# Income statement

| kSEK | April-June 2022 | April-June 2021 | Jan-June 2022 | Jan-June 2021 | Jan-Dec 2021 |
|---|---|---|---|---|---|
| **Net sales** | **0** | **0** | **0** | **0** | **0** |
| Other income | 3 | 4 | 12 | 5 | 5 |
| **Total income** | **3** | **4** | **12** | **5** | **5** |
| Other external costs | -4,709 | -2,526 | -7,460 | -4,654 | -11,128 |
| Personnel costs | -2,838 | -2,502 | -6,115 | -4,631 | -9,151 |
| Depreciation of tangible and intangible assets | -329 | -188 | -650 | -318 | -842 |
| **Operating result** | **-7,873** | **-5,212** | **-14,213** | **-9,598** | **-21,116** |
| **Result from financial items** | | | | | |
| Financial net | -9 | -16 | 46 | -45 | -20 |
| **Result after financial items** | **-7,882** | **-5,228** | **-14,167** | **-9,643** | **-21,136** |
| **RESULT FOR THE PERIOD** | **-7,882** | **-5,228** | **-14,167** | **-9,643** | **-21,136** |
| | | | | | |
| Result per share before and after dilution* | -0.57 | -0.55 | -1.03 | -1.01 | -2.17 |
| | | | | | |
| *Dilution effect is not calculated when the result is negative | | | | | |

# Balance sheet statement

| kSEK | Not | 2022-06-30 | 2021-06-30 | 2021-12-31 |
|---|---|---|---|---|
| **Assets** | | | | |
| Subscribed unpaid capital | | **0** | **0** | **13,198** |
| **Intangible assets** | | | | |
| Patents, licenses, trademarks and similar rights | | 500 | 708 | 604 |
| **Tangible assets** | | | | |
| Equipment & tools | | 11,776 | 6,069 | 9,778 |
| **Total non-current assets** | | **12,276** | **6,777** | **10,382** |
| **Current assets** | | | | |
| **Short-term receivables** | | | | |
| Other receivables | | 576 | 1,003 | 796 |
| Prepaid expenses & accrued income | | 1,601 | 161 | 251 |
| **Total short-term receivables** | | **2,177** | **1,164** | **1,047** |
| Cash & cash equivalents | | 36,647 | 25,706 | 12,273 |
| **Total current assets** | | **38,824** | **26,870** | **13,320** |
| **TOTAL ASSETS** | | **51,100** | **33,647** | **36,900** |
| **Equity & liabilities** | | | | |
| **Equity** | | | | |
| **Restricted equity** | | | | |
| Share capial | 3 | 2,301 | 1,634 | 1,834 |
| **Total restricted equity** | | **2,301** | **1,634** | **1,834** |
| **Unrestricted equity** | | | | |
| Share premium fund | | 105,431 | 66,081 | 77,900 |
| Retained earnings | | -49,860 | -28,933 | -28,867 |
| Result of the period | | -14,167 | -9,643 | -21,136 |
| **Total unrestricted capital** | | **41,404** | **27,505** | **27,897** |
| **Total equity** | | **43,705** | **29,139** | **29,731** |
| **Debt** | | | | |
| **Long-term debt** | | | | |
| Loans | | **1,143** | **1,714** | **1,429** |
| **Short-term debt** | | | | |
| Account payables | | 3,365 | 1,627 | 2,680 |
| Short-term loans | | 571 | 0 | 571 |
| Tax debt | | 18 | 0 | 10 |
| Other short-term debt | | 603 | 170 | 269 |
| Accrued expenses and defferred income | | 1,695 | 997 | 2,210 |
| **Total short-term debt** | | **6,252** | **2,794** | **5,740** |
| **TOTAL EQUITY & LIABILITIES** | | **51,100** | **33,647** | **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 | | | | -14,167 | **-14,167** |
| **Transactions with shareholders** | | | | | |
| Share issue | 467 | 27,584 | | | **28,051** |
| Share issue costs | | -53 | | | **-53** |
| Share related remunerations | | | 143 | | **143** |
| **Closing balance 2022-06-30** | **2,301** | **105,431** | **-49,860** | **-14,167** | **43,705** |

# Cash flow statement

| kSEK | April-June 2022 | April-June 2021 | Jan-June 2022 | Jan-June 2021 | Jan-Dec 2021 |
|---|---|---|---|---|---|
| **Cash flow from operating activities** | | | | | |
| Operating result | -7,874 | -5,212 | -14,213 | -9,598 | -21,117 |
| Ingoing interest | 21 | | 38 | | 33 |
| Paid interest | -23 | -25 | -47 | -50 | -100 |
| **Adjustments for items that is not included in the cash flow** | | | | | |
| Share related remunerations | 123 | 43 | 143 | 43 | 109 |
| Currency exchange | -7 | | 55 | | 47 |
| Depreciations & disposals | 1,190 | 188 | 1,511 | 318 | 842 |
| **Cash flow from operating activities before changes in working capital** | **-6,570** | **-5,006** | **-12,513** | **-9,287** | **-20,186** |
| **Cash flow from changes in working capital** | | | | | |
| Changes in operating receivables | 23 | -264 | 12,069 | 51 | 173 |
| Changes in operating debt | 574 | 754 | 226 | 1,245 | 3,911 |
| **Cash flow from operating activities** | **-5,973** | **-4,516** | **-218** | **-7,991** | **-16,102** |
| **Investing activities** | | | | | |
| Acquisition & disposals of non-current assets | -1,614 | -953 | -3,406 | -2,296 | -6,424 |
| **Cash flow from investment activities** | **-1,614** | **-953** | **-3,406** | **-2,296** | **-6,424** |
| **Financing activities** | | | | | |
| Share issue (LTI 2018/21) | 0 | 2,200 | 0 | 2,200 | 2,200 |
| Warrants (LTI 2021/24) | 0 | 213 | 0 | 213 | 213 |
| Share issue | 0 | 0 | 28,051 | 0 | 0 |
| Share issue costs | 0 | -40 | -53 | -40 | -1,234 |
| **Cash flow from financing activities** | **0** | **2,373** | **27,998** | **2,373** | **1,179** |
| **Cash flow from the period** | **-7,587** | **-3,096** | **24,374** | **-7,914** | **-21,347** |
| **Opening balance cash & cash equivalents** | **44,234** | **28,802** | **12,273** | **33,620** | **33,620** |
| **CLOSING BALANCE CASH & CASH EQUIVALENTS** | **36,647** | **25,706** | **36,647** | **25,706** | **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 | 2022-06-30 | 2021-06-30 | 2021-12-31 |
|---|---|---|---|
| Floating charge | 2,000 | 2,000 | 2,000 |

## Note 3 Changes in equity

| Date | Transaction | Number of serie B | Share capital | Quota-value | 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 June 30 2021, the company has four 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 of Directors **(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)**.
- At the Annual General Meeting on April 28 2022, it was decided to implement a long-term incentive program for the company's employees and for the Board of Directors consisting of employee stock options **(LTI 2022:1)**.

None 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 30 June 2022** | **19,364** |

During 2022, LTI 2021:1 have affected the reporting period result with totally 3 kSEK in costs, of which lower costs of 16 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 (have passed)
- 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.

### LTI 2022:1

LTI 2022:1 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 2021:2 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 2022** | **0** |
| Issued for employees | 226,000 |
| Issues for Board of Directors | 165,000 |
| **Outgoing balance 30 June 2022** | **391,000** |

During 2022, LTI 2021:2 have affected the reporting period result with totally 224 kSEK in costs, of which 53 kSEK relates to social security contributions.

## Note 5 Definitions of key figures

| | April-June 2022 | April-June 2021 | Jan-June 2022 | Jan-June 2021 | Jan-Dec 2021 |
|---|---|---|---|---|---|
| **Cash flow per share** | | | | | |
| Cash flow from the period, kSEK | -7,587 | -3,096 | 24,372 | -7,914 | -21,347 |
| Average number of shares | 13,806,142 | 9,641,365 | 13,203,882 | 9,623,880 | 9,751,949 |
| **Cash flow per share (SEK)** | **-0.55** | **-0.32** | **1.85** | **-0.82** | **-2.19** |
| | | | | | |
| **Equity per share** | | | | | |
| Equity, kSEK | 43,705 | 29,139 | 43,705 | 29,139 | 29,731 |
| Number of shares at the end of the period | 13,806,142 | 9,806,200 | 13,806,142 | 9,806,200 | 11,006,056 |
| **Equity per share (SEK)** | **3.17** | **2.97** | **3.17** | **2.97** | **2.70** |
| | | | | | |
| **Equity ratio** | | | | | |
| Equity, kSEK | 43,705 | 29,139 | 43,705 | 29,139 | 29,731 |
| Total equity & debt, kSEK | 51,100 | 33,647 | 51,100 | 33,647 | 39,591 |
| **Equity ratio %** | **86%** | **87%** | **86%** | **87%** | **75%** |