

## **YEAR END REPORT** Period January – December 2023

PEPTONIC Medical AB (public) org nr 556776-3064

([www.spotlightstockmarket.com](http://www.spotlightstockmarket.com), ticker: PMED)

### **GROUP**

#### **2023 FOURTH QUARTER (oct-dec)**

- Sales of products 6,786 (10,191) KSEK
- Adjusted gross profit 3,709 (5,313) KSEK, 55% (52%) excluding one-off items affecting comparability -3,016 (-1,011) KSEK \*\*
- Operating profit -19,579 (-6,890) KSEK
- Adjusted operating profit -11,892 (-5,289) KSEK excluding one-off items affecting comparability -7,687 (-1,011) KSEK \*
- Earnings per share - 0.02 (-0.03) SEK

#### **2023 FULL YEAR (Jan-Dec)**

- Sales of products 37,118 (43,634) KSEK
- Adjusted gross profit 19,311 (23,394) KSEK, 52% (54%) excluding one-off items affecting comparability -3,016 (-1,011) KSEK \*
- Operating profit -41,166 (-33,606) KSEK
- Adjusted operating profit -33,479 (-33,606) KSEK excluding one-off items affecting comparability -7,687 (0) KSEK \*
- Earnings per share -0.04 (-0.15) SEK

*(\*) one-off items affecting comparability -7,687 KSEK consisting of personnel restructuring costs (-1,800 KSEK), write-down of receivable in the USA (-885 KSEK), write-down of oxytocin patent in menopause (-1,986 KSEK), and (\*\*) adjustment of obsolescence (-3,016 KSEK).*

### **IMPORTANT EVENTS DURING THE PERIOD**

Peptonic Medical AB announced the following:

- An exclusive agreement regarding VagiVital AL's self-test for detecting amniotic fluid leakage has been signed with Savyon Diagnostics for the Israeli market.
- A distribution agreement has been signed with Walmart to sell Peptonic's self-test for bacterial vaginosis. The test will be sold under Walmart's own brand.
- The company has received its first order from Windsor Pharmaceuticals for Peptonic's vaginal self-tests VagiVital AL Sense and VagiVital VS Sense Pro. The products will be sold in Central America under Windsor's own brand Amniotest.
- A non-exclusive agreement regarding VagiVital VS Pro has been signed with Al Fortune Medical Equipment for the United Arab Emirates.
- A positive outcome from the subscription of options of series TO3. The successful subscription options of series TO3, provided Peptonic Medical with approximately 7.6 MSEK before issuance costs.
- The Swedish Companies Registration Office has registered the merger between Peptonic Medical AB and Pharmiva AB (publ).
- The board of directors of Peptonic Medical AB convened an extraordinary general meeting on January 11, 2024.

## **IMPORTANT EVENTS AFTER THE PERIOD**

Peptonic Medical AB announced the following:

- Launch of two new products (VagiVital Menopause FSH test and VagiVital Urinary Tract Infection Self-Test) in the domestic Swedish market.
- Following a review of the company's management, the board appointed Anna Linton as the new CEO to capitalize on the evolving and growing market opportunities,
- An extraordinary general meeting was held where Kristina Ingvar was elected to the company's board of directors.

## **LETTER FROM THE CEO**

With boundless enthusiasm and genuine humility, I have stepped into the role of CEO. I eagerly anticipate, alongside our dedicated team and board, propelling Peptonic Medical to solidify its position as a leading player in intimate self-care. This endeavor transcends mere job responsibilities— it's a deep commitment to advancing women's health.

Being a part of Peptonic Medical's devoted work, empowering women to guard their intimate health, is meaningful. Our portfolio and offerings aren't just unique, they also redefine intimate self-care. It's not just about products; it's about allowing women to diagnose, treat, and prevent intimate medical conditions on their own independently and effectively. In our constant drive for innovation and addressing women's intimate health needs, we have expanded our portfolio with the recent additions of innovative products including an over-the-counter self-care treatment for bacterial vaginosis, a self-test for menopause and a self-test for urinary tract infection. By 2024, we anticipate the product portfolio to more than double.

Strategically important partner agreements signed during the quarter open up opportunities for expansive geographical presence. The USA remains our strategically most important market, and our efforts are laser-focused on bolstering our presence in this highly attractive market for intimate self-care. The agreement with Walmart to feature our self-test for bacterial vaginosis under their brand is a significant milestone. Concurrently, efforts to increase sales through CVS and Walgreens are ongoing as well as increasing sales under own brand. These endeavors underscore our unwavering focus and heightened ambition to accelerate growth in the USA, all while maintaining momentum in other strategically chosen markets.

During the quarter, Sweden exhibited robust growth of 91%, driven by both organic growth and a diversification of our product portfolio. The positive trajectory in the Swedish market, our reference market, unmistakably indicates a strong demand for our products. Revenue in our primary business area, Medical Consumer, shows a dip compared to the same quarter of the previous year, attributed to variations in the timing of incoming orders from partners. I anticipate these fluctuations will persist as our distribution agreement-based business model naturally entails volatile sales, however, as we increase our sales volume, we expect further consistency in orders. The decrease in sales within the Lifestyle Consumer business area follows a strategic streamlining of our product offerings and narrowed focus on key markets. However, cost reductions within Lifestyle Consumer have improved our operating results despite the lower sales. Increased costs for the group are attributed one-time merger costs with Pharmiva and one-time efficiency expenditures, such as organizational restructuring,

The merger with Pharmiva not only enriched our portfolio with a bacterial vaginosis treatment but also empowered the organization with expertise in sales, marketing, regulatory affairs, and quality. Our ongoing efforts to streamline operations include the integration of the companies' quality management systems. The phased-out transition of Pharmiva's quality management system aims to avoid duplicate audits from notified bodies\* - a strategic decision made to reach expected sales targets for Vernivia while preventing additional strain on our resources.

Together with the organization, our board, and shareholders, I eagerly anticipate continuing to shape a new era in intimate self-care among women. Concurrently, we aim to position Peptonic Medical as an international, cash-flow-positive company. My outlook for 2024 brims with optimism and high expectations.

Anna Linton. CEO

*\*CE mark of medical devices is regulated within the EU by the medical device directive (MDD), a set of regulations which in 2021 was replaced with Medical Device Regulation (MDR). A notified body is accredited for MDD and or MDR and ensures compliance to the directive's requirements for CE mark.*

## ABOUT THE COMPANY

Peptonic Medical AB is an innovative Swedish biomedical company engaged in research, development, and sales of clinically proven self-diagnostic rapid tests and self-care and preventive treatments within women's intimate health. The company's vision is to improve intimate health by providing women with the tools and opportunities to self-diagnose, treat, and prevent medical conditions in the genital area. The business is divided into two areas, Medical Consumer and Lifestyle Consumer. Medical Consumer offers a unique over-the-counter portfolio of rapid tests and self-care products for the treatment and prevention of medical conditions such as vaginal atrophy, bacterial vaginosis, amniotic fluid leakage, and urinary tract infections. The product portfolio provides a unique comprehensive solution for women in intimate self-care and is sold under the brands VagiVital and Vernivia. The company's other business area, Lifestyle Consumer, focuses on a broader portfolio of sustainable period products sold under the Lunette brand. Peptonic Medical continuously aims to broaden the company's product portfolio through acquisitions and development of innovative and competitive products in-house. The company's mousse-based drug-delivery technology, Venerol, and the gel base in VagiVital create favorable conditions for expanding the portfolio. Central to the growth strategy is the geographical expansion of VagiVital through collaboration with local partners, where the USA represents a key market. The goal is to position Peptonic Medical on the international stage and become a leading player in women's intimate self-care according to the concept of diagnose, treat, and prevent.

### Share

Peptonic Medical has been listed on the Spotlight Stock Market since 2014 and trades under the ticker symbol: PMED. The share capital of the company amounts to 38,371,139.9 SEK divided into 1,534,845,596 outstanding shares with a nominal value of 0.025 SEK per share. The number of outstanding warrants amounts to 196,370,600. Upon full exercise of the warrants, the number of shares will increase by 196,370,600.

### Organization

The group consists of the parent company Peptonic Medical AB (publ) headquartered in Stockholm, Sweden, and its subsidiaries Common Sense, USA, PMI, Israel, and Lune Group Oy, Finland.

At the end of the period, the number of employees in the group amounted to 38 (34), and for the parent company, it was 9 (3) at the end of the period. Of the total employees in the group and the parent company, 4 employees have come from the merger with Pharmiva. In a restructuring, 3 individuals have left the group, including 2 individuals from the parent company.

For further information: [www.peptonicmedical.se](http://www.peptonicmedical.se)

## FINANCIAL INFORMATION – GROUP

During the fourth quarter of 2023, the merger with Pharmiva has been integrated into the group. Pharmiva's accumulated results before the merger date and most merger-related costs have been directly allocated to equity in the parent company and do not affect the income statement. Starting from the merger date on November 21, Pharmiva is included in the group's operating results and balance sheet. Therefore, the figures for the fourth quarter and full year of 2023 are not directly comparable to 2022 due to the inclusion of the Pharmiva results post the completion of the merger.

**Revenue** – Revenue for the fourth quarter amounted to 7,159 (11,924) KSEK, of which sales of products accounted for 6,786 (10,191) KSEK. Sales within the Medical Consumer business area amounted to 4,577 (5,862) KSEK, a decrease compared to the same quarter in 2022, mainly explained by the shifting of the timing of orders from distributors, which may vary across quarters. During the fourth quarter of 2022 IS THIS 2022 OR 2023???, orders were received from key partners such as Primalabs, Paladin, and Exeltis. Corresponding orders did not materialize during the quarter but were deferred to the first quarter of 2024, where they were received.

Sweden as a single market delivered strong growth during the quarter, with sales increasing by 91% compared to the same quarter last year, driven by good organic growth and a continuous expansion of the product portfolio. Sales within the Lifestyle Consumer business area amounted to 2,209 (4,329) KSEK, a decrease compared to the same period the previous year, following a streamlining of the portfolio and increased focus on core markets. However, we have rightsized the costs within the business resulting in improved operating results despite the lower sales.

For the full year 2023, revenues amounted to 38,265 (46,404) KSEK, of which sales of products accounted for 37,118 (43,634) KSEK. Sales within the Medical Consumer business area amounted to 24,596 (24,538) KSEK, and the Lifestyle Consumer business area contributed sales of 12,521 (19,096) KSEK. Also, for the full year, Sweden as a single market has shown strong growth, with turnover increasing by 61% IN THE PARAGRAPH ABOVE WE SAY 91%, ARE THESE DIFFERENT FIGURES ? compared to the previous year.

**Operating expenses** – During the fourth quarter, the group's expenses amounted to -26,737 (-18,814) KSEK, of which, one-off items affecting comparability amounted to -7,687 KSEK. These items were driven by restructuring costs for personnel (-1,800 KSEK), write-down of an old receivable in the USA (-885 KSEK), a write-down of oxytocin patent within menopause (-1,986 KSEK), and adjustment of impairment to a value of -3,016 KSEK regarding products acquired in connection with the acquisition of Common Sense in 2021. Adjusted for one-off items affecting comparability, the cost of goods sold during the quarter amounted to -3,077 KSEK, resulting in an adjusted gross margin of 55%. Continuous efforts are underway to streamline operations and create synergies following the merger with Pharmiva.

For the full year, the group's expenses amounted to -79,431 (-80,010) KSEK, of which, one-off items affecting comparability amounted to -7,687 KSEK. Adjusted for items affecting comparability, the year resulted in a gross margin of 52.0%, which is in line with the previous year.

**Result** – The group's result after financial items adjusted for one-off items affecting comparability amounted to -11,936 (-7,111) KSEK for the fourth quarter. For the full year, the corresponding adjusted result is -34,882 (-36,857) KSEK.

**Financial position and liquidity** – Cash and bank balances amounted to 15,134 (3,566) KSEK as of December 31, 2023. The cash flow for the full year 2023 was positive and amounted to 11,568 KSEK. The cash flow from operating activities was negative at -34,615 KSEK. The positive cash flow is explained by a completed new share issue with subsequent warrants totaling 72,829 KSEK.

**Equity** – The group's equity as of December 31, 2023, amounted to 75,322 (47,092) KSEK, resulting in a solvency ratio of 71 (55) percent.

**Liabilities** – The group's short-term liabilities amounted to 31,414 (38,660) KSEK as of December 31, 2023. Interest-bearing liabilities amount to 16,943 MSEK, of which 8,076 KSEK pertains to deferment with the Swedish Tax Agency and the remainder to a short-term loan. During the fourth quarter, the company obtained a short-term loan totaling just over 8 MSEK. The loan was acquired to provide the company the resources to continue to make necessary short-term investments to capitalize on attractive growth opportunities.

**INCOME STATEMENT**
**Peptonic Group**

KSEK	Note	3 month oct-dec 2023	3 month oct-dec 2022	12 month jan-sep 2023	12 month jan-sep 2022
<b>Operating income</b>					
Sales of products		6 786	10 191	37 118	43 634
Other operating income		372	1 733	1 147	2 770
<b>Total operating income</b>		<b>7 159</b>	<b>11 924</b>	<b>38 265</b>	<b>46 404</b>
<b>Operating expenses</b>					
Cost of goods	5	-6 093	-5 890	-20 823	-20 239
Other external expenses	5	-9 224	-7 405	-30 314	-34 186
Personnel costs	5	-7 619	-4 585	-21 965	-21 922
Depreciation	5	-3 739	-885	-6 266	-3 491
Other operating costs		-63	-49	-63	-172
<b>Total operating expenses</b>		<b>-26 737</b>	<b>-18 814</b>	<b>-79 431</b>	<b>-80 010</b>
<b>Operating loss</b>		<b>-19 579</b>	<b>-6 890</b>	<b>-41 166</b>	<b>-33 606</b>
<i>Items affecting comparability, operating result</i>	5	-7 687	-1 011	-7 687	0
<b>Adjusted operating loss</b>		<b>-11 892</b>	<b>-5 879</b>	<b>-33 479</b>	<b>-33 606</b>
<i>Adjusted gross margin</i>		55%	52%	52%	54%
Net financial income		414	0	919	0
Net financial expense		-459	-1 232	-2 323	-3 251
<b>Loss before taxes</b>		<b>-19 623</b>	<b>-8 122</b>	<b>-42 569</b>	<b>-36 857</b>
Taxes		6	0	-20	0
<b>Net loss for the period</b>		<b>-19 617</b>	<b>-8 122</b>	<b>-42 589</b>	<b>-36 857</b>

## BALANCE SHEET

### Peptonic Group

KSEK	Note	31-dec 2023	31-dec 2022
<b>Assets</b>			
<b>Non-Current assets</b>			
Intangible assets	2	62 538	50 098
Tangible assets	3	3 783	4 299
Financial assets		0	0
<b>Total non-current assets</b>		<b>66 321</b>	<b>54 398</b>
<b>Current assets</b>			
Stock		16 002	15 368
On going fund raising		0	0
Other receivables		6 082	8 267
Tax receivable		287	89
Prepaid expenses and accrued income		2 910	4 064
Liquid assets		15 134	3 566
<b>Total current assets</b>		<b>40 415</b>	<b>31 354</b>
<b>Total assets</b>		<b>106 736</b>	<b>85 752</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
<b>Ristricted equity</b>			
Share capital		38 371	24 274
Ongoing right issues		0	0
Reserves		5 377	7 392
Other contributed capital		333 041	273 613
Profit or loss brought forward incl year result		-301 467	-258 187
<b>Total equity</b>		<b>75 322</b>	<b>47 092</b>
<b>Current liabilities</b>			
Liabilities interest bearing		7 556	4 180
Trade payables		13 779	22 881
Other payables		5 580	5 720
Prepaid income and accrued expenses		4 498	5 879
<b>Total current liabilities</b>		<b>31 414</b>	<b>38 660</b>
<b>Total equity and liabilities</b>		<b>106 736</b>	<b>85 752</b>



**STATEMENT OF CASH FLOW**  
**Peptonic Group**

KSEK	Note	12 mon jan-sep 2023	12 mon jan-dec 2022
<b>CASH FLOW FROM OPERATIONS BEFORE CHANGES IN WORKING CAPITAL</b>			
Operating profit/loss		-42 589	-36 857
Non-cash flow items		6 283	3 491
Paid tax		-20	0
<b>NET CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL</b>		<b>-36 325</b>	<b>-33 366</b>
Increase (-) decrease (+) inventory		-634	-5 045
Increase (-) decrease (+) receivables		3 141	-5 810
Increase (-) decrease (+) liabilities		-797	-357,204 9838
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>-34 615</b>	<b>-44 579</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Investment in immaterial assets, net		-1 140	-987
Investment in material assest, incl subsidiaries		0	0
Investment in financial assets, net		0	0
Divestment / reduction of financial assets		-2 686	1 184
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>		<b>-3 826</b>	<b>197</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Rights issue		72 829	33 704
Issue expenses		-13 718	-3 444
Bridgeloan		-9 102	7 534
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>		<b>50 009</b>	<b>37 794</b>
<b>TOTAL CASH FLOW FOR THE YEAR</b>		<b>11 568</b>	<b>-6 587</b>
Cash and cash equivalents at beginning of period		3 566	10 153
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>		<b>15 134</b>	<b>3 566</b>

## CHANGES IN EQUITY

### Peptonic Group

	Share Capital	Develop- ment cost fund	Ongoing right issue	Share Premium reserve non- restricted	Accumul- ated losses	Total shareholders equity
<b>KSEK</b>						
<b>Opening balance January 1, 2022</b>	<b>19 164</b>	<b>9 617</b>	<b>0</b>	<b>247 338</b>	<b>-224 102</b>	<b>52 017</b>
Net loss for the year					-36 857	-36 857
Transferring fund		-2 225			2 225	0
Right issue	5 110		0	28 618		33 728
On going right issues					547	547
Issue expenses				-3 444		-3 444
<b>Closing balance December 31, 2022</b>	<b>24 274</b>	<b>7 392</b>	<b>0</b>	<b>272 513</b>	<b>-258 187</b>	<b>45 992</b>
<b>Opening balance January 1, 2023</b>	<b>24 274</b>	<b>7 392</b>	<b>0</b>	<b>272 513</b>	<b>-258 187</b>	<b>45 992</b>
Net loss for the year					-42 589	-42 589
Transferring fund		-2 015			2 015	0
Right issue	14 097			26 667		87 243
On going right issues			0			0
Coneversion difference					-2 706	-2 706
Issue expenses						-13 718
<b>Closing balance December 31, 2023</b>	<b>38 371</b>	<b>5 377</b>	<b>0</b>	<b>299 180</b>	<b>-301 467</b>	<b>74 222</b>

## FINANCIAL INFORMATION – PATRENT COMPANY Peptonic Medical AB

During the fourth quarter of 2023, the merger with Pharmiva was completed. Pharmiva's accumulated results before the merger date and most merger-related costs have been accounted for directly against the equity in the parent company and do not affect the income statement. Starting from the merger date on November 21, Pharmiva is included in the operating results and balance sheet. Therefore, the figures for the fourth quarter and the full year 2023 are not directly comparable to 2022 due to the inclusion of the Pharmiva results post the completion of the merger.

**Revenue** – Sales of products amounted to 1,839 (1,167) KSEK in the fourth quarter. Other operating revenues for the quarter were 96 (0) KSEK. For the entire year, sales of products amounted to 6,593 (6,483) KSEK.

**Operating expenses** – Expenses for the third quarter amounted to -18,471 (-56,953) KSEK. During the period, the costs of goods sold were -1,023 (-277) KSEK. A write-down concerning the subsidiary Lune Group Oy of -4,900 KSEK negatively impacts the costs in the quarter, as well as a write-down of the oxytocin patent in menopause of -1,986 KSEK and restructuring costs of -1,800 KSEK. The costs for the year were -37,713 (-77,716) KSEK.

**Result** – The company's result after financial items adjusted for one-off items affecting comparability for the fourth quarter amounted to -12,750 (-53,747) KSEK.

**Financial position and liquidity**– Cash and bank amounted to 10,610 (371) KSEK as of December 31. The cash flow for the full year 2023 was positive and amounted to 10,239 KSEK. The cash flow from operating activities was negative at -36,654 KSEK. The positive cash flow is explained by a completed new share issue with subsequent subscription options totaling 72,829 KSEK.

**Equity** – The company's equity as of December 31, 2023, amounted to 96,967 (57,164) KSEK, resulting in a solvency ratio of 79 (64) percent. The funds realized from the series TO3 subscription options carried out during the fourth quarter has led to an increase in the company's equity of approximately 7.3 MSEK.

**Liabilities** - The company's liabilities amounted to 25,015 (31,692) KSEK as of December 31, 2023, of which 16,943 are interest-bearing.

**INCOME STATEMENT**  
**Peptonic Medical AB**

KSEK	Note	3 month oct-dec 2023	3 month oct-dec 2022	12 month jan-dec 2023	12 month jan-dec 2022
<b>Operating income</b>					
Sales of products		1 839	1 167	6 593	6 483
Intercompany sales		0	0	0	2 611
Other operating income		96	0	96	0
<b>Total operating income</b>		<b>1 935</b>	<b>1 167</b>	<b>6 689</b>	<b>9 094</b>
<b>Operating expenses</b>					
Cost of goods		-1 023	-277	-2 522	-3 885
Other external expenses	1	-5 044	-2 637	-15 437	-12 388
Personnel costs	5	-4 008	-2 554	-9 265	-7 742
Depreciation	5	-8 333	-51 437	-10 425	-53 529
Other operating costs		-63	-49	-63	-172
<b>Total operating expenses</b>		<b>-18 471</b>	<b>-56 953</b>	<b>-37 713</b>	<b>-77 716</b>
<b>Operating loss</b>		<b>-16 536</b>	<b>-55 785</b>	<b>-31 024</b>	<b>-68 622</b>
<i>Items affecting comparability, operating result</i>	5	<i>-3 786</i>	<i>-1 011</i>	<i>-3 786</i>	<i>0</i>
<b>Adjusted operating loss</b>		<b>-12 750</b>	<b>-54 774</b>	<b>-27 238</b>	<b>-68 622</b>
Net financial income		63	1 047	921	0
Net financial expense		-1 825	0	-3 619	-789
<b>Loss before taxes</b>		<b>-18 298</b>	<b>-54 738</b>	<b>-33 722</b>	<b>-69 411</b>
<i>Adjusted loss before tax excluding items affecting comparability</i>		<i>-14 512</i>	<i>-53 727</i>	<i>-29 936</i>	<i>-69 411</i>
Taxes		0	0	0	0
<b>Net loss for the period</b>		<b>-18 298</b>	<b>-54 738</b>	<b>-33 722</b>	<b>-69 411</b>

## BALANCE SHEET

### Peptonic Medical AB

KSEK	Note	31-dec 2023	31-dec 2022
<b>Assets</b>			
<b>Non-Current assets</b>			
Intangible assets	2	62 488	49 703
Tangible assets	3	448	36
Financial assets	4	12 892	12 892
<b>Total non-current assets</b>		<b>75 828</b>	<b>62 632</b>
<b>Current assets</b>			
Stock		5 527	3 122
On going fund raising		0	0
Other receivbles		1 864	831
Group company receivables		26 506	19 432
Tax receivable		0	0
Prepaid expenses and accrued income		1 646	2 469
Liquid assets		10 610	371
<b>Total current assets</b>		<b>46 154</b>	<b>26 224</b>
<b>Total assets</b>		<b>121 982</b>	<b>88 856</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
<b>Ristricted equity</b>			
Share capital		38 371	24 274
Ongoing right issues		0	0
Development Cost Fund		5 377	7 392
<b>Non- restrictes equity</b>			
Share premiun reserv non-restricted		333 041	273 613
Profit or loss brought forward		-246 100	-178 705
Net loss for the period		-33 722	-69 411
<b>Total equity</b>		<b>96 967</b>	<b>57 164</b>
<b>Current liabilities</b>			
Liabilities interest bearing		3 341	2 515
Trade payables		13 668	19 332
Other payables		4 707	4 544
Group company debts		0	0
Prepaid income and accrued expenses		3 299	5 301
<b>Total current liabilities</b>		<b>25 015</b>	<b>31 692</b>
<b>Total equity and liabilities</b>		<b>121 982</b>	<b>88 856</b>

**STATEMENT OF CASH FLOW**  
**Peptonic Medical AB**

KSEK	Note	12 mon jan-sep 2023	12 mon jan-sep 2022
<b>CASH FLOW FROM OPERATIONS BEFORE CHANGES IN WORKING CAPITAL</b>			
Operating profit/loss		-33 722	-69 411
Non-cash flow items		10 425	53 529
Paid tax		0	0
<b>NET CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANG</b>		<b>-23 296</b>	<b>-15 882</b>
Increase (-) decrease (+) inventory		-2 406	-1 062
Increase (-) decrease (+) receivables		-7 285	-13 199
Increase (-) decrease (+) liabilities		-3 667	4 216
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>-36 654</b>	<b>-25 927</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Investment in immaterial assets, net		-1 266	-987
Investment in material assest, incl subsidiaries		-4 882	-10 157
Investment in financial assets, net		-406	0
Divestment / reduction of financial assets		0	0
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>		<b>-6 554</b>	<b>-11 144</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Rights issue		72 829	33 704
Issue expenses		-13 718	-3 444
Bridgeloan		-5 664	4 332
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>		<b>53 447</b>	<b>34 592</b>
<b>TOTAL CASH FLOW FOR THE YEAR</b>		<b>10 239</b>	<b>-2 478</b>
Cash and cash equivalents at beginning of period		371	2 849
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>		<b>10 610</b>	<b>371</b>

**CHANGES IN EQUITY**  
**Peptonic Medical AB**

	Share Capital	Develop- ment cost fund	Ongoing right issue	Share Premium reserve non- restricted	Accumul-ated losses	Total shareholders equity
<b>KSEK</b>						
<b>Opening balance January 1, 2022</b>	<b>19 164</b>	<b>9 617</b>	<b>0</b>	<b>248 439</b>	<b>-180 929</b>	<b>96 290</b>
Net loss for the year					-69 411	-69 411
Transferring fund		-2 225			2 225	0
Right issue	5 110			28 618		33 729
On going right issues			0	0		0
Issue expenses				-3 444		-3 444
<b>Closing balance December 31, 2022</b>	<b>24 274</b>	<b>7 392</b>	<b>0</b>	<b>273 613</b>	<b>-248 116</b>	<b>57 164</b>
<b>Opening balance January 1, 2023</b>	<b>24 274</b>	<b>7 392</b>	<b>0</b>	<b>273 613</b>	<b>-248 116</b>	<b>57 164</b>
Net loss for the year					-33 722	-33 722
Transferring fund		-2 015			-1 569	0
Right issue	14 097			73 146		87 243
On going right issues			0	0		0
Issue expenses				-13 718		-13 718
<b>Closing balance December 31, 2023</b>	<b>38 372</b>	<b>5 377</b>	<b>0</b>	<b>333 041</b>	<b>-283 406</b>	<b>96 967</b>

**NOTES**

**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). The accounting principles are unchanged compared to the previous year.

**Note 1 - Transactions with Related Parties**

**Group/Parent Company**

During the period, no companies represented by board members have been engaged on a consultancy basis.

**Note 2 - Intangible Fixed Assets**

**Group/Parent Company**

Patent and development costs are capitalized and depreciated over 20 years from the time the first revenue is generated for the group, with depreciation commencing from the full year 2019. Capitalized patent and development costs are expected to generate future revenues for the group. In the balance sheet, patent and development costs are recorded at cost, reduced by accumulated depreciation.

**Note 2**

**Peptonic Group**

	<b>31-dec 2023</b>	<b>31-dec 2022</b>
<b>Capitalized development costs</b>		
Accumulated acquisition value		
Opening balance	53 148	52 900
Sold out and Other disposals	0	0
Capitalizations during the period	323	248
	<b>53 471</b>	<b>53 148</b>
Accumulated depreciation value	-10 772	-7 980
Deprecation of the year	-3 161	-2 792
	<b>-13 933</b>	<b>-10 772</b>
<b>Net booked amount at end of period</b>	<b>39 538</b>	<b>42 377</b>
<b>Patents och licenses</b>		
Accumulated acquisition value		
Opening balance	9 177	8 438
Sold out and Other disposals	-2 541	0
Capitalizations during the period	961	739
	<b>7 597</b>	<b>9 177</b>
Depreciation		
Accumulated depreciation value	-1 455	-1 148
Deprecation of the year	-531	-307
	<b>-1 986</b>	<b>-1 455</b>
<b>Net booked amount at end of period</b>	<b>5 611</b>	<b>7 722</b>
<b>Group goodwill</b>		
Accumulated acquisition values		
At the beginning of the period	23 495	23 495
Activations for the period	5 821	0
	<b>29 316</b>	<b>23 495</b>
Depreciation at the beginning of the period	-23 495	-23 495
This year's depreciations	-194	0
Outgoing depreciation	-23 689	-23 495
<b>Net booked amount at end of period</b>	<b>5 627</b>	<b>0</b>
<b>Total intangible assets</b>	<b>50 776</b>	<b>50 098</b>



**Note 2**
**Peptonic Medical AB**
**Capitalized development costs**

	<b>31-dec 2023</b>	<b>31-dec 2022</b>
Accumulated acquisition value		
Opening balance	51 873	51 625
Sold out and Other disposals	0	0
Capitalizations during the period	323	248
Fusion	13188	
	<b>65 385</b>	<b>51 873</b>

Accumulated depreciation value	-9 892	-7 419
Deprecation of the year	-2 817	-2 473
	<b>-12 709</b>	<b>-9 892</b>

<b>Net booked amount at end of period</b>	<b>52 676</b>	<b>41 981</b>
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**Patents och licenses**

Accumulated acquisition value		
Opening balance	9 177	8 438
Sold out and Other disposals	-2541,144	0
Capitalizations during the period	961	739
Fusion		
	<b>7 597</b>	<b>9 177</b>

Depreciation		
Accumulated depreciation value	-1455,3	-1148
Deprecation of the year	-531	-307
Fusion		
	<b>-1987</b>	<b>-1455</b>

<b>Net booked amount at end of period</b>	<b>5 611</b>	<b>7 722</b>
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<b>Total intangible assets</b>	<b>58 287</b>	<b>49 703</b>
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**Note 3 – Tangible fixed assets**
**Group/Parent Company**

In the group, there are activated tools for the production of products.

**Note 4 – Financial fixed assets**
**Parent Company**

As of December 31, 2023, a total of SEK 12 892 thousand has been capitalized for the acquisition of subsidiaries.

## Note 5 - Items Affecting Comparability

Note 5 - Items Affecting Comparability		3 month	3month	12 month	12 month
Group		oct-dec	oct-dec	jan-dec	jan-dec
What	Where	2023	2022	2023	2022
Impairment of oxytocin patent in menopause	<i>Amortization of intangible assets</i>	1986	0	1986	0
Restructuring costs - personnel	<i>Personnel expenses</i>	1 800	0	1 800	0
Inventory write-down	<i>Cost of goods sold</i>	3 518	0	3 518	0
Impairment of receivable in US	<i>Other external costs</i>	885	0	885	0
Inventory adjustment Q4 2022	<i>Cost of goods sold</i>	0	1 011	0	0
		8 189	1 011	8 189	0

Note 5 - Items Affecting Comparability		3 month	3month	12 month	12 month
Parent company		oct-dec	oct-dec	jan-dec	jan-dec
What	Where	2023	2022	2023	2022
Impairment of oxytocin patent in menopause	<i>Amortization of intangible assets</i>	1986	0	1986	0
Restructuring costs - personnel	<i>Personnel expenses</i>	1800	0	1800	0
		3 786	0	3 786	0

### KEY FIGURES

#### Peptonic Group

	12 mon	12 mon	12 mon
	jan-sep	jan-dec	jan-dec
	2023	2022	2021
Sales goods, KSEK	37 118	43 634	31 643
Gross profit sales goods, KSEK	16 295	23 394	19 070
Gross margin, %	44%	54%	60%
Operating profit, KSEK	-41 166	-33 606	-73 718
Return on equity, %	Negativt	Negativt	Negativt
Equity ratio, %	71	55	62
Earnings per share, SEK	-0,04	-0,15	-0,38
Liquidity per share, SEK	0,01	0,01	0,05
Equity per share, SEK	0,06	0,19	0,27
Share price per closing, SEK	0,08	0,14	0,63
Share price/Equity per share, SEK	1,25	0,72	2,30
Equity per share, SEK	1 175 179 689	242 743 544	191 639 642

## RISKS AND UNCERTAINTIES

The business risks, risk management, and financial risk management of the Group and the parent company are thoroughly described in the 2022 annual report submitted in April 2023, available on the company's website, [www.peptonicmedical.se/financial-information/](http://www.peptonicmedical.se/financial-information/). During the year, geopolitical risks have increased, resulting in slightly longer lead times and higher freight costs. Otherwise, no events of significant importance to Peptonic have occurred that affect or change these descriptions of the Group's or parent company's risks and their management.

## FINANCING

A prerequisite for continued operations during the upcoming twelve-month period is that revenues can finance the operations, combined with a favorable outcome from the exercise of outstanding subscription options. If these conditions are not met, alternatives include refinancing outstanding loans or other capital procurement. Capital procurement can occur in various ways, and the Board continuously works to ensure financing for continued operations. The Board's assessment is that this will be achievable.

## AUDIT

This year-end report has not been subject to be reviewed by the company's auditors.

## PROPOSAL FOR ALLOCATION OF PROFIT

The board proposes that no dividends are paid for the financial year 2023.

## ASSURANCE

The board and the managing director assure that the year-end report provides a fair overview of the company's operations, position and results.

## FINANCIAL CALENDER

Quarterly report, 1	2024-05-07
Annual general meeting	2024-05-21
Quarterly report, 2	2024-08-13
Quarterly report, 3	2024-11-06
Year-end report, 2024	2025-02-21

The Annual General Meeting will be held on May 21, 2024, in Stockholm. The annual report will be available on the Company's website, [www.peptonicmedical.se](http://www.peptonicmedical.se), at least 3 weeks before the meeting and can also be requested from the Company via email at [anna.linton@peptonicmedical.se](mailto:anna.linton@peptonicmedical.se).

## Stockholm, February 23rd, 2023

Anders Blom, Chairman of the board	Daniel Rudeklint, Board member
Anders Norling, Board member	Tarek Shoeb, Board member
Kristina Ingvar, Board member	Anna Linton, CEO

For further information, please contact: Anna Linton, CEO of PEPTONIC Medical AB. Tel: +46 709 408 500

*Note: This document contains certain information about the external environment and the future. These details should be considered solely as reflecting the current perception. No guarantees can be given that this information is accurate.*