

INTERIM REPORT 1 JANUARY - 31 MARCH 2022

Q1 2022

- ▶ The result for the quarter amounted to -6 285 kSEK (-4 416 kSEK)
- ▶ Cash flow for the quarter amounted to 31 961 kSEK (-4 818 kSEK)
- ▶ Cash and cash equivalents at the end of the quarter amounted to 44 234 kSEK (28 802 kSEK)

Summary Financial Highlights kSEK	Jan-March 2022	Jan-March 2021	Jan-Dec 2021
Net revenue	0	0	0
Operating result	-6,340	-4,387	-21,117
Result	-6,285	-4,416	-21,136
Balance sheet total	58,295	35,715	39,591
Cash flow	31,961	-4,818	-21,347
Cash and cash equivalents	44,234	28,802	12,273
Equity ratio %	88%	90%	75%

Data per share SEK

Number of shares at the end of the period	13,806,142	9,606,200	11,006,056
Result per share before and after dilution*	-0.46	-0.46	-2.17
Cash flow per share	2.41	-0.50	-2.19
Equity per share	3.73	3.33	2.70

* Dilution effects is not calculated when the result is negative

Significant events during Q1 (Jan-March)

At the Extraordinary General Meeting held on January 18, in addition to approving the Board's proposal, it was decided to increase the limit on the number of shares and the size of the share capital in the Articles of Association, to enable the issue of the remaining 933 362 units in the private placement.

On January 18, an additional 2 800 086 shares and 1 866 724 warrants were registered, and all shares and warrants in the private placement are thus registered.

The last payments from the directed share issue were received by the company in January and February 2022, a total of 40 mSEK was added to the company after deduction of issue costs.

Ziccum announced on February 7 that it has become a member of the United Nations Global Compact, the world's largest corporate sustainability initiative.

On February 22, it was announced that Göran Conradson was terminated from his position as CEO. The company's CFO, Frida Hjelmberg, will be acting CEO for the time being.

On March 3, the Board released an update on strategy, goals and priorities. The company's strategy for entering into commercial agreements with industrial players has been and is clearly defined. It is based on four key priority activities:

1. Drive an active business development agenda that proactively prepares for collaboration with existing and potential partners. This is partly to offer the opportunity to evaluate specific projects in combination with Ziccum's technology, and partly to understand the requirements placed on the technology before a decision on a license agreement can be made.
2. Generate laboratory data that manifests and confirms the technology's capacity to dry different types of vaccines, so-called proof of concept.
3. Develop the company's technology to adapt its functionality, capacity and quality to the licensees' required specifications.
4. Develop conceptual plans for how Ziccum's drying technology can be adapted to the commercial scale and integrated into a commercial production environment.

With a new CEO, the Board's goal is to increase the pace of, above all, business development work – with the goal of entering into more industrial collaborations in order to evaluate LaminarPace and advance our existing collaborations into negotiations on commercial terms and license agreements

On March 28, it was announced that Ann Gidner is appointed as new CFO for Ziccum, she takes office on May 9.

Significant events after the reporting period

The new CEO, Ann Gidner, has bought 15,000 shares in Ziccum. In addition, the Board members Andreas Pettersson also bought 20,000 shares and Kristian Kierkegaard 10,000 shares in the Company.

CEO statement

This will be my final statement as acting CEO before our new CEO Ann Gidner assumes her new role on May 9. I am pleased that I will return to focusing fully on my CFO role having overseen a productive Quarter of renewed focus that I believe will serve as a basis for strong business development.

During the Quarter myself, together with Development Director Anna Lönn, an engaged Chairman and proactive Board member have worked intensively on reviewing the company's business development and strategic focus. On March 3 we released an updated reappraisal of our strategic goals reaffirming the importance of licensing rights in our business model, and our commitment to generating further proof-of-concept data, and in particular mRNA / LNP data.

In the week leading up to this Q1 Report we shared with our investors additional details on our strategic and operational initiatives, and how they constitute a strong base for future growth. These focus areas are:

1. A STRENGTHENED FOCUS ON THREE VACCINE PLATFORMS

During 2022 – 2023 Ziccum will focus on three key vaccine platforms: the Viral Vector platform using Adenovirus, the subunit vaccine (adjuvanted) platform and the mRNA/LNP vaccine platform. mRNA/LNP is an area we value very high. The global trend and market dynamics in this specific field is also very strong.

2. EXPANDED TOOLS, LAB FACILITIES AND mRNA/LNP CAPABILITIES

Strategic investments include a new cell lab that will enable in vitro studies of key biological properties and

deliver specific advantages in the development of mRNA/LNP. We have also completed the investment and installation of the microfluidics system, 'Ignite' NanoAssemblr, that will enable us to generate our own mRNA/LNP materials at R&D scale.

3. TARGETED TECHNOLOGY DEVELOPMENTS

To underpin Ziccum's new strategic focus, key technology development programs have been selected for the company's flagship drying system (LaminarPace or LAPA) as it progresses towards eventual GMP manufacturing status. Some are ongoing, some have been recently completed. These technology development programs include for instance a new powder collector solution, introduction of nitrogen (N2) as drying gas, nebulizer and membrane development.

These key priority areas and a committed and engaged organization will lead the way in LaminarPace's development towards commercial partnerships and eventual GMP industrial manufacturing.

In conclusion – 'renewed focus' is the key term that I want to emphasize. I believe that with the new more focused strategies and targets developed in this Quarter, and with the imminent arrival of our reputable CEO Ann Gidner, we are now in a strong position to move decisively forwards towards creating new partnerships and value for ourselves, our clients and our investors.

Lund April 28 2022,

Frida Hjelmberg Acting CEO

Expected future development

The company's overall objective is to enter into one or more license agreements to industrialize and commercialize the technology in collaboration with one or more major pharmaceutical companies.

The path to licensing agreements goes through evaluation agreements where LaminarPace functionality and capacity are evaluated together with a partner. If successful, the ambition is to continue to a negotiation regarding a license agreement. Primarily for a specific project or vaccine.

A prerequisite for being a relevant and attractive licensing partner is to be able to describe what an industrial version of LaminarPace can look like, and make it probable that the technology is suitable for upscaling and GMP production. Therefore, Ziccum conducts its own development projects where important components in LaminarPace are developed and adapted to industrial requirements.

A third priority area is applications for external and non-dilutive funding for further development of the technology. Ziccum actively monitors announcements that suit the Company's area of operation and technical phase.

Result and financial position Q1 - reporting period (Jan-March) 2022

Operating income from goods and services amounted to 0 kSEK (0).

Operating expenses amounted to 6 285 kSEK (4 416), of which personnel costs amounted to 3 277 kSEK (2 128).

Other external costs amounted to 2 742 kSEK (2 129).

Operating result amounted to -6 340 kSEK (-4 387) and result after financial items amounted to -6 285 kSEK (-4 416).

Result for the period amounted to -6 285 kSEK (-4 416).

Earnings per share before and after dilution amounted to -0.46 SEK (-0.46).

Cash flow during the period amounted to 31 961 kSEK (-4 818). The cash flow included a share issue of 28 051 kSEK (0). Cash flow per share amounted to 2.41 SEK (-0.50).

Cash and cash equivalents as of March 31 2022 amounted to 44 234 kSEK, compared with 12 273 kSEK on December 31 2021.

The company's equity as of March 31 2022 amounted to 51 464 kSEK, compared with 29 731 kSEK on December 31 2021.

Equity per share as of March 31 2022 amounted to 3.73 SEK, compared with 2.70 SEK on December 31 2021.

The company's equity ratio as of March 31 2022 was 88% compared to 75% on December 31 2021.

The result follows budget expectations regarding the costs of the ongoing commercialization of LaminarPace technology. The increase of external costs is mainly driven by consulting fees and extended premises. Personnel costs have increased compared with the previous year as a result of the company's former CEO Göran Conradson's salary for the entire notice period being expensed during the quarter, as he is exempted from work during the notice period.

The investments made during the year is mainly related to development of the LaminarPace technology in order to adapt and automate the technology for industrial production by increasing production capacity and prepare for GMP production.