

YEAR-END REPORT JANUARY - DECEMBER 2022

# S2Medical AB (publ)



# YEAR-END REPORT

## JANUARY - DECEMBER 2022

### SUMMARY OF THE INTERIM REPORT

During the fourth quarter, sales in regular wound healing products amounted to MSEK 1.2 (1.4), and increased on a full-year basis by approximately 6% compared to 2021.

The Group's net turnover during the quarter amounted to MSEK 1.2 (1.6). Turnover for the full year amounted to MSEK 4.7 (7.7). The company had a somewhat increased turnover in 2021 resulting from the sale of medical consumables to Swedish healthcare regions.

### DEVELOPMENT IN THE GROUP, OCTOBER – DECEMBER 2022

- Net turnover in regular wound healing products amounted to MSEK 1.2 (1.4)
- Total net turnover amounted to MSEK 1.2 (1.6)
- Operating result amounted to MSEK -7.0 (-6.3)
- Result for the period amounted to MSEK -7.3 (-6.5)
- Earnings per share amounted to SEK -0.22 (-0.43)

### DEVELOPMENT IN THE GROUP, FULL YEAR JANUARY – DECEMBER 2022

- Net turnover in regular wound healing products amounted to MSEK 4.7 (4.6)
- Total net turnover amounted to MSEK 4.7 (7.7)
- Operating result amounted to MSEK -27.7 (-19.8)
- Result for the period amounted to MSEK -29.5 (-20.1)
- Earnings per share amounted to SEK -0.90 (-1.33)

### SIGNIFICANT EVENTS DURING THE PERIOD OCTOBER 1 – DECEMBER 31, 2022

In October, a supply agreement was signed with Region Östergötland for the supply of wound healing items.

The Company's IP portfolio was strengthened during the quarter when the European Patent Office announced its intention to approve patent protection for the Company's AMP technology. Furthermore, capital was added to the Company through the exercise of subscription warrants in series 1. In total, approximately MSEK 5.66 was provided to the Company.

At the end of the quarter, the Company announced that a collation of data showed that using Epiprotect for the treatment of hard-to-heal leg ulcers can result in a cost saving of 83% compared to conventional treatment.

### SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

Tests carried out by the researchers who are part of the HEALiX project, which the Company is part of, have shown very favorable antimicrobial effects from the antimicrobial peptide being developed as part of the project. This was reported in a press release in January 2023. The molecule that was tested had a very good effect against the bacteria, identified by the WHO as being of particular importance in the development of new types of antibiotics, and which were placed on the so-called ESKAPE list.



## A FEW WORDS FROM OUR CEO

2022 has been a difficult year for many. The stock market winter that followed the outbreak of war in Ukraine has had consequences for many Swedish and foreign companies. For S2Medical, it meant that a planned larger issue at the beginning of the year had to be split into two smaller parts instead, and a lot of time and energy was used to optimize our operations, and at the same time enhance the prerequisites for the long-term financing that we need in order to attain profitability. Despite this, we have achieved a great deal, not only during the last quarter of the year, but also during the year as a whole. Turnover from the wound healing segment increased marginally from MSEK 4.6 in 2021 to MSEK 4.7 in 2022. As the Company, for the most part,

operates in procurement-driven markets, we are dependent on working long-term in order to get our products into more and more procurements. During the year, this work has resulted in four signed agreements with customers, in and outside Sweden, one of which was during the last quarter of the year.

In the year-end report from last year, I wrote that the tone for 2022 would be set by our expansion in Saudi Arabia, which can now be seen with several positive reports from the country. We are now in a strong position where we expect to receive a procurement code, which is necessary to be able to sell our products in one of the Middle East's most important markets.

One of the year's most important announcements was published at the end of the year, when we were able to demonstrate that using Epiprotect reduces the cost of treating hard-to-heal leg ulcers by an almost unimaginable 83%. If all leg ulcers in Sweden were to be treated with our products, and according to the strategy we have developed, society could save approximately half a billion SEK each year. We're not quite there yet, but we've come a small part along the way, as at least three of Sweden's regions have signed agreements with us during the year to be able to buy our products.

Thanks to the marketing measures we have taken, Epiprotect has taken its place as a standard treatment in several hospitals around the world. Convincing burn surgeons to adopt a new technology is no easy feat, as they treat very severely injured patients where the choice of product can be life-changing. That's why we're so incredibly proud of the products we sell, and that, despite everything, we've come so far.

At the end of the year, we launched a campaign to help injured people in Ukraine gain access to Epiprotect, as burns are an all too frequent injury in war. Several boxes of our skin substitute have now reached all the way to the front line in, among other places, the Dnieper area, where we have also trained the surgeons over the phone on how to best use Epiprotect in a war situation. Our intention is to continue to support this important cause.

Looking ahead, significant focus will be on further streamlining our organization in order to significantly reduce our costs, and at the same time enter into more strategic agreements with parties that have sufficient resources to break through with our products. The savings we have already started to implement will reduce both salary costs and other expenditure items in 2023. Overall, we will base our strategy on measures in order to reach cash flow positivity as quickly as possible, which we hope, and believe, will have positive effects in 2023.

**PETTER SIVLÉR**  
CEO



# S2MEDICAL IN BRIEF

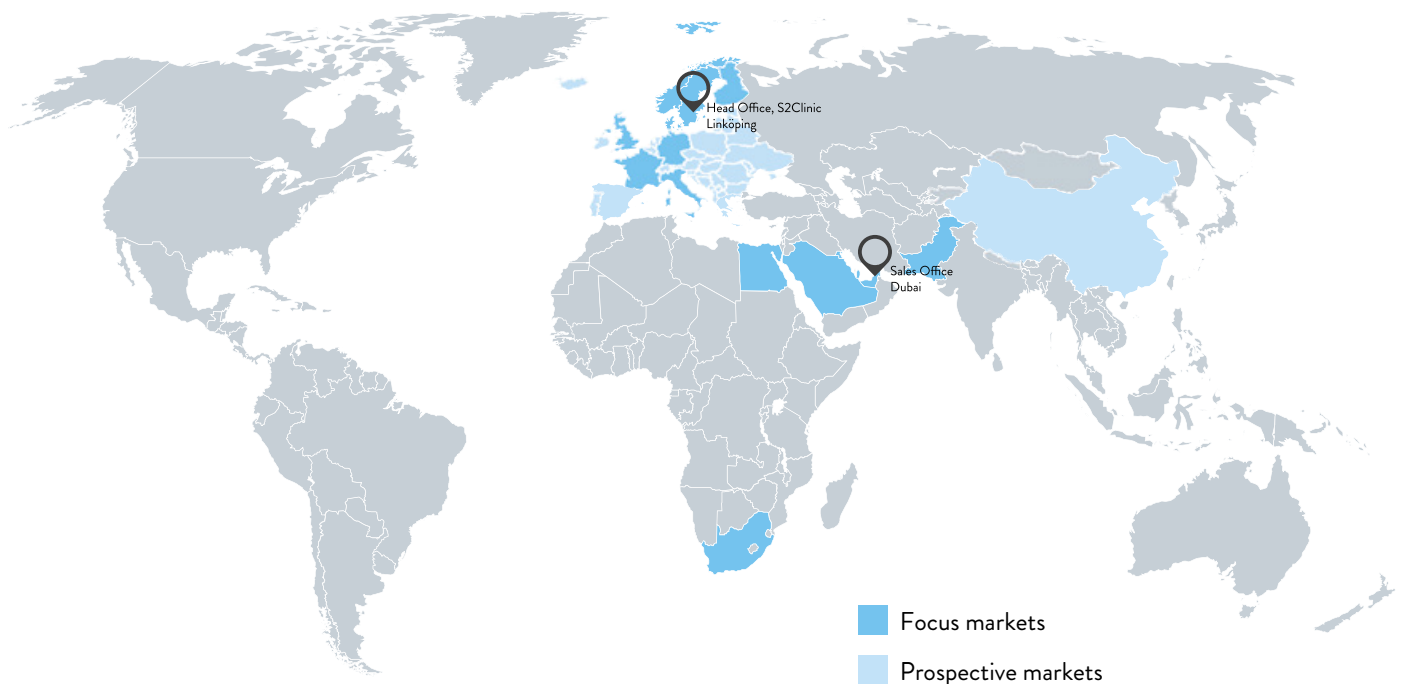
S2Medical is an innovative medical technology group founded in 2013, with the vision of replacing wound care with a holistic concept for wound healing, the Company intends to become a market-leading player in wound healing for burns and chronic wounds.

The Group offers a holistic concept in wound healing, based on the three essential steps of debridement, granulation, and re-epithelialization. In addition to proprietary products, S2Medical AB is also a reseller of a broad portfolio of medical technology products in wound healing. During the third quarter of 2021, the Company completed the acquisition of Curenc AB, a technology platform for antibacterial peptides, which the Company believes will involve a major advance in the treatment of multi-resistant bacteria. The subsidiary Instagraft AB is already part of the Company group.

S2Medical AB operates in an attractive market undergoing growth, the global wound care market is expected to amount to USD 27.3 billion in 2028, with an average annual growth (CAGR) of 4.1% during the period 2020-2028. Growth is driven, among other things, by an aging population and an increased incidence of chronic diseases.

S2Medical AB has its head office and production facility in Linköping, Sweden. Since 2019, the Company has also been established in the Middle East through a sales office based in Dubai. The Company has also had its own wound healing center in Linköping since 2018, under the name S2Clinic.

Sales of the Companies' products take place via direct sales in the Nordic region, and via a strategic network of distributors in the Company's other main markets; Europe, the Middle East, Africa and Asia.



# FINANCIAL OVERVIEW

Figures in parentheses below indicate information for the corresponding period during the previous financial year.

## TURNOVER AND RESULT FOR THE GROUP

Net turnover for the fourth quarter amounted to MSEK 1.2 (1.6). Sales decreased somewhat during the quarter within regular wound healing products and sales of medical consumables compared to the previous year. At the same time, sales increased slightly in wound healing products on a full-year basis.

Expenses have increased compared to the previous year, which is attributable to increased external costs as a result of increased consultancy fees for ISO certification and CE marking, as well as increased marketing costs during the quarter. Personnel costs have increased due to an increased workforce. Interest expenses have increased as a result of the loan financing that S2Medical AB took out during the fourth quarter of 2021.

The result for the fourth quarter amounted to MSEK -7.3 (-6.5) and, in addition to the increased other external costs mentioned above, is also negatively affected compared to the previous year by increased personnel costs.

The result for the full year amounted to - MSEK 29.5 (-20.1).

## FINANCIAL POSITION

Cash and cash equivalents as of the balance sheet date amounted to MSEK 3.7, compared with MSEK 3.4 at the beginning of the period. Cash flow for the quarter amounted to MSEK 0.3 (4.2), and during 2022 to MSEK -5.8 (-15.8).

The equity/assets ratio at the end of the period was 28%.

## INVESTMENTS

No significant investments have been made during the fourth quarter of 2022.

## PARENT COMPANY

The Parent Company's revenues for the fourth quarter amounted to MSEK 1.2 (1.6), and for the full year turnover amounted to MSEK 4.7 (7.7). The operating result for the fourth quarter amounted to MSEK -6.9 (-7.0). The Parent Company's equity amounted to MSEK 7.5 (14.7) at the end of the period.

## EQUITY

Total equity at the beginning of the period was MSEK 8.7. Equity was affected from the result for the period after tax by MSEK -7.3, and by the exercise of subscription warrants, corresponding to MSEK 5.7, whereby the equity at the end of the period amounted to MSEK 7.1.

### CHANGE IN EQUITY FOR THE GROUP

| (Amounts in TSEK)            | 2022-01-01 –<br>2022-12-31 | 2021-01-01 –<br>2021-12-31 |
|------------------------------|----------------------------|----------------------------|
| Opening equity               | 14 681                     | 32 973                     |
| Payment of share capital     | 1 021                      | 16                         |
| New issue                    | 21 490                     | 1 874                      |
| Direct issue costs           | - 667                      | - 103                      |
| <b>Result for the period</b> | <b>- 29 456</b>            | <b>- 20 079</b>            |
| <b>Closing equity</b>        | <b>7 069</b>               | <b>14 681</b>              |

### CHANGE IN EQUITY 2022-01-01 – 2022-12-31

| (Amounts in TSEK)              | Share capital | Development<br>expenditure<br>fund | Other<br>contributed<br>capital | Retained<br>earnings incl.<br>result for year | Total equity |
|--------------------------------|---------------|------------------------------------|---------------------------------|---|--------------|
| Amount as of 2022-01-01        | 882           | 9 346                              | 83 553                          | -79 100                                       | 14 681       |
| New issue                      | 1 021         | -                                  | 21 490                          | -   | 22 513       |
| Issue costs                    | -             | -                                  | -667                            | -   | - 669        |
| Provision                      | -             | 894                                | -                               | -894  | 0            |
| Result for the year            | -             | -                                  | -                               | -29 456                                       | - 29 456     |
| <b>Amount as of 2022-12-31</b> | <b>1 903</b>  | <b>10 240</b>                      | <b>104 376</b>                  | <b>-109 450</b>                               | <b>7 069</b> |

## S2MEDICAL AB's STOCK

S2Medical AB has been listed on the Nasdaq First North Growth Market since 2018 (ticker: S2M).

As of December 31, 2022, S2Medical AB had 32 491 669 outstanding shares, of which 3 125 000 were A shares and 29 366 669 B shares. During the quarter, subscription warrants were exercised, whereby 6 903 128 new B shares were added to the Company. At the beginning of the quarter, the number of shares amounted to 25 588 541 outstanding shares, of which 3 125 000 were A shares and 22 463 541 B shares.

## DATA PER SHARE

| (St.)   | 2022-10-01 –<br>2022-12-31 | 2021-10-01 –<br>2021-12-31 | 2022-01-01 –<br>2022-12-31 | 2021-01-01 –<br>2021-12-31 |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| Number of shares outstanding at the end of the period | 32 491 669                 | 15 052 083                 | 32 491 669                 | 15 052 083                 |
| Average number of shares at the end of the period     | 29 040 105                 | 15 052 083                 | 23 771 876                 | 14 829 861                 |
| <b>Earnings per share, SEK</b>                        | <b>-0,22</b>               | <b>-0,43</b>               | <b>-0,90</b>               | <b>-1,33</b>               |

The table below shows S2Medical's largest shareholders at the end of the period.

| Name                                 | No. of A shares  | No. of B shares   | Capital %  | Votes %    |
|--------------------------------------|------------------|-------------------|------------|------------|
| SivlerSkog Group AB                  | 2 500 000        | 2 530 667         | 15,48      | 45,42      |
| Avanza Pension                       |                  | 2 154 941         | 6,63       | 3,65       |
| Fadi Barakat                         |                  | 1 829 311         | 5,63       | 3,02       |
| Johan Grevelius                      |                  | 1 542 273         | 4,75       | 2,54       |
| Arbona Growth                        | 625 000          | 910 784           | 4,73       | 11,81      |
| BigState International Investment Co |                  | 1 335 400         | 4,11       | 2,20       |
| Kia Romlin                           |                  | 1 022 752         | 3,15       | 1,69       |
| Nordnet Pensionsförsäkring           |                  | 513 114           | 1,58       | 0,85       |
| Iraj Arastoupour                     |                  | 504 571           | 1,55       | 0,83       |
| Fredrik Grevelius                    |                  | 472 990           | 1,46       | 0,78       |
| Övriga                               |                  | 16 549 866        | 50,93      | 27,21      |
| <b>Total</b>                         | <b>3 125 000</b> | <b>29 366 669</b> | <b>100</b> | <b>100</b> |

## ACCOUNTING PRINCIPLES

S2Medical prepares its accounts in accordance with the Swedish Annual Accounts Act and the Swedish Accounting Standards Board's general advice BFNAR 2012:1 (K3). The Company is a Parent Company to the wholly owned subsidiaries Instagraft AB, 559049-5817 and Curenc AB, 559273-5137. Consolidated accounts were prepared for the first time as of the fourth quarter 2021, when the operations in Curenc AB increased, and Section 3, Chapter 7 of ÅRL no longer applies.

## UPCOMING REPORTING PERIODS

|                                 |                   |
|---------------------------------|-------------------|
| Annual Report for 2022          | April 26, 2023    |
| Interim Report Q1, 2023         | May 17, 2023      |
| Annual General Meeting for 2022 | June 1, 2023      |
| Interim Report Q2, 2023         | August 25, 2023   |
| Interim Report Q3, 2023         | November 17, 2023 |

**This report has not been subject to audit.**

## CERTIFIED ADVISER

Vator Securities AB (telephone +46 8 580 065 99/www.vatorsec.se) is the company's Certified Adviser on the Nasdaq First North Growth Market.

## FOR MORE INFORMATION

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The information in this press release is such that S2Medical AB (publ.) is obliged to publish in accordance with the EU Market Abuse Regulation (EU) No. 596/2014 and the Swedish Securities Market Act. The information was submitted, through the care of the specified contact person, for publication on February 22, 2023 at 15:45.



# FINANCIAL REPORTS

## CONSOLIDATED INCOME STATEMENT

| (Amounts in TSEK)   | 2022-10-01 –<br>2022-12-31 | 2021-10-01 –<br>2021-12-31 | 2022-01-01 –<br>2022-12-31 | 2021-01-01 –<br>2021-12-31 |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| <b>OPERATING REVENUE</b>  |                            |                            |                            |                            |
| Net turnover  | 1 165                      | 1 608                      | 4 670                      | 7 700                      |
| Change of stock items during manufacture, finished goods and work in progress on behalf of others | -183                       | -214                       | 1 605                      | 541                        |
| Capitalized production  | 411                        | 530                        | 1 489                      | 2 934                      |
| Other operating revenue   | 656                        | 15                         | 1 166                      | 326                        |
| <b>Total operating revenue</b>  | <b>2 049</b>               | <b>1 939</b>               | <b>8 931</b>               | <b>11 501</b>              |
| <b>OPERATING EXPENSES</b>   |                            |                            |                            |                            |
| Raw materials and consumables   | -334                       | -349                       | -2 600                     | -4 078                     |
| Other external costs  | -3 128                     | -3 952                     | -13 133                    | -12 206                    |
| Personnel costs   | -5 087                     | -3 440                     | -18 411                    | -13 334                    |
| Depreciation  | -474                       | -419                       | -1 917                     | -1 494                     |
| Other operating expenses  | -15                        | -63                        | -559                       | -225                       |
| <b>Total operating expenses</b>   | <b>-9 038</b>              | <b>-8 223</b>              | <b>-36 620</b>             | <b>-31 337</b>             |
| <b>OPERATING RESULT</b>   | <b>-6 989</b>              | <b>-6 284</b>              | <b>-27 688</b>             | <b>-19 836</b>             |
| <b>RESULT FROM FINANCIAL ITEMS</b>  |                            |                            |                            |                            |
| Other interest income and similar profit or loss items  | 0                          | 0                          | 0                          | 0                          |
| Interest expenses and similar profit or loss items  | -331                       | -216                       | -1 768                     | -243                       |
| <b>Total result from financial items</b>  | <b>-331</b>                | <b>-216</b>                | <b>-1 768</b>              | <b>-243</b>                |
| <b>RESULT AFTER FINANCIAL ITEMS</b>   | <b>-7 320</b>              | <b>-6 500</b>              | <b>-29 456</b>             | <b>-20 079</b>             |
| <b>RESULT FOR THE PERIOD</b>  | <b>-7 320</b>              | <b>-6 500</b>              | <b>-29 456</b>             | <b>-20 079</b>             |
| <b>RESULT FOR THE PERIOD</b>  | <b>-7 320</b>              | <b>-6 500</b>              | <b>-29 456</b>             | <b>-20 079</b>             |
| Attributable to the Parent Company's shareholders   | -7 320                     | -6 500                     | -29 456                    | -20 079                    |

## CONSOLIDATED BALANCE SHEET

| (Amounts in TSEK)  | 2022-12-31    | 2021-12-31    |
|--|---------------|---------------|
| <b>ASSETS</b>  |               |               |
| <b>FIXED ASSETS</b>  |               |               |
| <b>Intangible fixed assets</b>                             |               |               |
| Goodwill   | 1 323         | 1 702         |
| Capitalized expenses for development work and similar work | 10 241        | 9 346         |
| Patents  | 612           | 623           |
| <b>Total Intangible fixed assets</b>                       | <b>12 176</b> | <b>11 671</b> |
| <b>Tangible fixed assets</b>                               |               |               |
| Plant and machinery  | 576           | 897           |
| Equipment, tools and fittings                              | 610           | 847           |
| <b>Total tangible fixed assets</b>                         | <b>1 186</b>  | <b>1 744</b>  |
| <b>TOTAL FIXED ASSETS</b>                                  | <b>13 362</b> | <b>13 415</b> |
| <b>CURRENT ASSETS</b>                                      |               |               |
| <b>Inventory etc.</b>                                      |               |               |
| Raw materials and consumables                              | 924           | 2 338         |
| Goods in progress  | 3 373         | 0             |
| Finished goods and merchandise                             | 923           | 1 328         |
| Advances to suppliers                                      | 1 171         | 957           |
| <b>Total Inventory etc.</b>                                | <b>6 391</b>  | <b>4 623</b>  |
| <b>Current receivables</b>                                 |               |               |
| Accounts receivable  | 1 217         | 753           |
| Current tax receivables                                    | 0             | 0             |
| Other receivables  | 413           | 511           |
| Prepaid expenses and accrued income                        | 189           | 895           |
| <b>Total current receivables</b>                           | <b>1 819</b>  | <b>2 159</b>  |
| <b>Cash and bank balances</b>                              | <b>3 722</b>  | <b>9 479</b>  |
| <b>TOTAL CURRENT ASSETS</b>                                | <b>11 932</b> | <b>16 262</b> |
| <b>TOTAL ASSETS</b>  | <b>25 294</b> | <b>29 676</b> |

## CONSOLIDATED BALANCE SHEET CONT.

| (Amounts in TSEK)                          | 2022-12-31    | 2021-12-31    |
|--|---------------|---------------|
| <b>EQUITY AND LIABILITIES</b>              |               |               |
| <b>EQUITY</b>                              |               |               |
| Share capital                              | 1 903         | 882           |
| Other contributed capital                  | 104 437       | 83 554        |
| Other equity including result for the year | -99 271       | -69 755       |
| <b>Total Equity</b>                        | <b>7 069</b>  | <b>14 681</b> |
| <b>Long-term liabilities</b>               |               |               |
| Liabilities to credit institutions         | 0             | 0             |
| <b>Total long-term liabilities</b>         | <b>0</b>      | <b>0</b>      |
| <b>Short-term liabilities</b>              |               |               |
| Liabilities to credit institutions         | 0             | 208           |
| Advances from customers                    | 231           | 114           |
| Accounts payable                           | 1 772         | 988           |
| Current tax liabilities                    | 122           | 73            |
| Other liabilities                          | 13 426        | 10 654        |
| Accrued expenses and prepaid income        | 2 673         | 2 958         |
| <b>Total short-term liabilities</b>        | <b>18 225</b> | <b>14 995</b> |
| <b>TOTAL EQUITY AND LIABILITIES</b>        | <b>25 294</b> | <b>29 676</b> |

## CONSOLIDATED CASH FLOW STATEMENT

| (Amounts in TSEK)  | 2022-10-01 –<br>2022-12-31 | 2021-10-01 –<br>2021-12-31 | 2022-01-01 –<br>2022-12-31 | 2021-01-01 –<br>2021-12-31 |
|--|----------------------------|----------------------------|----------------------------|----------------------------|
| <b>Operating activities</b>  |                            |                            |                            |                            |
| Operating result   | -6 989                     | -6 284                     | -27 688                    | -19 836                    |
| Depreciation   | 474                        | 419                        | 1 917                      | 1 494                      |
| Interest paid  | -331                       | -5                         | -1 768                     | -32                        |
| Tax paid   | 12                         | 18                         | 46                         | 36                         |
| Adjustments for items not included in the cash flow                          | 0                          | 5                          | 0                          | -18                        |
| <b>Cash flow from operating activities before changes in working capital</b> | <b>-6 834</b>              | <b>-5 847</b>              | <b>-27 493</b>             | <b>-18 356</b>             |
| <b>Cash flow from changes in working capital</b>                             |                            |                            |                            |                            |
| Changes in inventory   | 249                        | 267                        | -1 768                     | - 94                       |
| Changes in current receivables   | -259                       | -582                       | 327                        | -495                       |
| Changes in short-term liabilities  | 2 103                      | 1 068                      | 3 230                      | -720                       |
| <b>Cash flow from operating activities</b>                                   | <b>-4 741</b>              | <b>-5 094</b>              | <b>-25 704</b>             | <b>-19 665</b>             |
| <b>INVESTMENT ACTIVITIES</b>   |                            |                            |                            |                            |
| Acquisition of intangible fixed assets                                       | -586                       | -530                       | -1 789                     | -2 909                     |
| Acquisition of tangible fixed assets   | 0                          | -26                        | -109                       | -188                       |
| Sale of tangible fixed assets  | 0                          | 0                          | 0                          | 73                         |
| Acquisition of subsidiaries  | 0                          | 0                          | 0                          | 0                          |
| <b>Cash flow from investment activities</b>                                  | <b>-586</b>                | <b>-556</b>                | <b>-1 898</b>              | <b>-3 024</b>              |
| <b>FINANCING ACTIVITIES</b>  |                            |                            |                            |                            |
| Loans taken  | 0                          | 10 000                     | 0                          | 10 000                     |
| Amortization of loans  | 0                          | -156                       | 0                          | -623                       |
| New issue  | 0                          | 0                          | 21 073                     | 0                          |
| Issue costs  | 0                          | 0                          | -4 889                     | -2 529                     |
| Subscription warrants  | 5 661                      | 0                          | 5 661                      | 0                          |
| <b>Cash flow from financing activities</b>                                   | <b>5 661</b>               | <b>9 844</b>               | <b>21 845</b>              | <b>6 848</b>               |
| <b>CASH FLOW FOR THE PERIOD</b>  | <b>334</b>                 | <b>4 195</b>               | <b>-5 757</b>              | <b>-15 841</b>             |
| <b>Cash and cash equivalents at the beginning of the period</b>              | <b>3 388</b>               | <b>5 284</b>               | <b>9 479</b>               | <b>25 320</b>              |
| <b>Cash and cash equivalents at the end of the period</b>                    | <b>3 722</b>               | <b>9 479</b>               | <b>3 722</b>               | <b>9 479</b>               |

## PARENT COMPANY INCOME STATEMENT

| (Amounts in TSEK)   | 2022-10-01 –<br>2022-12-31 | 2021-10-01 –<br>2021-12-31 | 2022-01-01 –<br>2022-12-31 | 2021-01-01 –<br>2021-12-31 |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| <b>OPERATING REVENUE</b>  |                            |                            |                            |                            |
| Net turnover  | 1 165                      | 1 608                      | 4 670                      | 7 700                      |
| Change of stock items during manufacture, finished goods and work in progress on behalf of others | -183                       | -214                       | 1 605                      | 541                        |
| Capitalized production  | 411                        | 530                        | 1 489                      | 2 934                      |
| Other operating revenue   | 657                        | 15                         | 1 166                      | 326                        |
| <b>Total operating revenue</b>  | <b>2 050</b>               | <b>1 939</b>               | <b>8 931</b>               | <b>11 501</b>              |
| <b>OPERATING EXPENSES</b>   |                            |                            |                            |                            |
| Raw materials and consumables   | -334                       | -349                       | -2 600                     | -4 078                     |
| Other external costs  | -3 127                     | -3 935                     | -13 127                    | -12 182                    |
| Personnel costs   | -5 087                     | -3 440                     | -18 411                    | -13 334                    |
| Depreciation  | -373                       | -321                       | -1 524                     | -1 290                     |
| Other operating expenses  | -15                        | -62                        | -559                       | -225                       |
| <b>Total operating expenses</b>   | <b>-8 936</b>              | <b>-8 107</b>              | <b>-36 220</b>             | <b>- 31 109</b>            |
| <b>OPERATING RESULT</b>   | <b>-6 886</b>              | <b>-6 168</b>              | <b>-27 289</b>             | <b>-19 608</b>             |
| <b>RESULT FROM FINANCIAL ITEMS</b>  |                            |                            |                            |                            |
| Other interest income and similar profit or loss items  | 0                          | 0                          | 0                          | 0                          |
| Interest expenses and similar profit or loss items  | -331                       | -216                       | -1 768                     | -243                       |
| <b>Total result from financial items</b>  | <b>-331</b>                | <b>-216</b>                | <b>-1 768</b>              | <b>-243</b>                |
| <b>RESULT AFTER FINANCIAL ITEMS</b>   | <b>-7 217</b>              | <b>-6 384</b>              | <b>-29 057</b>             | <b>-19 851</b>             |
| <b>RESULT BEFORE TAX</b>  | <b>-7 217</b>              | <b>-6 384</b>              | <b>-29 057</b>             | <b>-19 851</b>             |
| <b>RESULT FOR THE PERIOD</b>  | <b>-7 217</b>              | <b>-6 384</b>              | <b>-29 057</b>             | <b>-19 851</b>             |



## PARENT COMPANY BALANCE SHEET

| (Amounts in TSEK)  | 2022-12-31    | 2021-12-31    |
|--|---------------|---------------|
| <b>ASSETS</b>  |               |               |
| <b>FIXED ASSETS</b>  |               |               |
| <b>Intangible fixed assets</b>                             |               |               |
| Capitalized expenses for development work and similar work | 10 241        | 9 346         |
| Patents  | 312           | 623           |
| <b>Total intangible fixed assets</b>                       | <b>10 552</b> | <b>9 970</b>  |
| <b>Tangible fixed assets</b>                               |               |               |
| Plant and machinery  | 576           | 897           |
| Equipment, tools and fittings                              | 604           | 825           |
| <b>Total tangible fixed assets</b>                         | <b>1 180</b>  | <b>1 722</b>  |
| <b>Financial assets</b>                                    |               |               |
| Participation in group companies                           | 1 996         | 1 916         |
| <b>Total fixed assets</b>                                  | <b>13 728</b> | <b>13 607</b> |
| <b>CURRENT ASSETS</b>                                      |               |               |
| <b>Inventory etc.</b>                                      |               |               |
| Raw materials and consumables                              | 924           | 2 338         |
| Goods in progress  | 3 373         | 0             |
| Finished goods and merchandise                             | 923           | 1 328         |
| Advances to suppliers                                      | 1 171         | 957           |
| <b>Total inventory etc.</b>                                | <b>6 391</b>  | <b>4 623</b>  |
| <b>Current receivables</b>                                 |               |               |
| Accounts receivable  | 1 217         | 753           |
| Receivables from group companies                           | 330           | 29            |
| Current tax receivables                                    | 0             | 0             |
| Other receivables  | 348           | 359           |
| Prepaid expenses and accrued income                        | 189           | 895           |
| <b>Total current receivables</b>                           | <b>2 085</b>  | <b>2 037</b>  |
| <b>Cash and bank balances</b>                              | <b>3 395</b>  | <b>9 294</b>  |
| <b>TOTAL CURRENT ASSETS</b>                                | <b>11 871</b> | <b>15 954</b> |
| <b>TOTAL ASSETS</b>  | <b>25 599</b> | <b>29 561</b> |

## PARENT COMPANY BALANCE SHEET CONT.

| (Amounts in TSEK)                   | 2022-12-31    | 2021-12-31    |
|-------------------------------------|---------------|---------------|
| <b>EQUITY AND LIABILITIES</b>       |               |               |
| <b>EQUITY</b>                       |               |               |
| <b>Restricted equity</b>            |               |               |
| Share capital                       | 1 903         | 882           |
| Development expenditure fund        | 10 241        | 9 346         |
| <b>Total restricted equity</b>      | <b>12 144</b> | <b>10 228</b> |
| <b>Unrestricted equity</b>          |               |               |
| Share premium fund                  | 104 435       | 83 612        |
| Balanced profit or loss             | -80 032       | -59 287       |
| Result for the year                 | -29 057       | -19 851       |
| <b>Total unrestricted equity</b>    | <b>-4 654</b> | <b>4 474</b>  |
| <b>Total equity</b>                 | <b>7 489</b>  | <b>14 702</b> |
| <b>Long-term liabilities</b>        |               |               |
| Liabilities to credit institutions  | 0             | 0             |
| <b>Total long-term liabilities</b>  | <b>0</b>      | <b>0</b>      |
| <b>Short-term liabilities</b>       |               |               |
| Liabilities to credit institutions  | 0             | 207           |
| Advances from customers             | 231           | 114           |
| Accounts payable                    | 1 772         | 967           |
| Liabilities to group companies      | 0             | 0             |
| Current tax liabilities             | 122           | 73            |
| Other liabilities                   | 13 321        | 10 550        |
| Accrued expenses and prepaid income | 2 663         | 2 948         |
| <b>Total short-term liabilities</b> | <b>18 110</b> | <b>14 859</b> |
| <b>TOTAL EQUITY AND LIABILITIES</b> | <b>25 599</b> | <b>29 561</b> |

## PARENT COMPANY CASH FLOW STATEMENT

| (Amounts in TSEK)  | 2022-10-01 –<br>2022-12-31 | 2021-10-01 –<br>2021-12-31 | 2022-01-01 –<br>2022-12-31 | 2021-01-01 –<br>2021-12-31 |
|--|----------------------------|----------------------------|----------------------------|----------------------------|
| <b>OPERATING ACTIVITIES</b>  |                            |                            |                            |                            |
| Operating result   | -6 886                     | -6 168                     | -27 289                    | -19 608                    |
| Depreciation   | 373                        | 321                        | 1 524                      | 1 290                      |
| Interest paid  | -331                       | -5                         | -1 768                     | -32                        |
| Tax paid   | 12                         | 19                         | 46                         | 37                         |
| Adjustments for items not included in the cash flow                          | 0                          | 4                          | 0                          | -19                        |
| <b>Cash flow from operating activities before changes in working capital</b> | <b>-6 832</b>              | <b>-5 829</b>              | <b>-27 487</b>             | <b>-18 332</b>             |
| <b>Cash flow from changes in working capital</b>                             |                            |                            |                            |                            |
| Changes in inventory   | 249                        | 267                        | -1 768                     | - 95                       |
| Changes in current receivables   | -525                       | -455                       | -142                       | -380                       |
| Changes in short-term liabilities  | 2 193                      | 923                        | 3 251                      | -841                       |
| <b>Cash flow from operating activities</b>                                   | <b>-4 915</b>              | <b>-5 094</b>              | <b>-26 146</b>             | <b>-19 648</b>             |
| <b>INVESTMENT ACTIVITIES</b>   |                            |                            |                            |                            |
| Acquisition of intangible fixed assets                                       | -411                       | -530                       | -1 489                     | -2 934                     |
| Acquisition of tangible fixed assets   | 0                          | -25                        | -109                       | - 188                      |
| Sale of tangible fixed assets  | 0                          | 0                          | 0                          | 73                         |
| Acquisition of subsidiaries  | 0                          | 0                          | 0                          | 0                          |
| <b>Cash flow from investment activities</b>                                  | <b>-411</b>                | <b>-555</b>                | <b>-1 598</b>              | <b>-3 049</b>              |
| <b>FINANCING ACTIVITIES</b>  |                            |                            |                            |                            |
| Loans taken  | 0                          | 10 000                     | 0                          | 10 000                     |
| Amortization of loans  | 0                          | -156                       | 0                          | -623                       |
| New issue  | 0                          | 0                          | 21 073                     | 0                          |
| Issue costs  | 0                          | 0                          | -4 889                     | -2 529                     |
| Provided shareholder contributions   | 5 661                      | 0                          | 5 661                      | 0                          |
| <b>Cash flow from financing activities</b>                                   | <b>5 661</b>               | <b>9 844</b>               | <b>21 845</b>              | <b>6 848</b>               |
| <b>CASH FLOW FOR THE PERIOD</b>  | <b>+335</b>                | <b>+4195</b>               | <b>-5 899</b>              | <b>-15 849</b>             |
| <b>Cash and cash equivalents at the beginning of the period</b>              | <b>3 060</b>               | <b>5 099</b>               | <b>9 294</b>               | <b>25 143</b>              |
| <b>Cash and cash equivalents at the end of the period</b>                    | <b>3 395</b>               | <b>9 294</b>               | <b>3 395</b>               | <b>9 294</b>               |

