

## **INTERIM REPORT**

Period from January 2020 to June 2020

**Lune Group OY incl subsidiary is consolidated in the group from 2020-06-03**

Peptonic Medical AB (publ) org nr 556776-3064

(www.aktietorget.se ticker: PMED)

**Group, Lune Group OY incl subsidiary is included from 2020-06-03**

### **2020 SECOND QUARTER (Apr-Jun)**

- Net sales of products KSEK 3 572 (1 011)
- Gross profit KSEK 2 417 (768), Gross margin 68% (76%)
- Operating loss KSEK -7 166 (-5 797)
- Loss per share SEK -0.05 (-0.06)

### **2020 FIRST HALF YEAR (Jan-Jun)**

- Net sales of products KSEK 5 353 (2 481)
- Gross profit KSEK 3 402 (1 570), Gross margin 64% (63%)
- Operating loss KSEK -12 973 (-9 695)
- Loss per share SEK -0.08 (-0.11)

## IMPORTANT EVENTS DURING THE PERIOD

- February 13<sup>th</sup>, 2020, Peptonic Medical AB announced that it has received a purchase order from its Chinese partner *Shijiazhuang Yuanjia Biotechnology Co. Ltd. ("Yuanjia Bio")* for 53,000 units of VagiVital® for delivery in May 2020. The Products are to be used for collecting user experience data and for building brand awareness among gynaecologists and gynaecology clinics across the country.
- February 25<sup>th</sup>, 2020, Peptonic Medical AB announced that it has submitted a so called 510(k) application to the US Food and Drug Administration (FDA) to obtain approval to market and sell VagiVital® in the USA.
- April 9<sup>th</sup>, 2020 - Peptonic Medical AB announced that its self-care product VagiVital® will be available for purchase in all eighty LloydsApotek's retail shops in Sweden from May this year
- May 7<sup>th</sup>, 2020 - Peptonic Medical AB announced that the Company has filed a patent application concerning the use of its self-care vaginal gel VagiVital® for the treatment of vulvar vestibulitis syndrome (VVS).
- May 14<sup>th</sup>, 2020 - Peptonic Medical AB announced that it has filed a patent application for and intimate wash based on the Company's vaginal gel VagiVital® and a specifically selected oil. The market as well as the number of applications of products for intimate health are growing. And fastest of these the intimate washes, that can generally be divided into soaps and oils. The challenge for an intimate wash is to clean without causing undesired effects in this delicate area of the body. Peptonic has identified a method to meet this challenge by developing an intimate wash based on its gentle and water-based vaginal gel VagiVital® in combination with an oil.
- May 14<sup>th</sup>, 2020 - Peptonic Medical AB announced that it has entered into an agreement to acquire a majority of the shares in Lune Group Oy ("Lune"), a Finnish company that sells the Lunetteå menstrual cup.
- June 3<sup>rd</sup>, 2020 - Peptonic Medical AB announced that all conditions for the acquisition pursuant of Lune Group OY to the agreement have been fulfilled and Peptonic has today completed the acquisition of 60 existing shares in Lune. In connection with the completion, the board has resolved on an issue of 12,228,133 new shares against payment in kind to the current shareholders of Lune as payment for the existing shares in Lune. The board has further resolved on a directed issue of 4,787,037 new shares to Vidarstiftelsen resulting in a cash contribution to Peptonic of 7.5 MSEK which will be used as cash payment for newly issued shares in Lune. The share issues have been resolved in accordance with the authorization from the annual general meeting 2019 and in accordance with the terms that were announced through a press release on 14 May 2020.
- June 30<sup>th</sup>, 2020, the Company announced that the Annual General Meeting resolved to, for the period until the end of the next Annual General Meeting, elect Anna Tenstam and re-elect Hans von Celsing, Leni Ekendahl and Marianne Östlund as Board members. Hans von Celsing was also elected chairman.

## IMPORTANT EVENTS AFTER THE END OF THE PERIOD

- July 7<sup>th</sup>, 2020 – Peptonic Medical AB announced that it had decided to use the call option to acquire the remaining shares in Lune from the sellers. The purchase price for the shares amount to MEUR 1.2 (approx. MSEK 12.5, exchange rate 10.43 SEK/EUR) and payment shall be made in the form of new shares in Peptonic. The board of directors intends to within shortly resolve on an issue of 7 442 774 new shares against payment in kind to the sellers, subject to the subsequent approval by the general meeting the 28<sup>th</sup> of July.
- The Extraordinary General Meeting the 28<sup>th</sup> of July, 2020, approved the acquisition of outstanding shares in Lune Group OY, in accordance with the Board's agreement as of July 7, 2020. As of July 7, the entire Lune Group OY will thus be wholly owned by Peptonic Medical AB.
- August 14<sup>th</sup>, 2020 – Peptonic Medical AB announced that it has received a purchase order from its Chinese partner *Shijiazhuang Yuanjia Biotechnology Co. Ltd. ("Yuanjia Bio")* for 106,000 units of VagiVital® for delivery in two shipments – 53,000 units before the end of the year, and 53,000 units during Q1 2021.

## From the CEO

The acquisition of Lune Group Oy Ltd is the single most significant event in Peptonic during the first six months of this year. It is also the single most significant event in the history of Peptonic and an important piece in the creation of the future Peptonic. Lune adds products (menstrual cups and intimate hygiene products) and a global distribution network, that will contribute to the growth of Peptonic to become a company offering treatments for and products to improve the quality of life for women.

The integration of the two companies and the work to find and exploit the synergies began already during spring when it was clear that the deal will happen. After the closing, this work has intensified. Much focus has been put and will be put on the digital side of the business. An activity that has received more and more attention due to the COVID-19 pandemic.

There is no doubt that COVID-19 has had a negative impact on the sales development of VagiVital. Following a promising growth during the first two months of the year, the growth stalled. In particular, retail sales has decreased, whereas on-line sales has increased to some extent. Due to the pandemic, no significant investments in marketing and promotion have been made. These have been rescheduled to later dates. Sales during the first half of the year was on the same level as for the same period last year. However, during the summer we have noted a clear recovery of sales volumes. This is promising for the autumn. Sales via the webshops in Norway and Denmark is developing well. In contrast, sales in England and Hong Kong hasn't developed as planned. Hence, we are now introducing changes in the distribution to reach the customers more effectively.

In May the first order of VagiVital to China was shipped. This shipment of 53,000 tubes are to be used to introduce the product and the brand among gynaecologists and prescribers. Recently Peptonic received additional order of 106,000 units to China. Half of the order is to be delivered by the end of this year, and the balance during Q1 2021. Users of the products will participate in a large scale survey to collect user experience that can be used to support the marketing authorization application.

Since sales of menstrual cups is mainly happening via retail, this has also been affected negatively by COVID-19. One exception is the US, which is developing well. This is probably due to the fact that a higher portion of sales is on-line.

Operating loss for the period was -12.973 MSEK for the group and -12.382 MSEK for the parent company. Group sales generated 5.353 MSEK, whereas parent company sales was 2.904 MSEK. Marketing costs, and cost of manufacturing, transportation and distribution amounted to approx. 10.5 MSEK (last year 6.2 MSEK). Costs associated to the acquisition of Lune Group Oy Ltd amounted to approx. 3 MSEK.

The last patients of the clinical study with women that have undergone cancer treatment (hormone dependent cancers) exited the study in June. The study was terminated earlier than planned due to COVID-19, but the number of patients enrolled is sufficient for the results to be valid and representative. The results are expected during Q3 2020.

According to our business model, the growth of Peptonic will take place by way of in-house product development, distribution collaborations and/or acquisitions. The development of an intimate wash based on the positive healing properties of VagiVital is an example of the first. The project is progressing according to plan and the launch is planned for Q1 2021. New and complementing products are under evaluation.

We are now joining forces to take on the post 'first COVID-19 wave' challenges. We see many opportunities in working with two brands on a global market.

Johan Inberr

CEO

Stockholm, August 17<sup>th</sup>, 2019

## COMPANY BRIEF

Peptonic Medical is an innovative Swedish medical development company. Its vision is to offer safe and effective treatments and relief for women specific diseases and medical conditions.

VagiVital® is a registered trademark of Peptonic Medical. The product is hormone free and is being commercialised for the non-prescription use for the treatment of vaginal atrophy (VA) and vaginal dryness. The pipeline of Peptonic Medical also includes Vagitocin®, which is an oxytocin-based vaginal gel for the treatment of VA. This product candidate is in clinical development phase 2. The development of Vagitocin® is on hold pending additional data on i.a. the mechanism of action.

Since July 2014, the Peptonic Medical share has been traded on the Spotlight Stock Exchange ([www.spotlightstockmarket.com](http://www.spotlightstockmarket.com), ticker: PMED) in Stockholm, Sweden.

For more information: [www.peptonicmedical.com](http://www.peptonicmedical.com)

## About VagiVital®

VagiVital® is a patent pending hormone free self-care product for the treatment of vaginal atrophy and vaginal dryness. The product has been tested in randomised clinical studies (vaginal atrophy) with very positive results both for objective (vaginal pH and proportion of superficial cells in the vaginal mucosa) and subjective (most bothersome symptoms, such as vaginal dryness, vaginal irritation/itching, dyspareunia and dysuria) parameters. The magnitude of symptom relief is on par with that demonstrated with e.g. prescription estrogen based products on the market today. It was very well tolerated and caused no serious adverse effects.

VagiVital® was launched in Sweden as a non-prescription self-care product in July 2018 (see [www.vagivital.com](http://www.vagivital.com)).

## FINANCIAL INFORMATION

The acquisition of Lune Group OY was completed on 2020-06-03, this report includes their results from and on 2020-06-03 in the consolidated accounts. The balance sheet is consolidated as of 2020-06-30.

**Revenue** - Sales of goods during the second quarter amounted to KSEK 3 572 (1 011). Other operating income for the quarter was KSEK 17 (17). In the first half of the year, sales of goods amounted to KSEK 5 353 (2 481) . Other operating income for the half year was KSEK 28 (35).

**Costs** - Costs for the second quarter amounted to KSEK -10 755 (-6 130). The costs for the first half of the year were -18 354 (-12 211). During the half year, costs for products were KSEK 1 951 and market costs were KSEK 8 571.

**Profit** - The company's profit after net financial items for the second quarter amounted to KSEK -7 189 (-6 112). For the half year, the corresponding result is KSEK -12 996 (-10 325).

**Financial position and liquidity** - Cash and bank amounted to KSEK 34 000 (22 651) as of June 30, 2020. During the quarter, the company received a net KSEK 7 195 in newly issued capital via a directed new issue to the Vidarstiftelsen. External acquisition costs for Lune Group during the half year were KSEK 3 163.

**Shareholders' equity** - The company's shareholders' equity as of June 30, 2020 amounted to KSEK 89 098 (77 962), which gives an equity / assets ratio of 89 (94) percent. Equity increased net by KSEK 7 195 through the private placement to Vidarstiftelsen.

**Liabilities** - The company's liabilities, as of June 30, 2020, amounted to KSEK 10 445 (4 550).

**Organization** - During the period, the average number of employees was 5 (2). At the end of the period, the number of employees was 16 (2). In addition to this, from 2018 a marketing manager and a quality manager will be hired as consultants, and the accounts are outsourced to an accounting firm. Employees at Lune Group OY, including subsidiaries, refer to a total of 13 employees.

**Share** - The total number of shares as of June 30, 2020 was 155 143 476 (95 346 230). During July 2019, the number of shares increased by 31 782 076 shares to 127 128 306 shares after the registration of the new share issue.

**INCOME STATEMENT**

Peptonic Group		3 mon Apr-Jun 2020	3 mon Apr-Jun 2019	6 mon Jan-Jun 2020	6 mon Jan-Jun 2019	12 mon Jan-Dec 2019
KSEK	Note					
<b>Operating income</b>						
Sales of products		3 572	1 011	5 353	2 481	4 408
Other operating income		17	17	28	35	64
<b>Total operating income</b>		<b>3 589</b>	<b>1 028</b>	<b>5 381</b>	<b>2 516</b>	<b>4 472</b>
<b>Operating expenses</b>						
Cost of goods		-1 155	-243	-1 951	-911	-1 825
Other external expenses	1	-6 360	-4 843	-11 127	-7 695	-17 041
Personnel costs		-2 416	-1 044	-3 713	-2 197	-6 475
Depreciation		-770	-695	-1 465	-1 408	-2 855
Other operating costs		-54	0	-98	0	-198
<b>Total operating expenses</b>		<b>-10 755</b>	<b>-6 825</b>	<b>-18 354</b>	<b>-12 211</b>	<b>-28 394</b>
<b>Operating loss</b>		<b>-7 166</b>	<b>-5 797</b>	<b>-12 973</b>	<b>-9 695</b>	<b>-23 922</b>
Net financial income/expense		-23	-315	-23	-630	-587
<b>Loss before taxes</b>		<b>-7 189</b>	<b>-6 112</b>	<b>-12 996</b>	<b>-10 325</b>	<b>-24 509</b>
Taxes		4	0	4	0	0
Adjustment for minority share of the result		196	0	196	0	0
<b>Net loss for the period</b>		<b>-6 989</b>	<b>-6 112</b>	<b>-12 796</b>	<b>-10 325</b>	<b>-24 509</b>

**BALANCE SHEET**

Peptonic Group		30-jun	30-jun	31-dec
KSEK	Note	2020	2019	2019
<b>Assets</b>				
<b>Non-Current assets</b>				
Intangible assets	2	55 262	55 412	54 252
Tangible assets	3	1 842	0	0
Financial assets		7	-	-
<b>Total non-current assets</b>		<b>57 112</b>	<b>55 412</b>	<b>54 252</b>
<b>Current assets</b>				
Stock		6 351	751	594
On going fund raising		0	1 572	0
Other receivbles		1 329	1 314	945
Tax receivable		0	-	-
Prepaid expenses and accrued income		750	812	176
Liquid assets		34 000	22 651	35 984
<b>Total current assets</b>		<b>42 431</b>	<b>27 100</b>	<b>37 699</b>
<b>Total assets</b>		<b>99 542</b>	<b>82 512</b>	<b>91 951</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
<b>Ristricted equity</b>				
Share capital		15 577	9 535	13 813
Ongoing right issues		0	25 970	0
Development Cost Fund		12 332	13 130	12 600
<b>Non- restrictes equity</b>		<b>0</b>	<b>0</b>	<b>0</b>
Share premiun reserv non-restricted		182 108	137 848	182 006
Profit or loss brought forward		-113 222	-98 196	-98 196
Net loss for the period		-13 984	-10 325	-24 509
Minority share of equity		6 286	0	0
<b>Total equity</b>		<b>89 098</b>	<b>77 962</b>	<b>85 714</b>
<b>Current liabilities</b>				
Liabilities interest bearing		0	0	0
Trade payables		6 606	433	495
Other payables		234	1 718	3 768
Prepaid income and accrued expenses		3 605	4 550	6 237
<b>Total current liabilities</b>		<b>10 445</b>	<b>6 701</b>	<b>10 500</b>
<b>Total equity and liabilities</b>	4	<b>99 542</b>	<b>84 663</b>	<b>96 214</b>

**STATEMENT OF CASH FLOW**

Peptonic Group		<b>6 mon</b>	<b>6 mon</b>	<b>12 months</b>
		<b>Jan-June</b>	<b>Jan-June</b>	<b>Jan-Dec</b>
KSEK	Note	<b>2020</b>	<b>2019</b>	<b>2019</b>
<b>CASH FLOW FROM OPERATIONS BEFORE CHANGES IN WORKING CAPITAL</b>				
Operating profit/loss		-12 996	-10 325	-24 509
Non-cash flow items		-1 465	2 038	2 855
Paid tax		4	-	-
<b>NET CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANG</b>		<b>-14 457</b>	<b>-8 287</b>	<b>-21 654</b>
Increase (-) decrease (+) inventory		-5 757	-142	23
Increase (-) decrease (+) receivables		-959	-1 335	-338
Increase (-) decrease (+) liabilities		4 208	-1 140	2 827
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>-16 965</b>	<b>-10 904</b>	<b>-19 142</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Investment in immaterial assets, net		-2 400	-424	-711
Investment in material assets, net		-1 917	-	-
Acquisition of subsidiaries, net cash impact		12 110	0	0
Investment in financial assets, net		-7	0	0
Divestment / reduction of financial assets		-	-	-
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>		<b>7 785</b>	<b>-424</b>	<b>-711</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Rights issue		7 500	34 421	56 752
Issue expenses		-305	-1 307	-1 780
Bridgeloan		0	-10 500	-10 500
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>		<b>7 195</b>	<b>22 614</b>	<b>44 472</b>
<b>TOTAL CASH FLOW FOR THE YEAR</b>		<b>-1 984</b>	<b>11 286</b>	<b>24 619</b>
Cash and cash equivalents at beginning of period		35 984	11 365	11 365
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>		<b>34 000</b>	<b>22 651</b>	<b>35 984</b>



**NOTE**

**Accounting principles**

This interim report has been prepared in accordance with the Annual Accounts Act (Chapter 9. Interim Report) and the Swedish Accounting Standards Board's general advice, BFNAR 2012:1 Annual Report and consolidated (K3-rules).

**Note 1 – Related-party transactions**

**Group/Peptonic Medical AB**

During the period companies represented by members of the Board of Directors were contracted as consultants. Total compensation for consultancy services amounted to KSEK 182 (53) and is related to business development services. All transactions between related parties are based on market conditions. No other key executives or their immediate family members have been directly or indirectly involved in any business transaction with the Company that is or was unusual in its character or terms and conditions and took place during the period.

KSEK	<b>2020</b>	<b>2019</b>	<b>2019</b>
	<b>Jan-Jun</b>	<b>Jan-Jun</b>	<b>Jan-Dec</b>
Consulting fees Board of Directors	182	53	125
<b>Total</b>	<b>182</b>	<b>53</b>	<b>125</b>

**Note 2 – Intangible assets (KSEK)**

Capitalized patent and development costs are estimated to result in future revenues for the company. From 2019 they are depreciated at 5% per annum. Which corresponds to the estimated life of the commercial rights.

<b>Peptonic Group</b>	<b>30-jun 2020</b>	<b>30-jun 2019</b>	<b>31-dec 2019</b>
<b>Capitalized development costs</b>			
Accumulated acquisition value			
Opening balance	49 457	48 922	48 922
Sold out and Other disposals	0	0	0
Capitalizations during the period	2 176	247	535
	<b>51 633</b>	<b>49 169</b>	<b>49 457</b>
Accumulated depreciation value	-2 473	0	0
Deprecation of the year	-1 236	-1 236	-2 473
	<b>-3 709</b>	<b>-1 236</b>	<b>-2 473</b>
<b>Net booked amount at end of period</b>	<b>47 924</b>	<b>47 933</b>	<b>46 984</b>
<b>Patents och licenses</b>			
Accumulated acquisition value			
Opening balance	7 803	7 626	7 626
Sold out and Other disposals	0	0	0
Capitalizations during the period	224	177	177
	<b>8 027</b>	<b>7 803</b>	<b>7 803</b>
Depreciation			
Accumulated depreciation value	-535	-152	-152
Deprecation of the year	-154	-172	-383
	<b>-689</b>	<b>-324</b>	<b>-535</b>
<b>Net booked amount at end of period</b>	<b>7 338</b>	<b>7 479</b>	<b>7 268</b>
<b>Total intangible assets</b>	<b>55 262</b>	<b>55 412</b>	<b>54 252</b>

<b>Peptonic Medical AB</b>	<b>30-jun</b>	<b>30-jun</b>	<b>31-dec</b>
<b>Capitalized development costs</b>	<b>2020</b>	<b>2019</b>	<b>2019</b>
Accumulated acquisition value			
Opening balance	49 457	48 922	48 922
Sold out and Other disposals	0	0	0
Capitalizations during the period	871	247	535
	<b>50 328</b>	<b>49 169</b>	<b>49 457</b>
Accumulated depreciation value	-2 473	0	0
Depreciation of the year	-1 236	-1 236	-2 473
	<b>-3 709</b>	<b>-1 236</b>	<b>-2 473</b>
<b>Net booked amount at end of period</b>	<b>46 619</b>	<b>47 933</b>	<b>46 984</b>
<b>Patents och licenses</b>			
Accumulated acquisition value			
Opening balance	7 803	7 626	7 626
Sold out and Other disposals	0	0	0
Capitalizations during the period	224	177	177
	<b>8 027</b>	<b>7 803</b>	<b>7 803</b>
Depreciation			
Accumulated depreciation value	-535	-152	-152
Depreciation of the year	-154	-172	-383
	<b>-689</b>	<b>-324</b>	<b>-535</b>
<b>Net booked amount at end of period</b>	<b>7 338</b>	<b>7 479</b>	<b>7 268</b>
<b>Total intangible assets</b>	<b>53 957</b>	<b>55 412</b>	<b>54 252</b>

### Note 3 - Tangible fixed assets

#### Group

The Group has activated tools to produce products.

#### Parent

The acquisition of the shares in Lune Group OY is capitalized under this item. It is a long-term acquisition. In June 2020, 60 percent of the shares were acquired through a non-cash issue. In addition, additional shares were acquired through a private placement of 750 000 Euros. Through this acquisition, the company has a total share of the company of 68% as of 30 June 2020. During the month of July, the entire company was acquired through a non-cash issue on the remaining outstanding shares.

As of 30 June 2020, a total of KSEK 30 232 has been capitalized for the acquisition. Of these, the non-cash issue refers to a value of KSEK 19 158 and the private placement to Lune Group OY KSEK 7 911. Capitalized acquisition costs relate to KSEK 3 163. Liquidity has been charged with KSEK 11 074 for the acquisition, a directed new issue in connection with the acquisition has raised a net KSEK 7 195. In total, net liquidity was charged with SEK 3 879 thousand due to the acquisition.

**Note 3 – Equity and liabilities**  
**Group/Peptonic Medical AB**

All of the Company's debts are non-interest-bearing.

<b>KEY FIGURES</b>	<b>6 mon</b>	<b>6 mon</b>	<b>12 mon</b>	<b>12 mon</b>
<b>Peptonic Group</b>	<b>jan-jun</b>	<b>jan-jun</b>	<b>jan-dec</b>	<b>jan-dec</b>
	<b>2020</b>	<b>2019</b>	<b>2019</b>	<b>2018</b>
Sales goods, KSEK	5 353	2 481	4 408	383
Gross profit sales goods, KSEK	3 402	1 570	2 583	283
Gross margin, %	64%	63%	59%	74%
Operating profit, KSEK	-12 973	-9 695	-23 992	-14 381
Return on equity,%	-30	-31	-35	-26
Equity ratio,%	89	94	93	80
Earnings per share, SEK	-0.08	-0.11	-0.18	-0.17
Liquidity per share, SEK	0.22	0.24	0.26	0.13
Equity per share, SEK	0.53	0.82	0.62	0.64
Share price per closing, SEK	1.66	1.51	1.89	0.50
Share price/Equity per share, SEK	3.12	1.85	3.05	0.78
Equity per share, SEK	155 143 476	95 346 230	138 128 306	86 028 600

**Parent company Peptonic Medical AB**  
**FINANCIAL INFORMATION**

**Revenue** - Sales of goods during the second quarter amounted to KSEK 1 107 (1 011) . Other operating income for the quarter was KSEK 5 (17) . In the first half of the year, sales of goods amounted to KSEK 2 888 (2 481) . Other operating income for the half year was KSEK 16 (35).

**Costs** - Costs for the second quarter amounted to KSEK -7 687 (-6 130) . The costs for the first half of the year were -15 286 (-12 211). During the half year, costs for products were KSEK 1 399 and market costs were KSEK 7 071 .

**Profit** - The company's profit after net financial items for the second quarter amounted to KSEK -6 575 (-6 112) . For the half year, the corresponding result is KSEK -12 382 (-10 325) .

**Financial position and liquidity** - Cash and bank amounted to KSEK 20 613 (22 651) as of June 30<sup>th</sup>, 2020. During the quarter, the company received a net KSEK 7 195 in newly issued capital via a directed new issue to Vidarstiftelsen. The acquisition of Lune Group OY has charged liquidity with KSEK 11 074.

**Shareholders 'equity** - The company's shareholders' equity as of June 30, 2020 amounted to KSEK 99 686 (77 962) , which gives an equity / assets ratio of 93 (94) percent. Equity increased by KSEK 19 159 through the non-cash acquisition of parts of Lune Group OY and by KSEK 7 195 through the private placement to the Vidarstiftelsen.

**Liabilities** - The company's liabilities, as of June 30<sup>th</sup>, 2020, amounted to KSEK 7 518 (4 550) .

**Organization** - During the period, the average number of employees was 3 (2). At the end of the period, the number of employees was 3 (2). In addition to this, from 2018 a marketing manager and a quality manager will be hired as consultants, and the accounts are outsourced to an accounting firm.

**Share** - The total number of shares as of June 30<sup>th</sup>, 2020 was 155 143 476 (95 346 230). During July 2019, the number of shares increased by 31 782 076 shares to 127 128 306 shares after the registration of the new share issue.

**INCOME STATEMENT**

**Peptonic Medical AB**

KSEK	Note	3 mon Apr-Jun 2020	3 mon Apr-Jun 2019	6 mon Jan-Jun 2020	6 mon Jan-Jun 2019	12 mon Jan-Dec 2019
<b>Operating income</b>						
Sales of products		1 107	1 011	2 888	2 481	4 408
Other operating income		5	17	16	35	64
<b>Total operating income</b>		<b>1 112</b>	<b>1 028</b>	<b>2 904</b>	<b>2 516</b>	<b>4 472</b>
<b>Operating expenses</b>						
Cost of goods		-603	-243	-1 399	-911	-1 825
Other external expenses	1	-4 614	-4 843	-9 381	-7 695	-17 041
Personnel costs		-1 721	-1 044	-3 018	-2 197	-6 475
Depreciati		-695	-695	-1 390	-1 408	-2 855
Other ope		-54	0	-98	0	-198
<b>Total operating expensses</b>		<b>-7 687</b>	<b>-6 825</b>	<b>-15 286</b>	<b>-12 211</b>	<b>-28 394</b>
<b>Operating loss</b>		<b>-6 575</b>	<b>-5 797</b>	<b>-12 382</b>	<b>-9 695</b>	<b>-23 922</b>
Net financial income/expense		0	-315	0	-630	-587
<b>Loss before taxes</b>		<b>-6 575</b>	<b>-6 112</b>	<b>-12 382</b>	<b>-10 325</b>	<b>-24 509</b>
Taxes		0	0	0	0	0
<b>Net loss for the period</b>		<b>-6 575</b>	<b>-6 112</b>	<b>-12 382</b>	<b>-10 325</b>	<b>-24 509</b>

**BALANCE SHEET**

Peptonic Medical AB		30-jun	30-jun	31-dec
KSEK	Note	2020	2019	2019
<b>Assets</b>				
<b>Non-Current assets</b>				
Intangible assets	2	0	0	0
Tangible assets	3	53 957	55 412	54 252
Financial assets		30 232	0	0
<b>Total non-current assets</b>		<b>84 189</b>	<b>55 412</b>	<b>54 252</b>
<b>Current assets</b>				
Stock		853	751	594
On going fund raising		0	1 572	0
Other receivbles		1 317	1 314	945
Tax receivable		-	-	-
Prepaid expenses and accrued income		232	812	176
Liquid assets		20 613	22 651	35 984
<b>Total current assets</b>		<b>23 015</b>	<b>27 100</b>	<b>37 699</b>
<b>Total assets</b>		<b>107 204</b>	<b>82 512</b>	<b>91 951</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
<b>Ristricted equity</b>				
Share capital		15 514	9 535	13 813
Ongoing right issues		-	25 970	-
Development Cost Fund		12 332	13 130	12 600
<b>Non- restrictes equity</b>		<b>0</b>	<b>0</b>	<b>0</b>
Share premium reserv non-restricted		206 927	137 848	182 006
Profit or loss brought forward		-122 705	-98 196	-98 196
Net loss for the period		-12 382	-10 325	-24 509
<b>Total equity</b>	3	<b>99 686</b>	<b>77 962</b>	<b>85 714</b>
<b>Current liabilities</b>				
Liabilities interest bearing		0	0	0
Trade payables		4 817	2 399	1 974
Other payables		205	433	495
Prepaid income and accrued expenses		2 496	1 718	3 768
<b>Total current liabilities</b>		<b>7 518</b>	<b>4 550</b>	<b>6 237</b>
<b>Total equity and liabilities</b>	4	<b>107 204</b>	<b>82 512</b>	<b>91 951</b>

**STATEMENT OF CASH FLOW**

Peptonic Medical AB

KSEK	Note	6 mon Jan-June 2020	6 mon Jan-June 2019	12 months Jan-Dec 2019
<b>CASH FLOW FROM OPERATIONS BEFORE CHANGES IN WORKING CAPITAL</b>				
Operating profit/loss		-12 382	-10 325	-24 509
Non-cash flow items		1 390	2 038	2 855
Paid tax		-	-	-
<b>NET CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANG</b>		<b>-10 992</b>	<b>-8 287</b>	<b>-21 654</b>
Increase (-) decrease (+) inventory		-259	-142	23
Increase (-) decrease (+) receivables		-428	-1 335	-338
Increase (-) decrease (+) liabilities		1 281	-1 140	2 827
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>-10 398</b>	<b>-10 904</b>	<b>-19 142</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Investment in immaterial assets, net		-1 095	-424	-711
Investment in material asset, incl subsidiaries		-30 232	-	-
Investment in financial assets, net		0	0	0
Divestment / reduction of financial assets		-	-	-
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>		<b>-31 327</b>	<b>-424</b>	<b>-711</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Rights issue		26 659	34 421	56 752
Issue expenses		-305	-1 307	-1 780
Bridgeloan		0	-10 500	-10 500
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>		<b>26 354</b>	<b>22 614</b>	<b>44 472</b>
<b>TOTAL CASH FLOW FOR THE YEAR</b>		<b>-15 371</b>	<b>11 286</b>	<b>24 619</b>
Cash and cash equivalents at beginning of period		35 984	11 365	11 365
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>		<b>20 613</b>	<b>22 651</b>	<b>35 984</b>



**This interim report has not been reviewed by the Company's auditors.**

The Board of Directors and the CEO certifies that the interim report gives a fair overview of the business, position and profit or loss of the Company.

### FINANCIAL CALENDER

Quarterly report, 3	November 10 <sup>th</sup> 2020
Year end report, 2020	February 26 <sup>th</sup> 2021

### Stockholm, August 17<sup>th</sup>, 2020

Hans von Celsing, Chairman of the Board                      Anna Tenstam, Board member

Marianne Östlund, Board member                                      Leni Ekendahl, Board member

Johan Inbarr, CEO

### For more information please contact:

Johan Inbarr, CEO PEPTONIC medical AB. Phone: +46 708 853 893

*This information is information that Peptonic Medical AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 17<sup>th</sup> August 2020.*

*Note: This document has been prepared in both Swedish and English. The Swedish version shall govern in case of differences between the two documents. The document contains certain statements about the Company's operating environment and future performance. These statements should only be regarded as reflective of prevailing interpretations. No guarantees can be made that these statements are free from errors.*