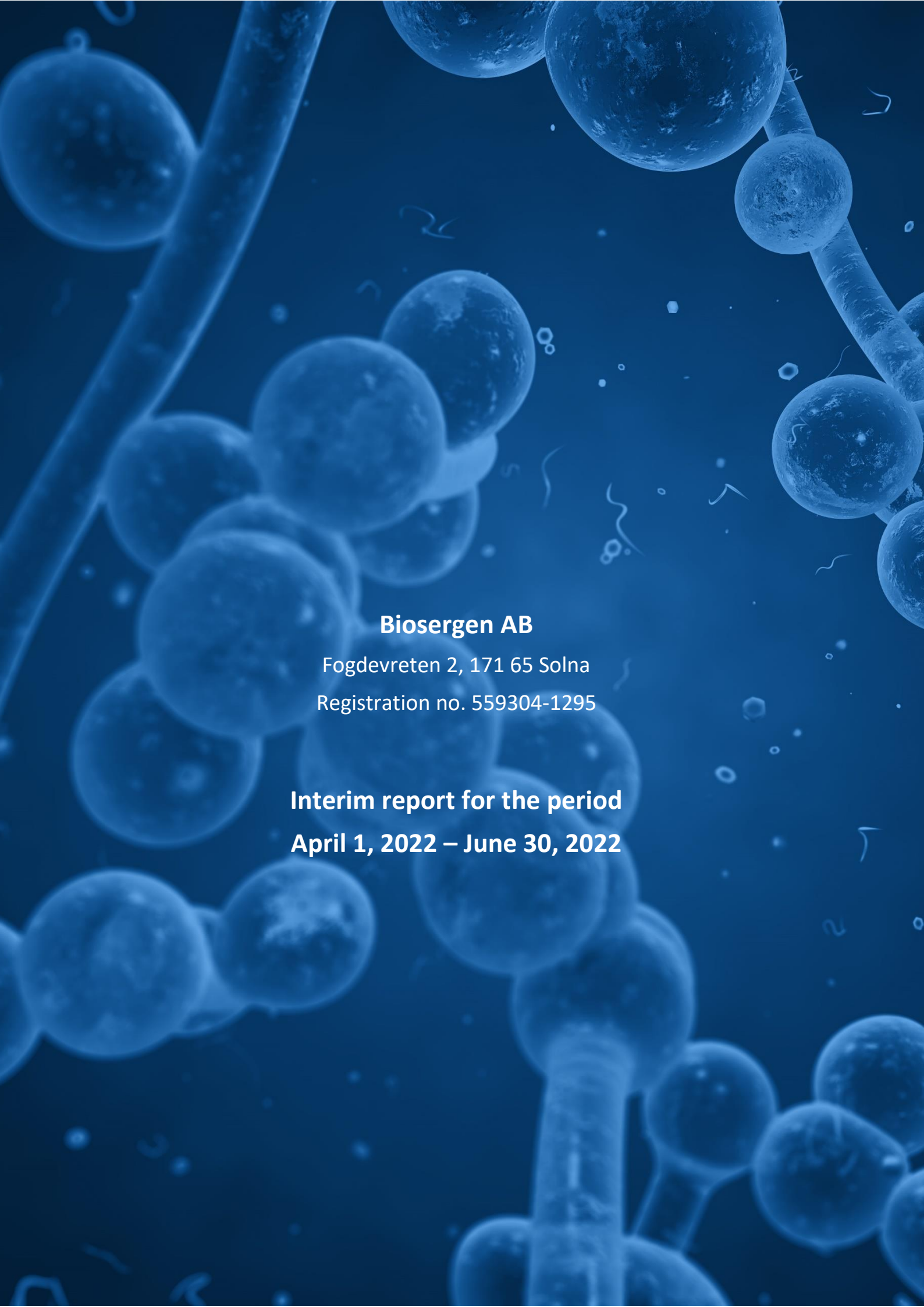


Biosergen AB

Fogdevreten 2, 171 65 Solna

Registration no. 559304-1295

Interim report for the period

April 1, 2022 – June 30, 2022

Contents

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board provide their assurance that the interim report provides a fair and true overview of the Parent Company's and the Group's operations, financial position, and results, and describes material risks and uncertainties faced by the parent Company and the companies in the Group.

Stockholm, Sweden, August 31, 2022

Executive Board

Peder M. Andersen

Board of Directors

Torsten Goesch Chairman	Achim Kaufhold	Hanne Mette Dyrlie Kristensen
Henrik Moltke	Lena Degling Wikingsson	Marianne Kock
Mattias Klintemar		

CONSOLIDATED FINANCIAL HIGHLIGHTS AND RATIOS

Group

TSEK	2022 April-June	2021 April-June	2022 Jan-June	2021 Jan-June	2021 Jan-Dec
Profit/loss					
Other income	1 409	2 001	2 726	2 001	11 570
Profit/loss before depreciation (EBITDA	-7 963	-9 493	-12 981	-17 798	-34 077
Operating profit/loss befor net financials	-7 963	-9 493	-12 981	-8 305	-34 077
Net financials	3	-11	-6	-11	-240
Netprofit/loss for the period	-7 960	-9 504	-12 975	-17 809	-34 318
Balance sheet					
Cash	5 720	41 277	5 720	41 277	21 665
Balance sheet totalt	13 617	43 214	13 617	43 214	29 486
Equity	6 558	36 282	6 558	36 282	20 233
Cash flows					
Cash flows from:					
Operating activites	-3 982	-18 896	-15 948	-24 911	-37 749
Financing activites	0	56 774	0	65 599	58 825
Ratios					
Solvency (%)	48	84	48	84	68
Earnings per share (SEK)	-0,28	-0,59	-0,46	-1,10	-1,22
Diluted earings per share	-0,28	-0,59	-0,46	-1,10	-1,22

HIGHLIGHTS DURING Q2 2022

- April 7, The first subject has been dosed in the phase 1 trial og BSG005
- May 13, Biosergen successfully completes first cohort of BSG005 phase 1 trial
- June 30, Biosergen successfully completes second cohort of BSG005 phase 1 trial

HIGHLIGHTS AFTER THE PERIOD

- August 26, Biosergen completes the third cohort of BSG005 phase 1 trial
- August 31, Biosergen receives a loan of SEK 7 million to finance continued development

CEO LETTER

The second quarter of 2022 was quite eventful for Biosergen and we achieved several important milestones. We were able to announce that after the first two cohorts of volunteers dosed with our proprietary antifungal drug candidate BSG005, no adverse events were seen at all by the safety committee, and all laboratory data were OK. This is very positive news and very promising for future dose administrations as we progress this pivotal dose escalation study in healthy male volunteers.

Secondly, we announced we are now well underway with the preparations for a new phase 2 trial targeting a lethal fungal infection known as mucormycosis (or the "Black Fungus"). We plan to conduct this study in India, where an epidemic outbreak of opportunistic mucormycosis infections during the COVID-19 crisis last year led to an exponential increase in Black Fungus cases and deaths. Mucor fungal strains often establishes themselves in the patient's nose, sinuses, or eyes. If the eyes become infected, they may over a matter of days have to be surgically removed to avoid further spreading to the brain, which in turn leads to high mortality or life-long disability. The only effective treatment is the antifungal drug Amphotericin B, but the use of Amphotericin B is problematic because the drugs' well-known kidney toxicity often causes kidney damage. This problem is exacerbated by the fact that many of the patients developing Mucormycosis in India also suffer from diabetes which also can damage the kidneys. This further limit the use of Amphotericin B.

Down the line we will be looking into additional clinical studies in Aspergillus infection as well as other similar difficult-to-treat invasive infections where very few products are available today. I am very excited by the prospect that BSG005 could become the first choice for the treatment of patients suffering from many difficult-to-treat infections, including invasive infections where the exact fungal strain is not known. BSG005's fast onset of action and broad fungicidal effect is crucial during the first 4-5 days of these often-fatal fungal infections and a key competitive parameter.

Thank you for your continued support.

Peder M. Andersen, MD, CEO of Biosergen

ABOUT BIOSERGEN

Vision and mission of the Company

Biosergen's mission is to develop BSG005, including any derivatives and novel formulations of this compound, into the new first line treatment choice for invasive fungal disease, to save thousands of lives every year while generating significant returns to the Company's shareholders.

The Company intends to achieve its mission through a combination of academic and commercial excellence, strategic partnerships, and highly experienced leadership. Biosergen's vision is to emerge over the next five years as a leading international biotechnology company in the global fight against fungal infections, building its own commercial infrastructure and strong partnerships with pharmaceutical companies, key opinion leaders, NGOs, and government agencies all over the world.

Business model

Biosergen is a Clinical stage Research and Development biopharmaceutical company, who intends to employ most of its financial and organizational resources on research of all aspects of BSG005 to supply the best possible product. The Company's continuing research activities will be conducted in collaboration with its academic partners and will be sought funded whenever possible through public grants from Norwegian, European, or other international sources. In time, the Company will establish limited sales and marketing infrastructure necessary to cover specific regions, first and foremost Europe and the United States, and otherwise form strategic partnerships with pharmaceutical and biotechnology companies when relevant to commercialize its products in the different regions of the world.

Patents

Biosergen has strong patent protection in four regions, USA, EU, Japan, and China. The patents are composition of matter patents. In addition, Biosergen has received orphan drug protection in the USA.

FUNGAL INFECTIONS

Of the hundreds of thousands of fungal species, only a few hundred can infect humans and even fewer have the capacity to cause serious health problems. However, when they do infect humans, fungi can cause a variety of illnesses with symptoms ranging from a mild rash to life threatening pneumonia and death.

It is estimated that fungal infections kill more than 1.5 million people every year[1] and the number of cases continues to increase[2]. The factors behind the increased incidence of serious invasive (also known as systemic) fungal infections can be grouped into three broad categories:

Opportunistic fungal infection

The incidence of opportunistic fungal infections such as cryptococcosis and aspergillosis is increasing because the number of people with weakened immune systems continues to increase, both in developed and developing countries. This group includes cancer patients, transplant recipients, people taking medications that weaken the immune system and not least, people living with HIV/AIDS.[3]

Hospital acquired infection

Hospital-acquired infections (also known as nosocomial infections) including bloodstream infections, pneumonia and urinary tract infections are on the rise, also in the developed world. The increase has multiple causes, including more hospitalized patients with weakened immune systems, an increasing number of elderly patients, more invasive medical procedures, ever busier medical staff, inadequate sanitation protocols and finally, the routine use of antifungal drugs in hospital settings that creates a selection pressure for the emergence of resistant strains.

Community acquired infection

Certain fungal species live in particular geographies and/or environments and are known to be sensitive to changes in temperature and moisture. There has been an increase in fungal infection outbreaks in recent

[1] Bongomin et al. Journal of Fungi, October 2017

[2] Kainz et al. Microbial Cell, June 2020

[3] Is is estimated that close to 50% of all AIDS related deaths are attributable to an invasive fungal infection. GAFFI (Global Action Fund for Fungal Infection), August 2017

years in certain regions. These outbreaks are almost certainly linked to demographic changes and climate changes.

INVASIVE FUNGAL INFECTIONS

Most invasive fungal infection-related serious illnesses and deaths are caused by four fungal pathogens: *Candida*, *Aspergillus*, *Cryptococcus* and *Pneumocystis*. But there are also other serious fungal infections such as Mucormycosis as recently seen in an epidemic in India in the middle of the Covid pandemic and Cryptococcus infections, where BSG005 has proven efficacy in vitro.

Candida

Candida is a yeast that causes infections in individuals with deficient immune systems. Systemic *Candida* infections of the bloodstream and major organs, particularly in immunocompromised patients, affect over 90,000 people a year in the United States alone. People with diabetes and HIV are particularly susceptible to Candidiasis. It is estimated that approximately 750,000 people worldwide develop invasive Candidiasis every year[4] and that more than half of all sales of antifungal drugs (52%) are directed against the *Candida* pathogen[5].

Aspergillus

Aspergillus cause aspergillosis which primarily develops in people with weakened immune systems or lung diseases. These fungi also cause allergic reactions. Types of aspergillosis include allergic bronchopulmonary aspergillosis and invasive aspergillosis, both of which conditions are potentially lethal. It is estimated that more than 300,000 people worldwide develop aspergillosis every year and that approximately 21% of all sales of antifungal drugs are directed against the *Aspergillus* pathogen.

Cryptococcus

Cryptococcus is rare in healthy people but in patients suffering from HIV infections and AIDS it can cause life threatening forms of meningitis and meningo-encephalitis. It is estimated that approximately 200,000 AIDS patients develop life threatening Cryptococcosis every year and that approximately 7% of all sales of antifungal drugs are directed against the *Cryptococcus* pathogen.

Pneumocystis

Pneumocystis is a frequent source of opportunistic lung infections in people with a weak immune system or other predisposing health conditions. It is often seen in patients suffering from HIV infections and AIDS but is also found in patients using immunosuppressing medications and people with cancer, autoimmune or inflammatory conditions, and chronic lung disease. It is estimated that approximately 500,000 people develop pneumocystis pneumonia every year and that less than 5% of all sales of antifungal drugs are directed against the *Pneumocystis* pathogen.

ANTIFUNGALS USED TODAY

The main classes of antifungal drugs today are the Polyenes, the Azoles and the Echinocandins. A smaller group of products are the Allylamines and the Pyrimidines. The total sales of antifungals for human medicinal use were estimated to be approximately USD 16.7 billion in 2020[6]. Sales are growing by 6-7% per year. Although the majority of serious infections occur in the developing world, the United States and Europe make up approximately 70% of the market.

BSG005 is an important new drug in the field of anti-fungals due to its fungicidal effect (It kills the fungus) and its very broad cover of fungal strains. BSG005 has also shown effect against resistant fungal strains and strains that have been difficult to treat with the drugs available on the market.

The Polyenes

The Polyenes were discovered already in the early 1950s based on the observation that certain types of *streptomyces* bacteria were able to kill fungal cells in their vicinity. The polyenes are fungicidal and very effective with almost no resistance build over more than 50 years, but their use is restricted by their toxicity, particularly to the kidney. Amphotericin B is the most well-known of the polyenes. Other drugs in

[4] Bongomin et al. Journal of Fungi, October 2017

[5] Market Research Future. *Global Antifungal Treatment Market forecast to 2027*.

[6] Market Research Future. *Global Antifungal Treatment Market forecast to 2027*. The market for fungicides in agriculture and industry is at least as large as the human drug market but is not considered in this discussion.

this class include Candicidin and Nystatin. New formulations of Amphotericin B such as the liposomal formulation Ambisome aims to achieve lower toxicity with at least similar efficacy compared to the parent compound. However, so far it has not been possible to eliminate nephrotoxicity as the main dose limiting side effect. This is the primary reason that the polyenes despite their effectiveness comprise only approximately 10% of the total antifungal drug market.

The Azoles
The first Azole derivatives were discovered in the late 1960s. In contrast to the Polyenes, they are primarily fungistatic rather than fungicidal, but they are effective against a broad range of fungal pathogens and display none of the kidney toxicity seen with the polyenes. Well known drugs in this class include Fluconazole, Ketoconazole, Miconazole and Voriconazole. It is estimated that the Azoles comprise approximately 42% of the total antifungal drug market.

The Echinocandins
Drugs from the Echinocandin class are the newest class of antifungals, although they were in fact discovered in the 1970s. The Echinocandins are fungistatic, have a fairly broad range particularly against candida species, and have low toxicity. They do however have poor bioavailability and must be administered intravenously. Well known Echinocandins include Caspofungin and Micafungin. It is estimated that the Echinocandins comprise approximately 32% of the total antifungal drug market.

The Allylamines and Pyrimidines
Allylamines were discovered in the 1970s. The Pyrimidines were introduced as antifungals in the late 1950s. The Allylamines and Pyrimidines (as well as a few other drugs) make up the remaining 16% of the market.

All three of the main classes of antifungals, the Polyenes, the Azoles and the Echinocandins, target the fungal cell wall because this is the part of the fungal cell that is most different from the human cell. Antifungals whose mechanism of action specifically target the fungal cell wall therefore tend to be less toxic to humans. Because the treatment of invasive fungal infection is often initiated before a precise diagnosis can be reached, the initial treatment usually consists of a combination of drugs. However, common first line treatment combinations consisting of drugs from the Azole and Echinocandin classes are generally only fungistatic, not fungicidal, which makes them vulnerable to resistance development. The Polyenes, the most prominent of which is Amphotericin B, are fungicidal but are used only sparingly as first line treatment because of their toxicity.

Diagnosing and treating invasive fungal infection is difficult
The diagnosis of fungal infection poses a particular problem because diagnostic methods, even in the developed world, often are too slow to be clinically relevant or fail to detect exactly what fungal species is causing the infection. Adding to the problem is that symptoms often present as non-specific, meaning that without access to sophisticated diagnostic tests, a physician would barely be able to establish that the patient is suffering from a fungal infection as opposed to any other invasive microbe, let alone what particular species of fungi the patient is infected with. As a result, fungal infections are often treated in the blind or not treated at all.

Multidrug resistance is an increasing problem
Fungi, like bacteria, can develop resistance when the particular species develop the ability to defeat the drugs designed to kill them. Since only a few types of antifungal drugs currently exist, antifungal resistance severely limits treatment options. Some species, like *Candida auris*, can become resistant to all three main drug types. Resistance is particularly problematic for patients suffering from invasive fungal infections.

One reason resistance is on the rise is the increasing use of Azole and Echinocandin drugs, both of which are fungistatic rather than fungicidal. With fungistatics, some fungal cells survive, and these are by definition the cells that already were resistant to the drug or acquired the ability to resist through mutation during the treatment course. Another reason for the rise in resistant fungal strains is the broad and often indiscriminate use of antifungals in agricultural and livestock production. Certain of the azoles are even used in industrial coatings and for timber preservation. All international public health organizations, including the WHO and the CDC (The United States Centre for Disease Control) as well as the European

Commission recognizes the rise in fungal infections and not least the rise in Multi Drug Resistant (MDR) fungal strains as a global health threat[7].

BSG005's position in the market
Invasive fungal infection is an aggressive disease with up to 90% of patients dying in the first two weeks, often before the fungal species is even identified. BSG005 will be positioned as first line treatment for invasive fungal infections based on the drug's fungicidal activity, broad coverage of different fungal species, including single drug and multidrug resistant strains, low risk of resistance development and not least, safety. In the Company's opinion, no other antifungal currently offers this profile. The typical setting would be for BSG005 to be administered intravenously in Intensive Care Units. Because it offers a unique profile, BSG005 will be marketed at a price premium. The market potential is large. The market share covered by Amphotericin B and lipid versions is about 450 M USD and the other products used in invasive fungal infections is in the B USD. None of the products has the profile of BSG005 and the market potential in this field is large because of the unmet medical need in these severe fungal infections.

Competition
The current standard of care for severely ill patients are treatments with an Azole or Echinocandin antifungal and/or Amphotericin B (possibly in combinations). Drug combinations are chosen because individual products have significant gaps in their fungal coverage. As opposed to the Azoles and Echinocandins, drugs based on Amphotericin B and other Polyenes have fungicidal activity, but they can only be given for a short time and at limited concentrations due to their toxicity, which includes irreversible kidney damage.

Market trends
The antifungal market is impacted by a large number of factors, several of which have already been discussed. Other factors impacting the use of antifungals include:

Demographic and economic development

The aging population in developed countries increases the demand for medicine and health services. Apart from the overall increased number of people that needs healthcare, a general increase in global wealth also creates an increase in demand for proper healthcare, for instance in newly developed countries.

Increased demand for food production

Human population growth fuels a demand for increasing food production. Antifungals are widely used in agriculture and the resulting resistance problems spill over into the human population. The problem is further exacerbated when the plant's natural antifungal defenses are gradually bred out, and yet further exacerbated again by the rising popularity of the Azoles as a fungicide used for crop protection.

Medical advances increase the susceptible population

Medical advances leading to greater initial survival of cancer or organ transplants inadvertently leave more patients susceptible to secondary attack from opportunistic fungi, further fueling a vicious cycle where more antifungals are used, leading to yet more resistance development.

Environmental changes

There is increasing evidence that climate changes could result in an expansion of fungal diseases simply by increasing the geographical reach of certain species[8].

BSG005

BSG005 is a polyene macrolide antifungal molecule belonging to the same antifungal class as Nystatin and Amphotericin B. As with the other Polyenes, BSG005's mode of action is inference with the fungal cell wall.

In preclinical trials, BSG005 has shown up to three to four times higher potency than Amphotericin B at same dose levels. More importantly, in toxicity studies the molecule is completely safe for the kidneys with a wide therapeutic window.

[7] www.who.int/health-topics/antimicrobial-resistance

[8] Garcia-Solache and A. Casadevall: Hypothesis: global warming will bring new fungal diseases for mammals. mBio, May 2010.

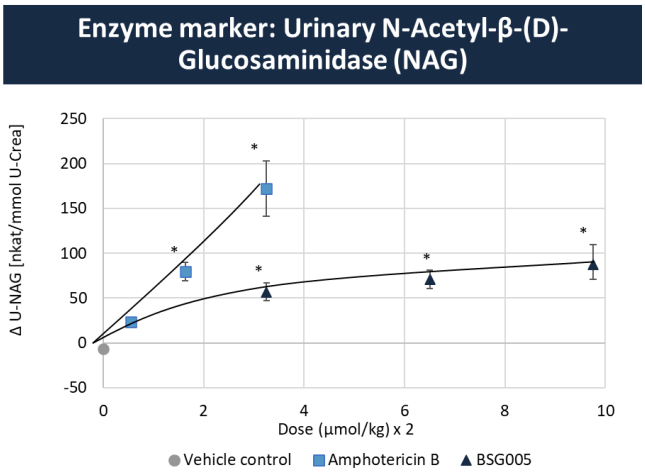
The *in vitro* testing of BSG005 against more than 200 different fungal strains has shown a fungicidal effect against most strains, including strains resistant to Azoles and Echinocandins. *In vivo* testing has revealed excellent and broad antifungal protection, including against multi-resistant *Aspergillus* and *Candida* strains. Importantly, BSG005 shows better protection against Azole resistant *Aspergillus* than liposomal Amphotericin B.

In summary, BSG005 has been shown to have a very broad spectrum of action, not least against Azole and Echinocandin resistant *Aspergillus* and *Candida* strains. At similar dose levels, the drug demonstrates a potency advantage over new liposomal formulations of Amphotericin B, the current standard of care for patients not responding to Azole and Echinocandin treatment, of three to four times. The Company is not aware of any other antifungal on the market or in development with a similar profile.

The central ambition of the entire program behind BSG005 was to develop a drug with a superior safety profile over Amphotericin B. Early on, the toxicology tests included comparisons of different solid forms of the drug, drug formulations, formulation preparation procedures, intravenous (IV) dosing methods and infusion durations, just to name a few. No genotoxicity has ever been seen. Later safety pharmacology studies found BSG005 to be free of cardiovascular, central nervous and respiratory adverse effects.

Perhaps most importantly, none of the tests have indicated a significant kidney toxicity potential, suggesting a favorable and crucial differentiation from Amphotericin B, the drug with which BSG005 will most directly compete. The results from one of the tests are illustrated below.

<u>BSG005 shows significantly less toxicity in the kidneys</u>



In this standard model of kidney toxicity, a kidney enzyme called NAG is measured. NAG is known to be strongly correlated with the destruction of certain tubular microstructures in the kidney. Even at a dose three times as high, BSG005 showed less than half the kidney damage when compared to Amphotericin B.

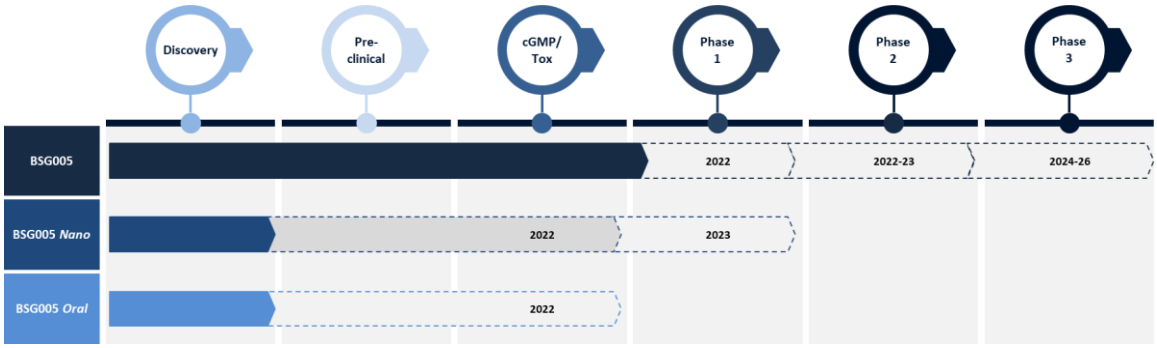
Orphan drug status

Biosergen was in June 2021 granted orphan drug status for BSG005 with the FDA on the basis that less than 200,000 patients per year, with invasive aspergillosis in the United States, will be treated with the drug. With an orphan drug status, one of the benefits is guaranteed market exclusivity for a limited period of time after the drug is approved (currently 5 years in the United States). Similarly, the United States Congress created GAIN in 2012 (Generating Antibiotic Incentives Now) to provide incentives for the development of antibacterial and antifungal drugs for human use, intended to treat serious and life-threatening infections. Under GAIN, a drug may be designated as a qualified infectious disease product (QIDP) if it meets the criteria outlined in the statute, which the Company expect BSG005 would do. A drug that receives QIDP designation is eligible under the statute for fast-track designation and priority review, as well as additional market exclusivity (currently 7 years).

Biosergen intends to apply for GAIN/QIPD status in the USA however expect that clinical phase 2 data will be expected in order to submit a QIPD application. Application can be done at any time in the development process.

DEVELOPMENT ACTIVITIES

Biosergen's research and development pipeline is built around formulations of BSG005. The most advanced formulation is intravenous, comparable to other treatment regimens for severe systemic fungal infections. BSG005 Nano is a novel nano formulation developed at SINTEF which specifically target the lungs where many systemic fungal infections are first established. BSG005 Oral is also a nano formulation. With BSG005 formulated as a pill, the versatility of the drug would greatly expand (for instance for follow up treatments in the patient's own home after surgery).



Clinical development program

The clinical program for BSG005 is designed to lead to the filing of an NDA (New Drug Application) for sales and marketing approval with the United States FDA (Food and Drug Administration) by Q2 2026.

Phase 1 clinical trial

The study is designed as a placebo-controlled, double-blinded study. Up to seventy-two (72) healthy adult male subjects will participate. The primary objective is to evaluate the safety and tolerability of BSG005 in healthy adult male subjects at increasing doses. The secondary objective is to assess the pharmacokinetics of BSG005 after single and multiple dosing in healthy male subjects, to assess any plasma accumulation and the excretion of BSG005 in urine. An escalating 7-day dosing is included as a part 2 of this trial. This is also having the same objectives as the first single dose part. The phase 1 trial in Australia is currently recruiting healthy volunteers for the third cohort in the single dose part. The first two cohorts have been reviewed by the Safety Review Committee. The review of the data revealed that there were no adverse events reported and all laboratory data were OK and that the BSG005 was measurable in plasma even at this first low dose. The Safety Committee recommended to step up to the next dose level. The study is continued as planned at the third dose levels leading towards a clinical expected effective dose of BSG005 in this dose escalation study. The safety results from Phase 1 are key to the clinical development as the fungicidal effect of polyenes and BSG005 are well known. The data will be presented to the FDA at a pre-IND meeting with the FDA in Q2 2023, where also the Phase 2 program will be discussed.

Phase 2 clinical trial program

The phase 2 program is expected to include 2 to 3 clinical trials within the following indication areas:

- Mucormycosis
- Aspergillosis
- Neutropenic patients (low white blood cell count after chemotherapy) with clinical symptoms of invasive fungal infection, but with or without a diagnosis of the specific fungal strain

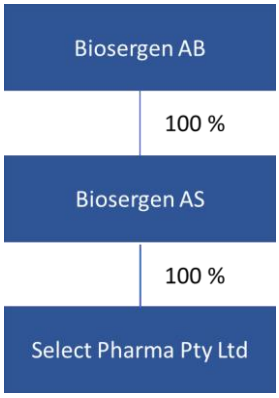
The first trial is a phase 2/3 trial with an adaptive design in the mucormycosis indication. The preparation of study protocol, choice of CRO and regulatory assistance are advanced. Using an adaptive design give options for changes in design, increase in number of patients and other features. That is the reason for the adaptive design, and which can enable the study to be also a phase 3 study. The study will start in India but will also include other countries as part of the phase 3 design. Together with other data in other indications it is expected to be the first indication to be applied for regulatory approval. The study can include up to 60 – 80 patients from different countries. Together with other data from other indications (such as Aspergillus and general neutropenia patients) there should be expected to be good chances – if successful – to have

enough safety data and maybe enough Aspergillus data to have both the mucor and the Aspergillus indications – all depending on discussion with the regulatory agencies and a sufficient data package. To achieve this Biosergen intend to look at neutropenic patients (cancer patients with low white blood cells and compromised immune resistance) and will go for countries with many patients of this kind to achieve as many safety data as possible and expect good efficacy results.

That will be the basis for the first and second NDA application.

BSG005 Nano and BSG005 Nano Oral
Several of the most serious fungal infections either start or become located in the lungs of the patient. Biosergen and the Nano Group at SINTEF have therefore started a project to develop a special Nano formulation of BSG005, the main purpose of which is to achieve a higher concentration of the drug in the lungs of the patients. The group aims to develop both a Nano IV and a Nano Oral formulation of BSG005. Other than the aforementioned ability to target the lungs specifically, an oral formulation opens up a number of new options. For instance, for prophylactic use or as follow-on treatments in the patient's own home after transplants or chemotherapy with an oral administration of BSG005 is very interesting due to the very broad activity against most of the fungal strains in question. If successful, the new nano formulations of BSG005 would enter human clinical trials during 2024.

Biosergen Group
Biosergen AB is the parent company in the group which in addition to the parent company consists of the wholly owned Biosergen AS which in turn owns 100 percent of the Australian subsidiary Select Pharma Pty Ltd.



Shareholders
The table below presents shareholders with over 5% of the votes and capital in Biosergen AB on September 30, 2019.

Name	Number of shares	Percentage of voting right and capital (%)
ÖSTERSJÖSTIFTELSEN	12,132,747	43.2%
ROSETTA CAPITAL IV SARL	8,866,305	31.6%
Sparebank 1 Markets AS	1,872,829	6.7%
Others	5,231,580	18.6%
	28,101,775	**100.0%**

The share
The shares of Biosergen AB were listed on Nasdaq Stockholm First North on June 24, 2021. The short name/ticker is BIOSGN.ST and the ISIN code is SE0016013460. Per June 30, 2022, the number of shares was 28,101,775. The average number of shares in The Company in Q1 20212 was 28,101,775. The Company has one class of shares. Every stock share equals the same rights to The Company´s assets and results.

Warrants
As an incentive for Board Members, employees, and key persons Biosergen has implemented two Warrant programs. Program 1 consisting of 1,219,423 warrants where each assigned warrant gives the beneficiary the right to subscribe for one new share in the Company against payment of 1.06 SEK. Program 2 consisting of 669,144 warrants where each assigned warrant gives the beneficiary the right to subscribe for one new share in the Company against payment of 10 SEK.

Subscription of shares with the support of warrants may take place no later than December 31, 2031.

Investor warrants
5,000,000 investor warrants were granted to investors in connection with subscription of Offer Units in the rights issued carried out May/June 2021. All Warrants were vested as per the grant date. The warrants could be utilized for subscription of shares from May 30, 2022, up to, and including, June 10, 2022. Each warrant entitled the holder to subscribe for one (1) new share in the Company at SEK 20. No warrants were utilized when the share price was below the exercise price.

Auditor´s review
The interim report has not been reviewed by The Company's auditor.

For further information, please contact

Peder Andersen, CEO
E-mail: peder.andersen@biosergen.net
Cell Phone: (+45) 2080 2470
Website: www.biosergen.net

Certified Advisor

Erik Penser Bank AB
Phone: -46 8 463 80 00
E-mail: info@penser.se

FINANCIAL REVIEW

Biosergen AB was registered in February 2021. On April 16, 2021, the company acquired Biosergen AS with the subsidiary Select Pharma PTY LTD and formed the group with Biosergen AB as parent company.

Income statement
Other operating income amounted to KSEK 1,409 in the second quarter. During the quarter the operating loss amounted to KSEK -7,963.

The financial net amounted to KSEK 3 in the second quarter, which lead up to group's net profit thus totaling of KSEK -7,960 in the second quarter. Net profit per share was SEK -0,28 for the second quarter and SEK -0,46 year to date.

Balance sheet
Total assets amounted to KSEK 13,617, whereof cash and cash equivalents amounted to KSEK 5,720. Current liabilities amounted to KSEK 7,059. At the end of the period, the Group's equity amounted to KSEK 6,558.

Cash flows
The Group's cash flow from operating activities amounted to KSEK -3,982 for the second quarter. The outflow from operating activities is attributable primarily to increased development activities and preparation of clinical development activities in Australia and Norway. The cash flow from investing activities was KSEK 0. The Group's cash flow from financing activities amounted to KSEK 0.

Comments to the Parent company´s financial reports
Income statement
During the quarter EBITDA amounted to KSEK -1,840 and -3,385 KSEK year to date.

Balance sheet
Total assets amounted to KSEK 265,992, whereof cash and cash equivalents amounted to KSEK 3,163. Current liabilities amounted to KSEK 555. At the end of the period, the Company's equity amounted to KSEK 265,437.

Cash flows
The Company's cash flow from operating activities amounted to KSEK -1,367 in the quarter. During the quarter the cash flow from investing activities was KSEK -4,457, relating to transactions with Group companies. The Company's cash flow from financing activities amounted to KSEK 0 in the quarter.

Capital resources and Liquidity
The Board and Management are assessing alternatives to secure the company’s long-term capital requirement on an ongoing basis.

Employees
On June 30, 2022, the Company and the Group as well had four employees.

Risk and uncertainty factors
A pharmaceutical development company such as Biosergen is exposed to operational and financial risk. Many factors can have a negative impact on the probability of commercial success. During the quarter no significant changes with respect to these risks or uncertainty factors have arisen.

Principles for preparation of the interim report
Biosergen prepares its financial reports in accordance with the Swedish Annual Accounts Act and BFNAR 2021:1 (K3) Annual Reporting and consolidated reports (K3).

FINANCIAL CALENDAR
Q3 report is planned to be published on November 30, 2022

Consolidated income statement and statement of comprehensive income

TSEK	2022 April-June	2021* April-June	2022 Jan-June	2021* Jan-June	2021 Jan-Dec
Operating income					
Other operating income	1 409	2 001	2 726	2 001	8 573
	1 409	**2 001**	**2 726**	**2 001**	**8 573**
Operating expenses					
Consumables	-122	0	-122	0	-178
Other external expenses	-7 618	-11 279	-12 573	-19 525	-40 644
Personnel costs	-1 407	0	-2 653	0	-1 457
Other operating expenses	-225	-215	-359	-274	-372
Operating profit/loss	**-7 963**	**-9 493**	**-12 981**	**-17 798**	**-34 078**
Net financial items	3	-11	6	-11	-240
Profit after financial items	**-7 960**	**-9 504**	**-12 975**	**-17 809**	**-34 318**
Profit/loss for the period	**-7 960**	**-9 504**	**-12 975**	**-17 809**	**-34 318**

*Comparative figures for 2021 have been adjusted due to changes in the acquisition analysis and thus deviate from the financial report for Q2 2021.

Consolidated balance sheet

TSEK	2022 Jan-June	2021* Jan-June	2021 Jan-Dec
Assets			
Receivables	7 897	1 937	7 821
Cash & Bank	5 720	41 277	21 665
Total assets	**13 617**	**43 214**	**29 486**
Equity and liabilites			
Equity	6 558	36 282	20 233
Current liabilites	7 059	6 932	9 253
Total equity and liabilites	**13 617**	**43 214**	**29 486**

*Comparative figures for 2021 have been adjusted due to changes in the acquisition analysis and thus deviate from the financial report for Q2 2021

Consolidated statement of changes in equity

TSEK	2022 Jan-June	2021* Jan-June	2021 Jan-Dec
Opening balance beginning of period	**20 233**	**-10 924**	**-10 924**
Jan-Mar			
Profit/loss for the period	-5 015	-8 305	-34 318
Exchange rate	-320	-444	-123
April-June			
Profit/loss for the period	-7 960	-9 504	0
Exchange rate	-380	-140	0
Comprehensiv income for the period	**6 558**	**-29 317**	**-45 365**
Transactions with shareholders			
Jan-Mar			
New share issue for the period incl. IPO	0	8825	0
April-June			
New share issue for the period incl. IPO	0	56 774	65 598
Closing balance end of period	**6 558**	**36 282**	**20 233**

*Comparative figures for 2021 have been adjusted due to changes in the acquisition analysis and thus deviate from the financial report for Q2 2021.

Consolidated Cash flow analysis

TSEK	2022 April-June	2021* April-June	2022 Jan-June	2021* Jan-June	2021 Jan-Dec
Operating activites					
Operating profit/loss	-7 963	-9 493	-12 981	-17 798	-34 078
Net finacial items	3	-11	6	-11	-240
Cash flow from operating activites before changes in working capital	**-7 960**	**-9 504**	**-12 975**	**-17 809**	**-34 318**
Cash flow from changes in working capital					
Change in receivables	881	1740	-78	2 272	-3 729
Changes in current liabilites	3 097	-11 132	-2 892	-9 374	299
Cash flow from operating activities	**-3 982**	**-18 896**	**-15 945**	**-24 911**	**-37 748**
Financing activities					
New share issue	0	56 774	0	65 599	58 825
Cash flow from financing activities	**0**	**56 774**	**0**	**65 599**	**58 825**
Cash flow for the period	**-3 982**	**37 878**	**-15 945**	**40 688**	**21 077**
Liquid fund at the beginning of the period	**9 702**	**3 399**	**21 665**	**589**	**589**
Liquid funds at the end of the period	**5 720**	**41 277**	**5 720**	**41 277**	**21 666**

*Comparative figures for 2021 have been adjusted due to changes in the acquisition analysis and thus deviate from the financial report for Q2 2021

Parent company income statement

TSEK	2022 April-June	2021 April-June	2022 Jan-June	2021 Jan-June	2021 Jan-Dec
Operating income					
Net sales	869	0	1 304	0	590
	869	**0**	**1 304**	**0**	**590**
Operating expenses					
Consumables	-61	0	-61	0	-178
Other external expenses	-1 241	-4 673	-1 922	-4 673	-10 293
Personnel costs	-1 407	0	-2 606	0	-1 457
Other operating expenses	0	-27	0	-27	-40
Operating profit/loss	**-1 840**	**-4 700**	**-3 285**	**-4 700**	**-11 378**
Net financial items	-6	0	-43	0	320
Profit after financial items	**-1 846**	**-4 700**	**-3 328**	**-4 700**	**-11 058**
Profit/loss for the period	**-1 846**	**-4 700**	**-3 328**	**-4 700**	**-11 058**

Parent company balance sheet

TSEK	2022 Jan- June	2021* Jan-June	2021 Jan-Dec
Assets			
Financial assets	261 480	238 911	251 845
Receivables	1 349	43	1 119
Cash & Bank	3 163	37 535	16 761
Total assets	**265 992**	**276 489**	**269 725**
Equity and liabilities			
Equity	265 437	275 123	268 765
Current liabilities	555	1 366	960
Total equity and liabilities	**265 992**	**276 489**	**269 725**

*Comparative figures for 2021 have been adjusted due to changes in the financial assets and equity and thus deviate from the financial report for Q2 2021.

Parent company statement of changes in equity

TSEK	2022 Jan-June	2021* Jan-June	2021 Jan-Dec
Opening balance beginning of period	**268 764**	**0**	**0**
Jan-Mar			
Profit/loss for the period	-1 482	0	-11 058
April-June			
Profit/loss for the period	-1 845	-4 700	0
Compehensiv income for the period	**265 437**	**-4 700**	**-11 058**
Transactions with shareholders			
April-June			
Deposit of share capital	0	25	25
Apportemission	0	223 048	223 048
Reduction of share capital	0	-25	-25
New share issue for the period incl. IPO	0	56 774	56 774
Closing balance end of period	**265 437**	**275 122**	**268 764**

*Comparative figures for 2021 have been adjusted due to changes in the financial assets and equity and thus deviate from the financial report for Q2 2021.

Parent Company Cash flow analysis

TSEK	2022 April-June	2021 April-June	2022 Jan-June	2021 Jan-June	2021 Jan-Dec
Operating activites					
Operating profit/loss	-1 840	-4 700	-3 285	-4 700	-11 378
Net finacial items	0	0	0	0	320
Cash flow from operating activites before changes in working capital	**-1 840**	**-4 700**	**-3 285**	**-4 700**	**-11 058**
Cash flow from changes in working capital					
Change in receivables	451	-18	-230	-43	-1 119
Changes in current liabilites	22	1 367	-448	1 367	961
Cash flow from operating activites	**-1 367**	**-3 351**	**-3 963**	**-3 376**	**-11 216**
Investing activities					
Investments in other financial fixed assets	-4 457	-15 863	-9 635	-15 863	-22 023
Cash flow from investing activities	**-4 457**	**-15 863**	**-9 635**	**-15 863**	**-22 023**
Financing activities					
New share issue	0	56 749	0	56 774	50 000
Cash flow from financing activites	**0**	**56 749**	**0**	**56 774**	**50 000**
Cash flow for the period	**-5 824**	**37 535**	**-13 598**	**37 535**	**16 761**
Liquid fund at the beginning of the period	**8 987**	**0**	**16 761**	**0**	**0**
Liquid funds at the end of the period	**3 163**	**37 535**	**3 163**	**37 535**	**16 761**