

Income statement

kSEK	Jan-March 2023	Jan-March 2022	Jan-Dec 2022
Net sales	0	0	0
Other income	638	9	17
Total income	638	9	17
Other external costs	-2,493	-2,751	-16,323
Personnel costs	-2,778	-3,277	-11,276
Depreciation of tangible and intangible assets	-303	-321	-1,373
Operating result	-4,936	-6,340	-28,955
Result from financial items			
Financial net	64	55	167
Result after financial items	-4,872	-6,285	-28,788
RESULT FOR THE PERIOD	-4,872	-6,285	-28,788
Result per share before and after dilution*	-0.35	-0.46	-2.09

*Dilution effect is not calculated when the result is negative

Balance sheet statement

kSEK	Not	2023-03-31	2022-03-01	2022-12-31
Assets				
Subscribed unpaid capital		0	0	0
Intangible assets				
Patents, licenses, trademarks and similar rights		561	552	624
Tangible assets				
Equipment & tools		8,007	11,301	8,246
Total non-current assets		8,568	11,853	8,870
Current assets				
Short-term receivables				
Other receivables		265	1,693	496
Prepaid expenses & accrued income		1,059	515	968
Total short-term receivables		1,324	2,208	1,464
Cash & cash equivalents		19,023	44,234	22,951
Total current assets		20,347	46,442	24,415
TOTAL ASSETS		28,915	58,295	33,285
Equity & liabilities				
Equity				
Restricted equity				
Share capital	3	2,301	2,301	2,301
Total restricted equity		2,301	2,301	2,301
Unrestricted equity				
Share premium fund		105,400	105,431	105,400
Retained earnings		-78,281	-49,983	-49,612
Result of the period		-4,872	-6,285	-28,788
Total unrestricted capital		22,247	49,163	27,000
Total equity		24,548	51,464	29,301
Debt				
Long-term debt				
Loans		714	1,286	857
Short-term debt				
Account payables		1,165	2,572	978
Short-term loans		571	571	571
Other short-term debt		289	284	416
Accrued expenses and defferred income		1,628	2,118	1,162
Total short-term debt		3,653	5,545	3,127
TOTAL EQUITY & LIABILITIES		28,915	58,295	33,285

Changes in equity

kSEK	Restricted equity	Unrestricted equity	Retained earnings	Result of the period	Total equity
	Share capital	Share premium fund			
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				-28,788	-28,788
Transactions with shareholders					
Share issue	467	27,584			28,051
Share issue costs		-84			-84
Share related remunerations			391		391
Closing balance 2022-12-31	2,301	105,400	-49,612	-28,788	29,301
Opening balance 2023-01-01	2,301	105,400	-49,612	-28,788	29,301
Appropriations of net result			-28,788	28,788	0
Result of the period				-4,872	-4,872
Transactions with shareholders					
Share issue	467	27,584			0
Share issue costs		-53			0
Share related remunerations			119		119
Closing balance 2023-03-31	2,301	105,400	-78,281	-4,872	24,548

Cash flow statement

kSEK	Jan-March 2023	Jan-March 2022	Jan-Dec 2022
Cash flow from operating activities			
Operating result	-4,935	-6,340	-28,955
Ingoing interest	91	17	163
Paid interest	-26	-24	-94
Adjustments for items that is not included in the cash flow			
Share related remunerations	119	20	392
Currency exchange	-2	62	99
Depreciations & disposals	303	321	5,409
Cash flow from operating activities before changes in working capital	-4,450	-5,944	-22,986
Cash flow from changes in working capital			
Changes in operating receivables	140	12,037	12,781
Changes in operating debt	382	-338	-3,186
Cash flow from operating activities	-3,928	5,755	-13,391
Investing activities			
Acquisitions of non-current assets	0	-1,792	-3,898
Cash flow from investment activities	0	-1,792	-3,898
Financing activities			
Share issue (LTI 2018/21)	0	0	0
Warrants (LTI 2021/24)	0	0	0
Share issue	0	28,051	28,051
Share issue costs	0	-53	-84
Cash flow from financing activities	0	27,998	27,967
Cash flow from the period	-3,928	31,961	10,678
Opening balance cash & cash equivalents	22,951	12,273	12,273
CLOSING BALANCE CASH & CASH EQUIVALENTS	19,023	44,234	22,951

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 BFAR 2012:1 (K3).

The company's accounting principles are described in the company's annual report for 2022.

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	2023-03-31	2022-12-31
Company mortgage	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 March 31 2023, 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**).
- ▶ At the Annual General Meeting on April 28 2022, it was decided to implement a long-term incentive program for the company's Board of Directors (**LTI 2022:1**) and employees (**LTI 2022:2**) consisting of employee stock options.

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 March 2023, the dilution as a result of the incentive programs, assuming that all warrants are exercised for new subscription of shares, is approximately 3% 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 2022	35,728
Reversed	-16,364
Outgoing balance 31 Dec 2022	19,364

	Number of employee stock options
Ingoing balance 1 Jan 2023	19,364
Reversed	-4,545
Outgoing balance 31 March 2023	14,819

During 2023, LTI 2021:1 have affected the reporting period result with totally 32 kSEK in costs, of which costs of 7 kSEK relates to social security contributions.

LTI 2022:1 & LTI 2022:2

LTI 2022:1 (for the Board of directors) and LTI 2022:2 (for the employees) 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 2022:1 and LTI 2022:2 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	2022:1	2022:2	Total
Ingoing balance 1 Jan 2022	0	0	0
Issued	165,000	226,000	391,000
Outgoing balance 31 Dec 2022	165,000	226,000	391,000
Ingoing balance 1 Jan 2023	165,000	226,000	391,000
Reversed	0	-15,000	-15,000
Outgoing balance 31 March 2023	165,000	211,000	376,000

During 2023, LTI 2022:1 and LTI 2022:2 have affected the reporting period result with totally 387 kSEK in costs, of which 125 kSEK relates to social security contributions.

Note 5 Definitions of key figures

	Jan-March 2023	Jan-March 2022	Jan-Dec 2022
Cash flow per share			
Cash flow from the period, kSEK	-3,928	31,961	10,678
Average number of shares	13,806,142	13,277,237	13,675,727
Cash flow per share (SEK)	-0.28	2.41	0.78
Equity per share			
Equity, kSEK	24,548	51,464	29,301
Number of shares at the end of the period	13,806,142	13,806,142	13,806,142
Equity per share (SEK)	1.78	3.73	2.12
Equity ratio			
Equity, kSEK	24,548	51,464	29,301
Total equity & debt, kSEK	28,915	58,295	33,285
Equity ratio %	85%	88%	88%