

Income statement

kSEK	Jan-March 2022	Jan-March 2021	Jan-Dec 2021
Net sales	0	0	0
Other income	9	0	5
Total income	9	0	5
Other external costs	-2,751	-2,129	-11,128
Personnel costs	-3,277	-2,128	-9,151
Depreciation of tangible and intangible assets	-321	-130	-842
Operating result	-6,340	-4,387	-21,116
Result from financial items			
Financial net	55	-29	-20
Result after financial items	-6,285	-4,416	-21,136
RESULT FOR THE PERIOD	-6,285	-4,416	-21,136
Result per share before and after dilution*	-0.46	-0.46	-2.17

*Dilution effect is not calculated when the result is negative

Balance sheet statement

kSEK	Not	2022-03-31	2021-03-31	2021-12-31
Assets				
Subscribed unpaid capital		0	0	13,198
Intangible assets				
Patents, licenses, trademarks and similar rights		552	760	604
Tangible assets				
Equipment & tools		11,301	5,252	9,778
Total non-current assets		11,853	6,012	10,382
Current assets				
Short-term receivables				
Other receivables		1,693	644	796
Prepaid expenses & accrued income		515	257	251
Total short-term receivables		2,208	901	1,047
Cash & cash equivalents		44,234	28,802	12,273
Total current assets		46,442	29,703	13,320
TOTAL ASSETS		58,295	35,715	36,900
Equity & liabilities				
Equity				
Restricted equity				
Share capital	3	2,301	1,601	1,834
Total restricted equity		2,301	1,601	1,834
Unrestricted equity				
Share premium fund		105,431	63,756	77,900
Retained earnings		-49,983	-28,976	-28,867
Result of the period		-6,285	-4,416	-21,136
Total unrestricted capital		49,163	30,364	27,897
Total equity		51,464	31,965	29,731
Debt				
Long-term debt				
Loans		1,286	2,000	1,429
Short-term debt				
Account payables		2,572	1,064	2,680
Short-term loans		571	0	571
Tax debt		0	0	10
Other short-term debt		284	171	269
Accrued expenses and deferred income		2,118	515	2,210
Total short-term debt		5,545	1,750	5,740
TOTAL EQUITY & LIABILITIES		58,295	35,715	36,900

Changes in equity

	Restricted equity	Unrestricted equity			
kSEK	Share capital	Share premium fund	Retained earnings	Result of the period	Total equity
Opening balance 2021-01-01	1,601	63,756	-11,687	-17,289	36,381
Appropriations of net result			-17,289	17,289	0
Result of the period				-21,136	-21,136
Transactions with shareholders					
Share issue (LTI 2018/21)	33	2,167			2,200
Share issue costs		-55			-55
Warrants		213			213
Ongoing directed new issue	200	12,998			13,198
Directed new issue costs		-1,179			-1,179
Share related remunerations			109		109
Closing balance 2021-12-31	1,834	77,900	-28,867	-21,136	29,731
Opening balance 2022-01-01	1,834	77,900	-28,867	-21,136	29,731
Appropriations of net result			-21,136	21,136	0
Result of the period				-6,285	-6,285
Transactions with shareholders					
Share issue	467	27,584			28,051
Share issue costs		-53			-53
Share related remunerations			20		20
Closing balance 2022-03-31	2,301	105,431	-49,983	-6,285	51,464

Cash flow statement

kSEK	Jan-March 2022	Jan-March 2021	Jan-Dec 2021
Cash flow from operating activities			
Operating result	-6,340	-4,387	-21,117
Ingoing interest	17	0	33
Paid interest	-24	-29	-100
Adjustments for items that is not included in the cash flow			
Share related remunerations	20	0	109
Currency exchange	62	0	47
Depreciations	321	130	842
Cash flow from operating activities before changes in working capital	-5,944	-4,286	-20,186
Cash flow from changes in working capital			
Changes in operating receivables	12,037	319	173
Changes in operating debt	-338	492	3,911
Cash flow from operating activities	5,755	-3,475	-16,102
Investing activities			
Acquisition of non-current assets	-1,792	-1,343	-6,424
Cash flow from investment activities	-1,792	-1,343	-6,424
Financing activities			
Share issue (LTI 2018/21)	0	0	2,200
Warrants (LTI 2021/24)	0	0	213
Share issue	28,051	0	0
Share issue costs	-53	0	-1,234
Cash flow from financing activities	27,998	0	1,179
Cash flow from the period	31,961	-4,818	-21,347
Opening balance cash & cash equivalents	12,273	33,620	33,620
CLOSING BALANCE CASH & CASH EQUIVALENTS	44,234	28,802	12,273

Note 1 Accounting standards

Ziccum AB (publ) reports in accordance with the Swedish Annual Accounts Act and the Swedish Accounting Standards Board's general advice BFNAR 2012:1 (K3).

The company's accounting principles are described in the company's annual report for 2021.

Amounts are expressed in kSEK, which in this report refers to thousands of Swedish kronor.

Amounts in parentheses refer to comparative figures from the previous year, if nothing else is stated.

Note 2 Pledged assets and contingent liabilities

Pledged assets	2022-03-31	2021-03-31	2020-12-31
Floating charge	2,000	2,000	2,000

Note 3 Changes in equity

Date	Transaction	Number of serie B	Share capital	Quota-värde	Subscription-course	Total invested capital (SEK)
5 Apr 17	Formation	500	50,000	1.00	1.00	50,000
29 May 17	Share issue	500	50,000	1.00	1.00	50,000
31 Dec 17	Conditional shareholder contribution*	-	-	-	-	1,996,622
25 Apr 18	Bond issue	-	400,000	1.00	-	-
27 Apr 18	Split	2,999,000	-	0.17	-	-
19 Oct 18	Share issue	3,000,000	500,000	0.17	5.26	15,776,962
14 Jan 20	Share issue	1,389,385	231,564	0.17	10.00	13,893,850
6 Jul 20	Share issue	2,216,815	369,469	0.17	17.50	38,794,263
15 Jun 21	Share issue (LTI 2018/21)	200,000	33,334	0.17	11.00	2,200,000
21 Dec 21	Share issue	1,199,856	199,976	0.17	11.00	13,198,416
18 Jan 22	Share issue	2,800,086	466,680	0.17	11.00	30,800,946
Total		13,806,142	2,301,023			116,761,059

* Inhalation Sciences Sweden AB did in 2017 provide conditional shareholder contributions amounting to 1 996 622 SEK (cash 0.3 mSEK and reverse loans arising in connection with the acquisition of intangible assets by the parent company converted to shareholder contributions amounting to approximately 1.7 mSEK).

Note 4 Share related incentive programs

On March 31 2021, the company has three ongoing option programs:

- ▶ At the Annual General Meeting on April 27 2021, it was decided to introduce a long-term incentive program by issuing warrants to the Board (**LTI 2021/2024**), as well as a long-term incentive program for the company's employees consisting of employee stock options (**LTI 2021: 1**).
- ▶ On December 16 2021, Ziccum carried out a directed new issue of 1 333 314 units, where one unit consists of three shares and two free warrants (**Serie 2021/2022**).

No of the options entail the right to a dividend.

Based on the existing number of shares and options that is registered in the company as of 31 Dec 2021, the dilution as a result of the incentive programs, assuming that all warrants are exercised for new subscription of shares, is approximately 8% of the number of shares and votes.

LTI 2021/24

The exercise price per share for LTI 2021/2024 amounts to SEK 28.8 and subscription can take place during the period from 1 May 2024 to 31 May 2024. The incentive program means that participants are offered to subscribe warrants at market value calculated according to the Black-Scholes valuation model.

A prerequisite for participation in the incentive program is that the participant has entered into a pre-purchase agreement with Ziccum, whereby Ziccum, with certain exceptions, reserves the right to repurchase warrants if the board member's assignment in Ziccum ends or if the participant wishes to transfer the options before the warrants can be exercised.

The Board was offered to acquire a maximum of 9 200 warrants each and all chose to acquire the maximum number, which resulted in a total of 46 000 warrants being issued.

LTI 2021:1

LTI 2021: 1 runs for three years and means that participants are granted employee stock options free of charge that give the right to acquire shares in Ziccum at a subscription price corresponding to the share's quota value. Each employee stock option gives the right to subscribe for a new share in Ziccum, alternatively up to 40% of the number in synthetic options that give the right to cash compensation instead of shares. Each synthetic option entitles the participant to receive a cash payment corresponding to the value of a share at the time of payment.

The options will be expensed as personnel costs over a period of three years, without affecting the company's cash flow. If employee stock options are exercised, LTI 2021:1 will also entail costs in the form of social security contributions.

Social security contributions will be expensed in the income statement during a period of three years. The company intends to hedge the entire cost of social security contributions through an issue of warrants, which may be exercised by a financial intermediary in connection with the exercise of the employee stock options. If the company chooses to implement such hedging measures, the social security contributions will not affect the company's cash flow.

	Number of employee stock options
Ingoing balance 1 Jan 2021	0
Issued	42,456
Reversed	-6,728
Outgoing balance 31 Dec 2021	35,728

	Number of employee stock options
Ingoing balance 1 Jan 2022	35,728
Reversed	-16,364
Outgoing balance 31 March 2022	19,364

During 2022, LTI 2021:1 have affected the reporting period result with totally 7 kSEK in lower costs, of which lower costs of 12 kSEK relates to social security contributions. The lower costs is due to a lower share price and the reset of employee stock options.

Serie 2021/2022

At the end of 2021, Ziccum carried out a directed new issue consisting of 1 333 314 units, of which one unit consists of three shares and two free warrants. In Serie 2021/2022, 2 666 628 warrants have thus been issued, of which 799 904 were registered in December 2021 and the remaining 1 866 724 in January 2022. Each warrant entitles the holder to subscribe for one share at a price of 13.20 SEK, corresponding to 120 percent of the subscription price per share in the share issue, during the following periods:

- ▶ 24 February - 28 February 2022 (have passed)
- ▶ 27 May - 31 May 2022
- ▶ 28 September - 30 September 2022
- ▶ 28 November - 30 November 2022

Ziccum can be added a further maximum of approximately 35 mSEK upon full exercise of all warrants.

Note 5 Definitions of key figures

	Jan-March 2022	Jan-March 2021	Jan-Dec 2021
Cash flow per share			
Cash flow from the period, kSEK	31,961	-4,818	-21,347
Average number of shares	13,277,237	9,606,200	9,751,949
Cash flow per share (SEK)	2.41	-0.50	-2.19
Equity per share			
Equity, kSEK	51,464	31,965	29,731
Number of shares at the end of the period	13,806,142	9,606,200	11,006,056
Equity per share (SEK)	3.73	3.33	2.70
Equity ratio			
Equity, kSEK	51,464	31,965	29,731
Total equity & debt, kSEK	58,295	35,715	39,591
Equity ratio %	88%	90%	75%