



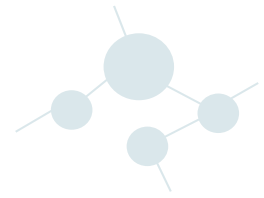
RLS GLOBAL AB (PUBL) YEAR-END REPORT 2020



RLS GLOBAL

Gentle Methods

Summary



Exciting new data and new ways of communication

OCTOBER 1st–DECEMBER 31st (previous year in brackets)

- Net sales amounted to KSEK 139 (KSEK 54)
- Earnings before interest and taxes (EBIT) amounted to MSEK -7,2 (MSEK -8,9)
- Earning per share before dilution at SEK -0,11 (SEK -0,15)
- Cash flow from operating activities amounted to MSEK -7,0 (MSEK -5,7)
- Liquid assets at the end of the period MSEK 18,9 (MSEK 41,7)
- Equity ratio was 88 % (90 %)

JANUARY 1st–DECEMBER 31st

- Net sales amounted to KSEK 2,043 (KSEK 1,023)
- Earnings before interest and taxes (EBIT) amounted to MSEK -22,3 (MSEK -26,7)
- Earning per share before dilution at SEK -0,34 (SEK -0,44)
- Cash flow from operating activities amounted to MSEK -22,2 (MSEK -24,9)
- Liquid assets at the end of the period MSEK 18,9 (MSEK 41,7)
- Equity ratio was 88 % (90 %)

SUMMARY OF EVENTS DURING FOURTH QUARTER

- Continued focus on future regional/global cooperation.
- RLS participated in EWMA, the European Wound Conference which this year was digital. Docent Jan Apelqvist presented an abstract from the ChloraSolv01 study.
- A pre-study regarding automatic production has been conducted during fall.
- New exciting results from tests performed in Lund.

SUMMARY OF EVENTS DURING THE YEAR

SUMMARY OF EVENTS DURING Q1

- Redeye was appointed new Certified Adviser.
- The immaterial rights regarding PeriSolv was sold to Regident AG.
- RLS signed a contract with Region Kalmar län.

SUMMARY OF EVENTS DURING Q2

- RLS signed contracts with Region Stockholm/Gotland.
- Increased use of ChloraSolv in Region Kalmar län.

SUMMARY OF EVENTS DURING Q3

- ChloraSolv approved in Canada.
- RLS signed contract with Region Skåne.
- Recurrent sales of ChloraSolv.



SUMMARY OF EVENTS AFTER FOURTH QUARTER

- RLS Global was audited by Eurofins and Lloyds (notified bodies) with very good result.

COVID-19

- In the current situation, the Board has considered the impact of different possible future covid-19 related scenarios.
- Since the healthcare sector is so extremely strained under the prevailing circumstances, all processes take longer which affects our market penetration and other activities, resulting in RLS focusing even more on R&D projects.

CEO Message



There is a light in the tunnel of 2021 when both new and domestic markets can eventually prioritize more than the pandemic

During the last quarter, RLS Global has focused on future regional/global partnership for ChloraSolv, established more contacts in Europe with the aim of initiating reimbursement in a few strategic European countries, and continued to develop pre-clinical and clinical data for our technical platform.

We are closing a very different year that has created challenges for our company as well as many others in the healthcare sector. But RLS has continued to use new communication channels to share knowledge about ChloraSolv. During Q4, several webinars were arranged with good attendance. You can find one of these on our website, regarding the importance of good and effective debridement.

CHLORASOLV01

One of the highlights of the last quarter was EWMA, the European Wound Management Association. The meeting was arranged virtually. At this congress, Associated Professor Jan Apelqvist presented the main results from the clinical study ChloraSolv01. More than 800 people attended the presentation. The publication is now complete and approved by the RLS' editorial board. The documentation has been submitted to a recognized journal for review and approval.

In parallel, RLS has completed step no 1 in a collaboration with researchers from Lund University. New preclinical data have been produced where ChloraSolv's effect on biofilm has been analysed with very good results. RLS has also compared ChloraSolv with other technologies on the market. These results will also be published shortly. RLS will continue the collaboration with Lund University.

PRODUCTION

RLS has established a good collaboration with Biora where the production of ChloraSolv takes place. As demand increases, RLS conducted work during the autumn with the aim for streamlining production at Biora. This will have a very positive impact on production capacity and cost. The feasibility study is complete and RLS intends to run this project in 2021.

NEW MARKETS

RLS is awaiting regulatory approval from both Australia and Kuwait. The status is the same as last quarter. We have delivered all the data requested, but covid-19 generates longer lead times, currently about 6 months delay for Australia.

RLS has an ongoing dialogue with FDA regarding the regulatory process for the US market. Documentation is being compiled for a new regulatory meeting with the FDA, in order to discuss the design of the upcoming study.

MARKET UPDATES

Based on the current situation, decision-makers in the regions have been given new roles and responsibilities and many decisions must be postponed. Despite these circumstances, the regions are very satisfied with tests and results and as soon as the hard pressure, the issue of new agreements and orders will be given priority.

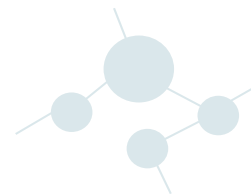
The pandemic has had a major impact on our everyday lives. But now we leave a challenging and different year behind us and look forward to an exciting new 2021!

Mölnådal, Feb 10th, 2021



Karin Fischer
CEO RLS Global

Administration Report



Risk and uncertainties

RLS Global AB is subject to various types of risk in its operations. They can generally be divided into; market related risks, operational risks and financial risks.

Market related risks

Customers' willingness to buy goods and services is affected, among other things, by the general economic situation and the desire to try new methods as well as the ability of the new methods to increase efficiency. It cannot be guaranteed that current product registrations can be retained if the regulations change. Furthermore, it cannot be guaranteed that new regulatory approvals will be obtained for our products.

Operational risks

Failure in R&D projects due to lack of effect, inadequate method selection or assumptions, production disruptions, delays in deliveries and launches, as well as misjudgments of demand and growth rate, patent infringement and non-granted patent applications. There are nine employees in the company and if one or more of these leave the company, this could have a negative impact on its operations, results and financial position.

Financial risks

The company has a negative cashflow and may need additional capital in the future. The company's financing takes place in the long term and with respect for the shareholders' desire to see a steady growth in value. An investment in RLS Global AB is a risk, but also an opportunity for good returns.

Financial information – October–December 2020 (Previous year in brackets)

Net sales for the period October–December amounted to KSEK 139 (KSEK 54).

Other operating income for the period amounted to KSEK 4 (KSEK 341). Other operating income refers mainly to freight.

Operating income of MSEK -7,6 (MSEK -8.9) is better than last year. Mainly depending on the higher revenue and due to the actions RLS has taken to mitigate the effects of the pandemic situation.

Net investments for the period of KSEK 0,1 (KSEK 0,5) refers to revaluation of long-term asset.

The investment previous year is related to patent costs.

Financial information January–December 2020

Net sales for the period January–December amounted to KSEK 2,043 (KSEK 1,023).

Other operating income for the period amounted to KSEK 2,401 (KSEK 345). Other operating income refers to the sales of intellectual property rights of PeriSolv and governmental support.

Earnings before interest and taxes (EBIT) amounting to MSEK -22,3 (MSEK -26,6) is better than last year. Mainly depending on the sales of the intellectual property rights related to PeriSolv, increased sales and lower market/sales costs.

Net investments for the period of KSEK 0,6 (MSEK -3,2) refer to patent costs and sales of immaterial rights.

The previous year is related to R&D costs ChloraSolv (MSEK -1,6) and patent costs (MSEK -1,6).

Audit review

This report has not been subject to review by the company's auditor.

Next report

The next financial report is the Q1 report for January–March 2021 and will be published on May 7, 2021. The Annual Report will be published week 17.

Assurance

The Board of Directors and the CEO have, to the best of their abilities, ensured that this year-end report provides a true and fair view of the company's operations, position and results, and describes significant risks and uncertainties that the company faces.

Trading place and certified advisor

RLS Global's shares have been listed on the Nasdaq First North Growth Market since May 17th, 2017 and trading takes place under the short name RLS.

Certified Adviser is Redeye Aktiebolag, phone +46 8 121 576 90, email: certifiedadviser@redeye.se.

During the period 2012–2017, the company was listed on Aktietorget.

Administration Report



Other information

For further information on RLS Global AB's operations, please refer to the company's website: www.rls.global

Contact information

Karin Fischer, CEO
E-mail: karin.fischer@rlsglobal.se
Telephone: +46 702 48 46 51

Eva Jagenheim, CFO
E-post: eva.jagenheim@rlsglobal.se
Telephone: +46 730 23 13 57

RLS Global AB (publ)
Company Identity No 556726-3495

Gothenburg, February 10th, 2021

Peter Hentschel
Chairman of the Board

Karin Eliasson
Member of the Board

Christer Hägglund
Member of the Board

Steve Krognnes
Member of the Board



Financial Information in Summary

INCOME STATEMENT (KSEK)

	OCT–DEC 2020	OCT–DEC 2019	JAN–DEC 2020	JAN–DEC 2019
Net sales	139	54	2,043	1,023
Other operating income	4	341	2,402	345
TOTAL OPERATING INCOME	143	395	4,445	1,368
Operating expenses	-7,134	-8,718	-25,680	-26,806
Depreciation and writedowns	-206	-577	-1,453	-1,249
EARNINGS BEFORE INTEREST AND TAXES (EBIT)	-7,197	-8,900	-22,337	-26,687
Net financial income/expense	-98	-197	-123	-349
PROFIT/LOSS AFTER FINANCIAL ITEMS	-7,295	-9,097	-22,460	-27,036
Tax for the period				
PROFIT/LOSS FOR THE PERIOD	-7,295	-9,097	-22,460	-27,036

BALANCE SHEET (KSEK)

	Not	30 SEP 2020	30 SEP 2019
NON-CURRENT ASSETS			
Intangible assets		11,461	14,475
Tangible assets		107	126
Financial assets		2,171	50
TOTAL NON-CURRENT ASSETS		13,739	14,651
CURRENT ASSETS			
Inventories		695	681
Current receivables		1,028	2,915
Cash and bank		18,997	41,741
TOTAL CURRENT ASSETS		20,720	44,087
TOTAL ASSETS		34,459	58,738
Stockholder's equity	2	30,295	52,755
Current non-interest bearing liabilities		4,164	5,983
TOTAL EQUITY AND LIABILITIES		34,459	58,738

Financial Information in Summary



KEY RATIOS

	OCT–DEC 2020	OCT–DEC 2019	JAN–DEC 2020	JAN–DEC 2019
Number of shares at year end, before dilution	66,717,695	66,717,695	66,717,695	66,717,695
Average number of shares *), before dilution	66,717,695	66,717,695	66,717,695	60,907,722
New shares **) under registration		7,520,000		7,520,000
Equity ratio, percent	88	90	88	90
Return on equity, percent	Neg	Neg	Neg	Neg
Return on total assets, percent	Neg	Neg	Neg	Neg
EQUITY PER SHARE, BEFORE DILUTION, SEK	0.45	0.79	0.45	0.79
EARNINGS PER SHARE BEFORE DILUTION	-0.11	-0.15	-0.34	-0.44
P/E-ratio	Neg	Neg	Neg	Neg

*) Average number of shares is calculated as a weighted average during the period.

** Not included in Key Ratios calculation

CASH FLOW (KSEK)

	OCT–DEC 2020	OCT–DEC 2019	JAN–DEC 2020	JAN–DEC 2019
Cash flow from operating activities	-7,000	-5,693	-22,219	-24,896
Cash flow from investment activities	56	-486	-525	-3,240
Cash flow from financing activities**)	-	-5,752	-	47,256
CASH FLOW FOR THE PERIOD	-6,944	-11,931	-22,744	19,120
Liquid assets at the beginning of the period	25,941	53,672	41,741	22,621
LIQUID ASSETS AT THE END OF THE PERIOD	18,997	41,741	18,997	41,741

Supplementary Disclosures



NOTE 1. ACCOUNTING PRINCIPLES

RLS Global AB applies the Swedish Annual Accounts Act (1995: 1554) and the Swedish Accounting Standards Board's general advice BFNAR 2016: 1 Annual report and consolidated accounts. The same accounting principles and calculation bases have been applied as in the latest annual report.

The cash flow statement has been prepared in accordance with the indirect method.

NOTE 2. STATEMENT OF CHANGES IN EQUITY (KSEK)

	OCT-DEC 2020	OCT-DEC 2019	JAN-DEC 2020	JAN-DEC 2019
EQUITY AT THE BEGINNING OF THE PERIOD	37,590	61,950	52,755	32,536
Warrants	-			-141
New share issue	-			50 008
Issue costs	-	-98		2 612
Profit/loss for the period	-7,295	-9,097	-22,460	-27,036
EQUITY AT THE END OF THE PERIOD	30,295	52,755	30,295	52,755

