128	10 082	8
Total loan commitments	279 734	13 601	264 128	10 082	

Remuneration and other significant benefits calculated for members of management and the highest supervisory body			
	2024	30.06.2024	2023
Remuneration	182 002	93 557	65 992

Note 17 Non-consolidated statement of financial position

(In Euros)

	31.12.2024	30.06.2024	31.12.2023
Assets			
Current assets			
Cash and cash equivalents	0	3 457	3 457
Receivables and prepayments	6 497	0	0
Total current assets	6 497	3 457	3 457
Non-current assets			
Investments in subsidiaries and associates	1 600 467	1 600 467	1 600 467
Receivables and prepayments	2 030 149	2 410 447	2 410 447
Total non-current assets	3 630 616	4 010 914	4 010 914
Total assets	3 637 113	4 014 371	4 014 371
Liabilities and equity			
Liabilities			
Current liabilities			
Payables and prepayments	72 298	1 187	1 187
Total current liabilities	72 298	1 187	1 187
Non-current liabilities			
Loan liabilities	1 460 096	1 866 616	1 866 616
Total non-current liabilities	1 460 096	1 866 616	1 866 616
Total liabilities	1 532 394	1 867 803	1 867 803
Equity			
Issued capital	1 686 001	1 686 001	1 686 001
Share premium	612 327	612 327	612 327
Other reserves	62 055	21 711	21 711
Retained earnings (loss)	-173 471	-143 268	-143 268
Period profit (loss)	-82 193	-30 203	-30 203
Total equity	2 104 719	2 146 568	2 146 568
Total liabilities and equity	3 637 113	4 014 371	4 014 371

Note 18 Non-consolidated income statement

(In Euros)

	2024	01.07.2024- 31.12.2024	01.01.2024- 30.06.2024	2023
Other operating expense	-68 070	-55 837	-12 233	-29 400
Employee expense	-40 344	-35 219	-5 125	-21 711
Total operating profit (loss)	-108 414	-91 056	-17 358	-51 111
Interest expenses	-88 058	-43 977	-44 081	-57 729
Other financial income and expense	114 279	57 159	57 120	78 637
Profit (loss) before tax	-82 193	-77 874	-4 319	-30 203
Period profit (loss)	-82 193	-77 874	-4 319	-30 203

Note 19 Non-consolidated statement of cash flows

(In Euros)

	2024	01.07.2024- 31.12.2024	01.01.2024- 30.06.2024	2023
Cash flows from operating activities				
Payments to suppliers for goods and services	-3 457	0	-3 457	-118 004
Other cash flows from operating activities	0	0	0	-25
Total cash flows from operating activities	-3 457	0	-3 457	-118 029
Cash flows from investing activities				
Loans given	0	0	0	-523 000
Interest received	0	0	0	76
Total cash flows from investing activities	0	0	0	-522 924
Total cash flows	-3 457	0	-3 457	-640 953
Cash and cash equivalents at beginning of period	3 457	0	3 457	644 410
Change in cash and cash equivalents	-3 457	0	-3 457	-640 953
Cash and cash equivalents at end of period	0	0	0	3 457

Note 20 Non-consolidated statement of changes in equity

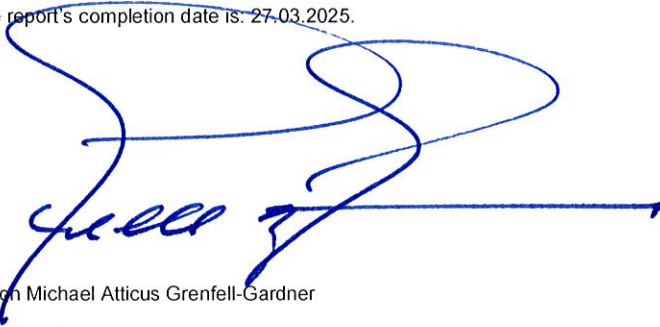
(In Euros)

	Issued capital	Share premium	Other reserves	Retained earnings (loss)	Total
31.12.2023	1 686 001	612 327	21 711	-173 471	2 146 568
Period profit (loss)	0	0	0	-4 319	-4 319
Changes in reserves	0	0	5 125	0	5 125
30.06.2024	1 686 001	612 327	26 836	-177 790	2 147 374
Period profit (loss)	0	0	0	-77 874	-77 874
Changes in reserves	0	0	35 219	0	35 219
31.12.2024	1 686 001	612 327	62 055	-255 664	2 104 719

Signatures

The board has prepared the unaudited interim report of J. Molner AS for the 12 months of the 2024 financial year and confirms the correctness of the data in the report.

The report's completion date is: 27.03.2025.

A handwritten signature in blue ink, appearing to read 'Jull 27', with a large, stylized flourish above it.

Jason Michael Atticus Grenfell-Gardner

Member of the Board