

YEAR END REPORT

Period january – december 2022

PEPTONIC Medical AB (publ) org nr 556776–3064
(www.spotlightstockmarket.com, ticker: PMED)

GROUP

2022 FOURTH QUARTER (oct-dec)

- Net sales of products 10 191 (5 642) tkr
- Gross profit 4 302 (3 388) tkr, 42% (60%)
- Adjusted gross profit 5 313 (3 388) tkr, 52% (60%)ⁱ
- Operating loss -6 890 (-43 974) tkr
- Loss per share -0,03 (-0,23) kr

Full Year 2022 (jan-dec)

- Net sales of products 43 634 (31 643) tkr
- Gross profit 23 394 (19 070) tkr, 54% (60%)
- Operating loss -33 606 (-73 718) tkr
- Loss per share -0,15 (-0,38) kr

ⁱ Before inventory adjustments that fully charge quarter 4 instead of being distributed over previous quarters.

IMPORTANT EVENTS DURING THE PERIOD

- On November 4, the company informed that ongoing patent applications for intimate wash and for the treatment of fungal infection have received positive statements from the international review.
- On November 22, the company informed that Lena Munkhammar has requested to resign from PEPTONIC Medical's board.

- On November 28, the company informed that the wholly-owned subsidiary Lune Group Oy has won Klarna's growth award in the Small Business category.
- On December 6, the company announces that the board, subject to approval from the extraordinary general meeting on January 9, 2023, has decided to carry out a new issue of units consisting of shares and warrants with preferential rights for existing shareholders. The board has also procured a bridge loan of SEK 5.0 million from Maida Vale Capital AB, which, through a subscription agreement, undertook to offset the bridge loan against units in the Rights Issue.

IMPORTANT EVENTS AFTER THE PERIOD

- At an extraordinary general meeting on January 9, it was decided to adopt all three proposals for new articles of association that were presented, as well as to authorize the board to register the company's new articles of association in accordance with one of the three proposals, based on what the board finds most appropriate after taking into account how many units which have been subscribed and allocated to the upcoming issue. The general meeting also elected Daniel Rudeklint and Anders Blom to the board at the same time Susanne Axelsson left the board.
- An exclusive distribution agreement for Central America with Windsor Pharmaceuticals was announced on 24 January. The agreement concerns the sale of Peptonic's vaginal self-tests VagiVital AL and VagiVital VS with a planned start of distribution in the second quarter of 2023.
- On February 1, the rights issue of units, consisting of shares and warrants of series TO2, TO3 and TO4, was completed. The rights issue was subscribed to a total of approximately 80.9 percent, of which approximately 64.5 percent was subscribed with the support of unit rights and approximately 16.4 percent was subscribed without the support of unit rights. A total of 38,014,284 units were subscribed through offsetting. The Rights Issue provides the company with approximately SEK 55.0 million, of which approximately SEK 44.3 million in cash and approximately SEK 10.6 million through offsets, before deductions for costs attributable to the Rights Issue.
- On February 7, the company announces flagging. Through the recently completed rights issue, both Maida Vale Capital AB and Vidarstiftelsen, upwards and downwards respectively, have passed the flagging limit of 15 percent.

From the CEO

Peptonic's strategy shift in 2022 has set the company in a positive direction

Despite current society-wide challenges, Peptonic's growth in 2022 showed a clearly positive trend. Q4 2022 was the third financial quarter in a row that had significant improvement compared to the one before it. The primary reason for the trend is a successful strategy shift that was made at the beginning of 2022 in connection with the incorporation of Israeli CommonSense, which was acquired at the end of 2021 and is now Peptonic Israel.

At the beginning of 2022, the company divided its business into two areas: Medical Consumer — featuring Intimate self-care products that are clinically proven and based on a concept of “diagnose, treat, prevent” — and LifeStyle Consumer — featuring solutions composed mainly of durable menstrual products. The separation created greater clarity, both internally and externally, which has improved focus, cost efficiency, and consumer reception. That, in turn, has improved company performance. The Medical Consumer business area currently accounts for approximately two-thirds of Peptonic's turnover.

Strong reception to the “diagnose, treat, prevent” concept

Peptonic created a unifying concept within its Medical Consumer portfolio of products. The solutions are connected by the ability they offer consumers to diagnose, treat, and prevent vaginal health issues themselves. So far, the concept has been received with great interest. Peptonic's vaginal self-tests were presented at the annual conference of Sweden's national association of gynecologists, SFOG 2022, and given a very positive reception. In the spring of 2023, Peptonic will launch an educational project for Swedish gynecologists regarding the products' usage and benefits. The response from pharmacies in Sweden has also been very positive, and all of the major chains now list Peptonic's self-test for vaginal infections for digital purchase. The company expects the expansion of pharmacy distribution to continue in 2023. In 2022, Peptonic's Medical Consumer products grew organically by more than 50% in its home market of Sweden.

Increasing interest from international partners

International demand for Peptonic's products increased throughout 2022. This was, above all, mostly regarding the company's vaginal self-tests. Existing partners such as Bayer, Exeltis, Walgreens, and CVS regularly ordered significant product volumes. New distributor agreements were signed with Windsor Pharma for Central America, German Medical Store for the United Arab Emirates, and InVivo Pharma for Georgia. The company expects more distributor agreements in 2023 and plans to add Peptonic's gel treatment for vaginal dryness and preventive intimate cleanser to select distribution agreements for international markets where the vaginal self-tests are already sold.

Lunette's contract agreement with the UN — an important signal of quality

In 2022, Peptonic's LifeStyle Consumer business area also saw significant success for its Lunette brand. With Lunette, the company works hard to break stigmas and be an inclusive source of information and education about women's health. As a result of those efforts, Lunette was awarded a long-term contract by the UN in 2022. Lunette was chosen as the supplier of menstrual cups for the

UN's hygiene kits. The first orders for the contract were placed at the end of 2022. This contract agreement not only has significant potential for future business but is a very public signal indicating the high quality of Peptonic's Lunette brand.

Growing patent portfolio

An important part of Peptonic's strategy is to develop innovations and protect them with patents. In 2022, Peptonic's vaginal gel gained international approval for the treatment of vestibulitis. An adapted version of the gel also gained international approval for the treatment of vaginal fungal infections, which applies to the company's moisturizing intimate cleanser as well.

Successful fundraising to create conditions for profitability

Peptonic has just closed the first part of an ongoing round of funding. It's financing that, with a rights issue and the associated warrant series, should give the company the conditions to implement strategy and become profitable. In response to the rights issue, which ended in February 2023, the company raised SEK 55 million before issue costs of which amounted to approximately SEK 10 million, of which SEK 4.9 million referred to guarantee compensation. Given the current financial climate, this was a very successful result. The proceeds will be used to accelerate the development of the product portfolio, strengthen the organization, increase marketing, and repay loans. In connection with the rights issue, Maida Vale Capital became a new major shareholder alongside the Vidarstiftelsen foundation. Maida Vale's commitment to Peptonic is long-term and brings added value to the company with extensive industry experience and global networks.

I, along with the entire organization, feel confident about the company's future.

Erik Sundquist

CEO

COMPANY BRIEF

Peptonic is a Swedish innovative biomedical company that conducts research, development and sales of medical treatments and lifestyle products in the field of women's health. Peptonic has divided its operations into two business areas: "Medical Consumer" and "Lifestyle Consumer". The business area "Medical Consumer" is based on clinically proven intimate self-care and constitutes the company's main focus and is sold under the VagiVital brand. The "Lifestyle Consumer" business area consists of lifestyle products with a focus on sustainable menstrual products and is sold under the Lunette brand. The company was founded in 2009 and the stock has been traded since 2014 on Spotlight (www.spotlightstockmarket.com) in Stockholm.

FINANCIAL INFORMATION

Group

Revenue – Sales of goods during the fourth quarter amounted to SEK 10,191 (5,642) thousand, a growth of 80,6%. Other operating income for the quarter was SEK 1,733 (610) thousand and mainly consists of exchange rate adjustments and covid support.

In the full year, sales of goods amounted to SEK 43,634 (31,643) thousand corresponding to a sales increase of 37.9%. Other operating income for the period was SEK 2,770 (622) thousand.

Costs – Costs for the fourth quarter amounted to SEK -18,814 (-50,226) thousand. Costs for the full year were SEK -80,010 (-105,983) thousand.

Costs of goods sold for the quarter amounted to SEK -5,890 (-2,254) thousand, which corresponds to a gross profit of SEK 4,302 (3,388) thousand and a gross margin of 42% (60%). The relatively low gross profit and margin for the quarter is mainly explained by inventory adjustments which fully charged quarter 4 instead of being distributed over previous quarters. If the cost had been distributed over previous quarters, the fourth quarter's gross profit and gross margin would have amounted to SEK 5,313 thousand and 52%, respectively, which is in line with the company's gross profit and margin for the full year. This is slightly lower than the previous year which is related to, through the acquisition of Commonsense Israel, inherited license business.

Profit – The group's result after net financial items for the fourth quarter amounted to SEK -8,122 (-43,858) thousand. For the full year, the corresponding result is SEK -36,857 (-73,688) thousand.

Financial position and liquidity – Cash and bank as of December 31, 2022, amounted to SEK 3,566 (10,153) thousand.

With the rights issue of units carried out in January 2023, approx. SEK 55 million will be added to the company before issue costs. Net balance after payment of long-term liabilities and after issue costs amounts to approx. SEK 22 million, which strengthens the group's financial position and enables the company to continue developing the product portfolio and switch up production and sales within all of the group's business areas.

Shareholders equity – The group's equity as of 31 December 2022 amounted to SEK 47,091 (52,017) thousand, which gives an equity ratio of 55 (62) percent.

Liabilities – The group's liabilities amounted, as of 31 December 2022, to SEK 38,660 (31,483) thousand. Of which short-term amounts to SEK 35,066 thousand. Of these, SEK 19,331 thousand have been repaid in connection with the rights issue.

Organization – During the period, the average number of employees was 34 (34). At the end of the period, the number of employees amounted to 34 (34).

INCOME STATEMENT

Group - Peptonic Group

| KSEK | Note | 3 mon oct-dec 2022 | 3 mon oct-dec 2021 | 12 mon jan-dec 2022 | 12 mon jan-dec 2021 |
|---------------------------------|------|--------------------------|--------------------------|---------------------------|---------------------------|
| Operating income | | | | | |
| Sales of products | | 10 191 | 5 642 | 43 634 | 31 643 |
| Other operating income | | 1 733 | 610 | 2 770 | 622 |
| Total operating income | | 11 924 | 6 252 | 46 404 | 32 265 |
| Operating expenses | | | | | |
| Cost of goods | | -5 890 | -2 254 | -20 239 | -12 573 |
| Other external expenses | 1 | -7 405 | -14 876 | -34 186 | -45 690 |
| Personnel costs | | -4 585 | -8 905 | -21 922 | -19 430 |
| Depreciation | | -885 | -24 409 | -3 491 | -27 055 |
| Other operating costs | | -49 | 218 | -172 | -1 234 |
| Total operating expenses | | -18 814 | -50 226 | -80 010 | -105 983 |
| Operating loss | | -6 890 | -43 974 | -33 606 | -73 718 |
| Net financial income/expense | | -1 232 | 116 | -3 251 | 30 |
| Loss before taxes | | -8 122 | -43 858 | -36 857 | -73 688 |
| Taxes | | 0 | 0 | 0 | 0 |
| Net loss for the period | | -8 122 | -43 858 | -36 857 | -73 688 |

BALANCE SHEET

Peptonic Group

| KSEK | Note | 31-dec 2022 | 31-dec 2021 |
|---|------|----------------|----------------|
| Assets | | | |
| Non-Current assets | | | |
| Intangible assets | 2 | 50 098 | 52 210 |
| Tangible assets | 3 | 4 299 | 4 204 |
| Financial assets | | 0 | 0 |
| Total non-current assets | | 54 398 | 56 414 |
| Current assets | | | |
| Stock | | 15 368 | 10 323 |
| Other receivables | | 8 267 | 5 166 |
| Tax receivable | | 89 | 524 |
| Prepaid expenses and accrued income | | 4 064 | 920 |
| Liquid assets | | 3 566 | 10 153 |
| Total current assets | | 31 354 | 27 086 |
| Total assets | | 85 752 | 83 500 |
| Equity and liabilities | | | |
| Equity | | | |
| Ristricted equity | | | |
| Share capital | | 24 274 | 19 164 |
| Reserves | | 7 392 | 9 617 |
| Other contributed capital | | 273 613 | 247 337 |
| Profit or loss brought forward incl year result | | -258 187 | -224 101 |
| Total equity | | 47 092 | 52 017 |
| Current liabilities | | | |
| Liabilities interest bearing | | 4 180 | 6 219 |
| Trade payables | | 22 881 | 15 347 |
| Other payables | | 5 720 | 2 885 |
| Prepaid income and accrued expenses | | 5 879 | 7 032 |
| Total current liabilities | | 38 660 | 31 483 |
| Total equity and liabilities | | 85 752 | 83 500 |

STATEMENT OF CASH FLOW

Peptonic Group

| | 12 mon jan-dec 2022 | 12 mon jan-dec 2021 |
|--|------------------------------------|------------------------------------|
| KSEK | | |
| CASH FLOW FROM OPERATIONS BEFORE CHANGES IN WORKING CAPITAL | | |
| Operating profit/loss | -36 857 | -73 688 |
| Non-cash flow items | 3 491 | 26 840 |
| Paid tax | 0 | 0 |
| NET CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL | -33 366 | -46 848 |
| Increase (-) decrease (+) inventory | -5 045 | -4 190 |
| Increase (-) decrease (+) receivables | -5 810 | 3 333 |
| Increase (-) decrease (+) liabilities | -357 | 7 365 |
| NET CASH FLOW FROM OPERATING ACTIVITIES | -44 579 | -40 340 |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Investment in immaterial assets, net | -987 | -1 256 |
| Investment in material assest, incl subsidiaries | 0 | -3 024 |
| Investment in financial assets, net | 0 | 0 |
| Divestment / reduction of financial assets | 1 184 | 0 |
| NET CASH FLOW FROM INVESTING ACTIVITIES | 197 | -4 280 |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Rights issue | 33 704 | 7 500 |
| Issue expenses | -3 444 | -15 |
| Bridgeload | 7 534 | 7 500 |
| NET CASH FLOW FROM FINANCING ACTIVITIES | 37 794 | 14 985 |
| TOTAL CASH FLOW FOR THE YEAR | -6 587 | -29 159 |
| Cash and cash equivalents at beginning of period | 10 153 | 39 312 |
| CASH AND CASH EQUIVALENTS AT END OF THE PERIOD | 3 566 | 10 153 |

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 |
|--|------------------|-------------------------------|------------------------|---|-------------------------|---------------------------------|
| KSEK | | | | | | |
| Opening balance January 1, 2021 | 16 291 | 11 186 | 2 327 | 240 399 | -152 383 | 117 820 |
| Net loss for the year | | | | | -73 688 | -73 688 |
| Transferring fund | | -1 569 | | | 1 569 | 0 |
| Right issue | 2 873 | | -2 327 | 6 954 | | 7 500 |
| On going right issues | | | | | 400 | 400 |
| Issue expenses | | | | -15 | | -15 |
| Closing balance December 31, 2021 | 19 164 | 9 617 | 0 | 247 338 | -224 102 | 52 017 |
| Opening balance January 1, 2022 | 19 164 | 9 617 | 0 | 247 338 | -224 102 | 52 017 |
| Net loss for the year | | | | | -36 857 | -36 857 |
| Transferring fund | | -2 225 | | | 2 225 | 0 |
| Right issue | 5 110 | | | 26 667 | | 33 728 |
| On going right issues | | | 0 | | | 0 |
| Coneversion difference | | | | | 547 | 547 |
| Issue expenses | | | | | | -3 444 |
| Correction of opening balance in 2021 | | | | 1 100 | | 1 100 |
| Closing balance December 31, 2022 | 24 274 | 7 392 | 0 | 275 105 | -258 187 | 47 092 |

FINANCIAL INFORMATION

Parent company PEPTONIC Medical AB

Revenue – Sales of goods during the fourth quarter amounted to SEK 1,167 (1,014) thousand. Other operating income for the quarter was SEK 0 (103) thousand. For the whole year, sales of goods amounted to SEK 9,094 (7,432) thousand. Other operating income for the full year was SEK 0 (130) thousand.

Costs – Costs for the fourth quarter amounted to SEK -56,953 (-14,886) thousand. During the period, costs for goods sold were SEK -277 (-190) thousand. The costs for the full year were SEK -77,715 (-42,481) thousand. During the period, costs for goods have been SEK -3,885 (-3,151) thousand.

During the quarter, write-downs of shares in subsidiaries took place in the amount of SEK -50.7 million. Write-down of Lune Group Oy has taken place for a total of SEK -40.5 million, of which SEK -23.4 million corresponds to the previous year's write-down of goodwill in the group, SEK 4.7 million regarding contributions made during the year and SEK 12.4 million further write-down to the value of Lune Group's own capital. The holding in Peptonic Medical IL Inc has been written down by a total of SEK 10.2 million, of which SEK 5.5 million corresponds to the year's contribution for loss coverage and a further SEK 4.7 million write-down to the value of Peptonic Medical IL Inc's equity.

Profit – The company's result after financial net for the fourth quarter amounted to SEK -54,738 (-13,723) thousand. For the full year, the corresponding result is SEK -69,411 (-34,928) thousand. The biggest explanation for the parent company's reduced earnings compared to the previous year is related to the write-down of shares in subsidiaries as described above.

Financial position and liquidity – Cash and bank as of 31 December 2022 amounted to SEK 371 (2,849) thousand.

Shareholders equity – The company's equity as of December 31, 2022 amounted to SEK 57,164 (96,290) thousand, which gives an equity ratio of 64 (81) percent. During the whole year, the company received a net amount of SEK 30.3 million in newly issued capital.

Liabilities – The company's liabilities amounted, as of December 31, 2022, to SEK 31,692 (23,144) thousand, of which SEK 19,332 thousand is interest-bearing.

Organization – During the period, the average number of employees was 3 (3). At the end of the period, the number of employees amounted to 3 (3).

Share – The total number of outstanding shares as of 31 December 2022 was 242,743,544 (191,639,642).

INCOME STATEMENT

Peptonic Medical AB

| KSEK | Note | 3 mon oct-dec 2022 | 3 mon oct-dec 2021 | 12 mon jan-dec 2022 | 12 mon jan-dec 2021 |
|---------------------------------|------|--------------------------|--------------------------|---------------------------|---------------------------|
| Operating income | | | | | |
| Sales of products | | 1 167 | 1 014 | 6 483 | 6 551 |
| Intercompany sales | | 0 | 0 | 2 611 | 881 |
| Other operating income | | 0 | 103 | 0 | 130 |
| Total operating income | | 1 167 | 1 117 | 9 094 | 7 562 |
| Operating expenses | | | | | |
| Cost of goods | | -277 | -190 | -3 885 | -3 151 |
| Other external expenses | 1 | -2 637 | -8 012 | -12 388 | -23 903 |
| Personnel costs | | -2 554 | -6 363 | -7 742 | -11 569 |
| Depreciation | | -51 437 | -697 | -53 529 | -2 782 |
| Other operating costs | | -49 | 376 | -172 | -1 076 |
| Total operating expenses | | -56 953 | -14 886 | -77 715 | -42 481 |
| Operating loss | | -55 785 | -13 769 | -68 622 | -34 919 |
| Net financial income/expense | | 1 047 | 46 | -789 | -10 |
| Loss before taxes | | -54 738 | -13 723 | -69 411 | -34 928 |
| Taxes | | 0 | 0 | 0 | 0 |
| Net loss for the period | | -54 738 | -13 723 | -69 411 | -34 928 |

BALANCE SHEET

Peptonic Medical AB

| KSEK | Note | 31-dec 2022 | 31-dec 2021 |
|-------------------------------------|------|----------------|----------------|
| Assets | | | |
| Non-Current assets | | | |
| Intangible assets | 2 | 49 703 | 51 496 |
| Tangible assets | 3 | 36 | 46 |
| Financial assets | 4 | 12 892 | 53 450 |
| Total non-current assets | | 62 632 | 104 993 |
| Current assets | | | |
| Stock | | 3 122 | 2 060 |
| Other receivables | | 831 | 838 |
| Group company receivables | | 19 432 | 8 199 |
| Prepaid expenses and accrued income | | 2 469 | 496 |
| Liquid assets | | 371 | 2 849 |
| Total current assets | | 26 224 | 14 441 |
| Total assets | | 88 856 | 119 434 |
| Equity and liabilities | | | |
| Equity | | | |
| Ristricted equity | | | |
| Share capital | | 24 274 | 19 164 |
| Development Cost Fund | | 7 392 | 9 617 |
| Non- restrictes equity | | | |
| Share premium reserv non-restricted | | 273 613 | 248 439 |
| Profit or loss brought forward | | -178 705 | -146 002 |
| Net loss for the period | | -69 411 | -34 928 |
| Total equity | | 57 164 | 96 290 |
| Current liabilities | | | |
| Liabilities interest bearing | | 2 515 | 1 801 |
| Trade payables | | 19 332 | 15 000 |
| Other payables | | 4 544 | 652 |
| Prepaid income and accrued expenses | | 5 301 | 5 691 |
| Total current liabilities | | 31 692 | 23 144 |
| Total equity and liabilities | | 88 856 | 119 434 |

STATEMENT OF CASH FLOW
Peptonic Medical AB

| | | 12 mon jan-dec 2022 | 12 mon jan-dec 2021 |
|--|------|------------------------------------|------------------------------------|
| KSEK | Note | | |
| CASH FLOW FROM OPERATIONS BEFORE CHANGES IN WORKING CAPITAL | | | |
| Operating profit/loss | | -69 411 | -34 928 |
| Non-cash flow items | | 53 529 | 2 781 |
| Paid tax | | 0 | 0 |
| NET CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL | | -15 882 | -32 147 |
| Increase (-) decrease (+) inventory | | -1 062 | -801 |
| Increase (-) decrease (+) receivables | | -13 199 | -3 032 |
| Increase (-) decrease (+) liabilities | | 4 216 | 2 321 |
| NET CASH FLOW FROM OPERATING ACTIVITIES | | -25 926 | -33 659 |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Investment in immaterial assets, net | | -987 | -1 256 |
| Investment in material assest, incl subsidiaries | | -10 157 | -10 698 |
| Investment in financial assets, net | | 0 | -49 |
| Divestment / reduction of financial assets | | 0 | 0 |
| NET CASH FLOW FROM INVESTING ACTIVITIES | | -11 144 | -12 003 |
| CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Rights issue | | 33 704 | 7 500 |
| Issue expenses | | -3 444 | -15 |
| Bridgeloan | | 4 332 | 7 500 |
| NET CASH FLOW FROM FINANCING ACTIVITIES | | 34 592 | 14 985 |
| TOTAL CASH FLOW FOR THE YEAR | | -2 478 | -30 677 |
| Cash and cash equivalents at beginning of period | | 2 849 | 33 526 |
| CASH AND CASH EQUIVALENTS AT END OF THE YEAR | | 371 | 2 849 |

CHANGES IN EQUITY

Peptonic Medical AB

| KSEK | Share Capital | Development cost fund | Ongoing right issue | Share Premium reserve non-restricted | Accumulated losses | Total shareholders equity |
|--|---------------|-----------------------|---------------------|--------------------------------------|--------------------|---------------------------|
| Opening balance January 1, 2020 | 16 291 | 11 186 | 2 327 | 241 500 | -147 570 | 123 734 |
| Net loss for the year | | | | | -34 928 | -34 928 |
| Transferring fund | | -1 569 | | | 1 569 | 0 |
| Right issue | 2 873 | | | 29 995 | | 32 868 |
| On going right issues | | | -2 327 | -23 041 | | -25 368 |
| Issue expenses | | | | -15 | | -15 |
| Closing balance December 31, 2020 | 19 164 | 9 617 | 0 | 248 439 | -180 929 | 96 290 |
| Opening balance January 1, 2020 | 19 164 | 9 617 | 0 | 248 439 | -180 929 | 96 290 |
| Net loss for the year | | | | | 0 | -69 411 |
| Transferring fund | | -2 225 | | | -1 569 | 0 |
| Right issue | 5 110 | | | 28 618 | | 33 729 |
| On going right issues | | | 0 | 0 | | 0 |
| Issue expenses | | | | -3 444 | | -3 444 |
| Closing balance December 31, 2020 | 24 274 | 7 392 | 0 | 273 613 | -182 498 | 57 164 |

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

Intangible assets

Patent and development costs are capitalized and depreciated in 20 years from the first revenue that the group receives. The depreciations started in year 2019. Capitalized patent and development costs are estimated to result in future revenues for the Group. From 2019 they are depreciated at 5% per annum. Which corresponds to the estimated life of the commercial rights.

Note 1 – Other operating costs

Group/parent company

During the period companies represented by members of the Board of Directors were contracted as consultants. Total compensation for consultancy services amounted to SEK 655 (1 1491) thousand 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.

Note 2

Peptonic Group

| | 31-dec 2022 | 31-dec 2021 |
|---|----------------|----------------|
| Capitalized development costs | | |
| Accumulated acquisition value | | |
| Opening balance | 52 900 | 51 996 |
| Sold out and Other disposals | 0 | 0 |
| Capitalizations during the period | 248 | 904,4587 |
| | 53 148 | 52 900 |
| Accumulated depreciation value | -7 980 | -5 171 |
| Depreciation of the year | -2 792 | -2 809 |
| | -10 772 | -7 980 |
| Net booked amount at end of period | 42 376 | 44 921 |
| Patents och licenses | | |
| Accumulated acquisition value | | |
| Opening balance | 8 438 | 8 086 |
| Sold out and Other disposals | 0 | 0 |
| Capitalizations during the period | 739 | 352 |
| | 9 177 | 8 438 |
| Depreciation | | |
| Accumulated depreciation value | -1148 | -841 |
| Depreciation of the year | -307 | -307,4 |
| | -1455 | -1148,4 |
| Net booked amount at end of period | 7 722 | 7 290 |
| Group goodwill | | |
| Accumulated acquisition values | | |
| At the beginning of the period | 23 495 | 23 495 |
| Activations for the period | 0 | 0 |
| | 23 495 | 23 495 |
| Depreciation at the beginning of the period | -23 495 | 0 |
| This year's depreciations | 0 | -23495 |
| Outgoing depreciation | -23 495 | -23495 |
| Net booked amount at end of period | 0 | 0 |
| Total intangible assets | 50 098 | 52 210 |

Note 2

Parent company - Peptonic Medical AB

| | 31-dec 2022 | 31-dec 2021 |
|---|----------------|----------------|
| Capitalized development costs | | |
| Accumulated acquisition value | | |
| Opening balance | 51 625 | 50 721 |
| Sold out and Other disposals | 0 | 0 |
| Capitalizations during the period | 248 | 904,4587 |
| | 51 873 | 51 625 |
| Accumulated depreciation value | -7 419 | -4 946 |
| Deprecation of the year | -2 473 | -2 473 |
| | -9 892 | -7 419 |
| Net booked amount at end of period | 41 981 | 44 206 |
| Patents och licenses | | |
| Accumulated acquisition value | | |
| Opening balance | 8 438 | 8 086 |
| Sold out and Other disposals | 0 | 0 |
| Capitalizations during the period | 739 | 352 |
| | 9 177 | 8 438 |
| Depreciation | | |
| Accumulated depreciation value | -1148 | -841 |
| Deprecation of the year | -307 | -307 |
| | -1455 | -1148 |
| Net booked amount at end of period | 7 722 | 7 290 |
| Total intangible assets | 49 703 | 51 496 |

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, 2022, a total of SEK 12 892 thousand has been capitalized for the acquisition of subsidiaries.

KEY FIGURES

Peptonic Group

| | 12 mon jan-dec 2022 | 12 mon jan-dec 2021 | 12 mon jan-dec 2020 |
|-----------------------------------|---------------------------|---------------------------|---------------------------|
| Sales goods, KSEK | 43 634 | 31 643 | 21 283 |
| Gross profit sales goods, KSEK | 23 394 | 19 070 | 13 089 |
| Gross margin, % | 54% | 60% | 61% |
| Operating profit, KSEK | -33 606 | -73 718 | -31 053 |
| Return on equity, % | Negativt | Negativt | Negativt |
| Equity ratio, % | 55 | 62 | 88 |
| Earnings per share, SEK | -0,15 | -0,38 | -0,19 |
| Liquidity per share, SEK | 0,01 | 0,05 | 0,24 |
| Equity per share, SEK | 0,19 | 0,27 | 0,72 |
| Share price per closing, SEK | 0,14 | 0,63 | 1,73 |
| Share price/Equity per share, SEK | 0,72 | 2,30 | 2,39 |
| Equity per share, SEK | 242 743 544 | 191 639 642 | 162 911 613 |

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 2022.

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.

FINANSIELL KALENDER

| | |
|------------------------|------------|
| Year-end report, 2022 | 2023-02-24 |
| Annual General Meeting | 2023-04-20 |
| Quarterly report, 1 | 2023-04-24 |
| Quarterly report, 2 | 2023-08-11 |
| Quarterly report, 3 | 2023-10-24 |
| Year-end report, 2023 | 2024-02-23 |

The annual general meeting will be held on April 20, 2023, in Stockholm. The annual report will be available on the Company's website, www.peptonicmedical.se, no later than 3 weeks before the general meeting and can then also be requested from the Company by e-mail erik.sundquist@peptonicmedical.se.

Stockholm on 24 feb, 2023

Jan Bardell, Chairmen of the Board

Daniel Rudeklint, Board member

Anders Blom, Board member

Anders Norling, Board member

Erik Sundquist, CEO

For more information please contact:

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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.