MODUS THERAPEUTICS

INTERIM REPORT

JANUARY – MARCH 2023

INTERIM REPORT 2023

January 1 – March 31, 2023

"The Company" or "Modus" refers to the parent company Modus Therapeutics Holding AB with organization number 556851–9523. "Subsidiary" or "Modus Therapeutics" refers to the subsidiary Modus Therapeutics AB with organization number 556669–2199.

The first quarter in figures

- The loss after tax amounted to TSEK 6 040 (3 065).
- The loss per share amounted to SEK 0,38 (0,19).
- The cash flow from current operations was negative in the amount of TSEK 6 335 (7 545).

Important events during the first quarter

- Modus Therapeutics submits patent application for sevuparin in kidney disease.
- Modus Therapeutics announces positive topline data from its Phase 1b LPS provocation study evaluating the potential of sevuparin for treatment of sepsis.
- Modus Therapeutics participated in BIO-Europe spring, Basel.
- Modus Therapeutics secures access to bridge financing (subject of approval at the AGM 11 May, 2023).

Important events after the end of end of the period

- Modus Therapeutics participated in LSX, London.

Financial overview

THE GROUP	2023.01.01 -2023.03.31	2022.01.01 -2022.03.31	2022.01.01 -2022.12.31
Net sales, SEK ths	-	-	-
Operating profit/loss, SEK ths	-5 808	-3 065	-18 006
Equity/Asset ratio, %	-117%	93%	-23%
Cash equivalents, SEK ths	6 589	13 103	10 424
Cash flow from operating activities, SEK ths	-6 335	-7 545	-21 724
Earnings per share, SEK	-0,38	-0,19	-1,14
Shareholders' equity, SEK ths	-8 625	12 671	-2 585
Shareholders' equity per share, SEK	-0,54	0,79	-0,16
R&D expense/operating expense, %	68%	34%	61%
Average number of shares, 000'	16 100	16 100	16 100
Share price at the end of the period, SEK	2,32	3,61	2,79
Average number of employees	2,0	2,0	2,0

Definitions are provided on page 18

Clear Strategy to Build Value through Enhanced Science and Data Communications in 2023

Modus Therapeutics has made a very positive start to 2023. The key milestones that we have announced in recent months have positioned us to build value for shareholders as we continue to execute on our strategy to bring sevuparin to the significant number of patients, that would benefit from this novel drug candidate.

In Q1 we announced 3 key achievements that give us great confidence in our ability to make further important progress in 2023. These were:

• Positive topline data from our Phase 1b lipopolysaccharide (LPS) provocation study. A key step in which LPS-induced endotoxemia is used to evaluate sevuparin's potential in sepsis and other systemic inflammation disorders

• Submitting a patent application based on new data for the use of sevuparin, in chronic kidney disease and anemia, a significant new market opportunity.

• Securing access to bridge financing of up to SEK 7.0 million from our largest shareholder, Karolinska Development.

Sevuparin – Positive Phase 1b Data Supports Further Development

In February, we announced the positive topline data for our Phase 1b LPS provocation study. These positive data highlighted the product's clinical potential and clearly supports the further clinical development of sevuparin. The data also provided us with the insights we need to develop the most appropriate protocol for our Phase 2 study in patients with sepsis. We expect to start this important study around the end of 2023.

The study also confirmed a favourable safety profile of the candidate drug under induced inflammatory conditions as it was found to be safe and well-tolerated throughout the study period. Additionally, sevuparin treatment induced statistically significant and dose-dependent increases in the levels of certain white blood cells as well as a dose-dependent inhibition of the LPS induced increase in respiratory rate.

Notably, in a separate study, sevuparin demonstrated a favourable safety and tolerability profile when combined with the blood thinning heparin (enoxaparin). This is an important standard of care in severely ill patient populations that need thrombosis prophylaxis.

We also plan to use these data to build a higher level of interest in sevuparin and its potential to transform the treatment of sepsis by presenting the data from our Phase 1b study later in 2023 at an appropriate medical conference.

We look forward to communicating the full data from this positive study as it will reinforce our business development activities, which remain focused on finding a partner that would contribute to the value of sevuparin and play an important role in bringing this new treatment to patients more rapidly.

Patent Application for the Use of Sevuparin in Kidney Disease

In January, we announced that we had filed a new patent application claiming the use of sevuparin for the treatment of chronic kidney disease (CKD) and CKD with anemia.

The patent application is based on novel preclinical work that was undertaken in an established kidney disease animal model as part of an academic collaboration project. A granted patent would provide patent protection for sevuparin for these indications until at least 2043.

Chronic kidney disease (CKD)/anemia represents a significant new opportunity, with an estimated global general prevalence of 10,6% (CKD stage 3-5).

During 2023, Modus is also planning to present preclinical data from the work that underlies this this new treatment opportunity at medical conferences.

The communication of the science and data, both from the sevuparin Phase 1b study, as well as the work with new indications, is a key element of our strategy for 2023 as it enhances both the development of sevuparin and supports our business development activities.

Modus will also continue to attend a number of key pharma/biotech industry partnering and investor conferences, having recently participated in both Bio Europe Spring and LSX World Congress, as it works to raise the awareness of the significant clinical benefits sevuparin could bring to a number of important indications, with high unmet medical need, with potential partners and investors.

Securing access to bridge financing of up to SEK 7.0 million

In March, we announced that we had secured access to bridge financing of up to SEK 7.0 million from our longstanding and largest shareholder, Karolinska Development. Access to this funding ensures that momentum we have established in maximizing the potential of Modus' lead asset, sevuparin, can be maintained.

We believe this bridge financing is the most effective way of funding Modus as we work to deliver several further important milestones in 2023. The bridge financing facility will be submitted to the annual general meeting, to be held on 11 May 2023, for approval. Draw down of the capital in its entirety is subject to such approval being obtained.

Well Positioned

I believe Modus has made good progress on the road to success in the early part of 2023, and with the activities we have planned for the remainder of this exciting year we are well placed to go even further.

Over the next twelve months, I am confident that we can deliver on our goals to enhance the value of sevuparin as a treatment for sepsis and other conditions with systemic inflammation. These include completing the preparations for our planned Phase 2a study evaluating sevuparin for the treatment of sepsis, which is expected to commence at the end of 2023.

We also intend to explore the clinical development of new indications for sevuparin with promising potential such as chronic kidney disease.

To conclude, I am looking forward to an exciting 2023 as the enhanced communication of our science and data will further highlight the potential of sevuparin to all of our key stakeholders and potential partners.

John Öhd

CEO Modus

ABOUT MODUS

Modus is a Swedish biotechnology company that develops its proprietary polysaccharide sevuparin as a treatment for sepsis and septic shock with the possibility of also addressing other forms of systemic inflammation. There are currently no approved drug treatments specifically aimed to treat these conditions. Modus' ambition is therefore to initiate a paradigm shift in sepsis care and potentially for other similar systemic inflammatory conditions.

Modus is a biotechnology company working with its patent-protected drug candidate sevuparin to develop an injectable treatment for sepsis and septic shock. Sepsis and septic shock are one of the leading causes of death in intensive care units globally and occur when a bacterial infection causes an exaggerated immune response, resulting in strong inflammation that can lead to harmful substances being secreted into the blood by activated white blood cells. These substances risk damaging the inside of the blood vessels eventually causing leakage of plasma into the tissue.

The consequence of this course of events is an increased risk of hampered organ function, and if the condition is not treated, it may lead to acute organ failure and severe tissue damage. As a result, sepsis can develop in a short time from a common infection to becoming life-threatening affecting the heart, lungs, kidneys, and brain. There is currently no approved drug that specifically treats sepsis or septic shock. Modus starting point is that sevuparin has the potential to protect blood vessels from leakage, by binding and neutralizing the harmful substances secreted into the blood during sepsis, thus preventing the condition from worsening and progressing further into septic shock.

Sevuparin's mode of action

Based on available preclinical data, heparinoids – the subgroup of polysaccharides to which sevuparin belongs – have been implicated as a potential specific treatment for sepsis. Its potentially beneficial properties in sepsis and systemic inflammation have been observed by several researchers using preclinical models. It is well-known that heparinoids have blood-thinning effects, which limits dosage to avoid unnecessary risk of bleeding. Sevuparin has been developed with significantly lower levels of blood-thinning but with retained anti-inflammatory properties, enabling sevuparin to be dosed significantly higher than other comparable heparinoids.

Thanks to the unique profile with greatly reduced blood-thinning properties and a confirmed safety profile, sevuparin has the potential to harness these potential properties in sepsis/septic shock and other conditions with systemic inflammation. Examples of other such conditions are severe trauma, burns, major surgery and severe malaria to name a few. Based on preclinical research, sevuparin is believed to counteract systemic inflammation by binding and neutralizing harmful substances secreted by activated white blood cells in sepsis and septic shock, providing robust vascular protection. Sevuparin could thereby break the molecular chain of events that lead to loss of blood vessel integrity, plasma leakage, and ultimately failing organ function.

Modus continuously evaluates possible research collaborations that can increase the understanding of sevuparin's mode of action. An excellent example of this is the collaboration during Q2 with Imperial College London around severe malaria. Such collaborations with academic institutions can sometimes lead to so-called investigator-initiated clinical studies. Furthermore, Modus also collaborates externally to enable new patentable uses of sevuparin.

Market

According to the WHO, sepsis may be the leading cause of death in the world, and in 2017, sepsis accounted for approximately 11 million deaths, corresponding to 19.7 percent of global mortality. The most serious stage of sepsis, septic shock, is a leading cause of death in intensive care units globally, with a mortality rate usually exceeding 30 percent. There is no pharmaceutical product available that is specifically developed to treat patients with sepsis and septic shock, although most are already being treated with antibiotics for the infection that caused the condition. Due to the lack of effective treatment, it is cost-intensive to diagnose and treat sepsis / septic shock. In the United States, it is estimated that sepsis costs U.S. health care about $ 22 billion annually, a figure that has increased by about $ 5 billion since 2012.

Sepsis is a vital indication and thus places itself in a high-price segment for medicines. The company XPLICO specializes in the valuation of life science companies and has, on behalf of Modus, estimated that the total market potential for sevuparin in septic shock for the 7 major markets amounts to 6 billion USD. The potential for U.S. here amounts to USD 4.9 billion and the market potential in the EU and Japan amounts to USD 1.1 billion. In a recent analysis performed by Carlsquare assuming an earlier deployment of sevuparin in the sepsis treatment cascade the estimated total market potential for the 7 major markets amounted to 27 billion USD in 2036. The Board of Director's assessment is that the gross margin for sevuparin

at a market introduction amounts to approximately 90 percent.

Completed studies

Sevuparin has undergone preclinical toxicological testing enabling dosing for up to 14 days in clinical trials. Furthermore, preclinical in vivo efficacy studies have been performed previously in mice indicating beneficial effects on several disease models for, among others, sickle cell disease and malaria, as well as in mouse and in vitro human experimental systems for sepsis.

In clinical trials with healthy phase I volunteers, sevuparin has been shown to be safe and tolerable with single and multiple intravenous dosing within clinically relevant dose ranges. Two patient studies (phase Ib and II) also showed the inhibitory effects of sevuparin on the ability of the malaria parasite in its binding to blood cells and the vessel wall. In a patient study for the treatment of acute sickle cell disease, sevuparin was shown to have a favorable safety profile, although no improvement in disease status was observed compared with placebo.

DEVELOPMENT OF PROFIT AND FINANCIAL POSITION

January- March

Operating profit/loss

Operating loss for the period January-March 2023 amounted to TSEK 5 808 (3 065). The costs for research and development increased with 2 912KSEK versus the same period last year. This is a result of phasing effects linked to activities for the Phase 1b study.

Cash flow, investments, and financial position

At the beginning of the period, cash and cash equivalents amounted to TSEK 10 424, and at the end of the period to TSEK 6 589. Cash flow from current operations was negative to the amount of TSEK 6 335 (7 545), of which changes in working capital amounted to a negative TSEK 527 (negative 4 480). The cash flow from financing activities amounted to TSEK 2 500 (0). The total cash flow amounted to a negative TSEK 3 835 (negative 7 545).

IMPORTANT EVENTS DURING THE QUARTER

Modus Therapeutics submits patent application for sevuparin in kidney disease.

On January 23 Modus Therapeutics AB announced that it has submitted a patent application claiming the use of sevuparin, its lead asset, for the treatment of kidney disease.

The patent application is based on novel preclinical work that was undertaken in an established kidney disease animal model during an academic collaboration project. A granted patent would provide patent protection until at least 2043.

Modus Therapeutics announces positive topline data from its Phase 1b LPS provocation study evaluating the potential of sevuparin for treatment of sepsis

On Feb 21 Modus announced positive top-line data from its Phase 1b LPS provocation study evaluating the potential of its lead asset, sevuparin, as a treatment for sepsis and related disorders.

In this study, healthy volunteers received LPS to induce a transient systemic inflammation reaction together with one of three dose levels of sevuparin, or placebo for 6 hours. They were then followed up at 24 hours post treatment. Provocation with LPS is a well-established model used to characterize the early stages of septic inflammation by provoking a range of measurable symptoms.

All three dose levels of sevuparin were found to be safe and well tolerated throughout the study period, confirming a favorable safety profile of the candidate drug under induced inflammatory conditions.

Furthermore, sevuparin treatment induced statistically significant and dose-dependent increases in the levels of certain white blood cell populations as well as a dose-dependent inhibition of the increase in respiratory rate induced by LPS.

These findings are indicative of clinically relevant and immunomodulatory effects exerted by sevuparin in a state of systemic inflammation.The study outcome strengthens the potential for sevuparin as a treatment for systemic inflammation including sepsis and septic shock. This is an area of high unmet medical need as current treatment options fail to address the high disease burden of these critically ill patients.

Sevuparin also demonstrated a favorable safety and tolerability profile when combined with the blood thinning heparin (enoxaparin), which is an important standard of care in severely ill patient populations that need thrombosis prophylaxis.

The positive top-line data from this trial will be used to design the Modus Phase 2a study of sevuparin in patients with sepsis. For example, this data will inform the dose of sevuparin to be assessed, the dosing schedule and the patient population for the planned patient study.

Modus Therapeutics participated in BIO-Europe spring

On March 22-23, 2023, the company participated in the BIO-Euorpe spring in Basel, Switzerland.

Modus Therapeutics secures access to bridge financing from longstanding investor Karolinska Development

On March 2023 Modus announced that it has secured access to bridge financing of up to SEK 7.0 million from its largest shareholder, Karolinska Development.

Access to this funding ensures that momentum of clinical development of Modus' lead asset, sevuparin, will be enhanced while the company continues to explore licensing and partnership opportunities. These future development plans include preparation for a Phase 2a study evaluating sevuparin for the treatment of sepsis, expected to commence at the end of 2023. The funding will also allow Modus to continue exploring the development of new indications for sevuparin with promising potential such as chronic kidney disease. The bridge financing facility will be submitted to the annual general meeting, to be held on 11 May 2023, for approval. Draw down of the capital in its entirety is subject to such approval being obtained.

Important events after the end of the quarter

Modus Therapeutics participated in LSX, London

On May 3-4, 2023, the company participated in the LSX in London, UK.

OTHER DISCLOSURES

Ownership structure

At the end of the firth quarter, there were 1 073 shareholders in Modus Therapeutics Holding AB, of which the three largest shareholders owned 66% of the capital and votes. The total number of shares was 16 100 050. The largest shareholders, on March 31, 2023, were Karolinska Development AB, KDev Investment AB and John Öhd.

Parent Company

Modus Therapeutics Holding AB, corporate identity number 556851-9523 is the parent company of the group and was formed in 2011. The actual operations are conducted by the fully owned subsidiary Modus Therapeutics AB. As per March 31, 2023, there were two employees, the CEO and the groups finance department.

The company's main task is of a financial nature to fund the group's operational activities. Net sales for the period reached TSEK 185 (185). The loss for the period amounted to TSEK 1 900 (1 748). The company's net sales consist of invoiced consultancy fees to the fully owned subsidiary Modus Therapeutics AB.

Employees

The number of employees at the end of the period was 2 (2).

Financing

The Board of Directors regularly reviews the company's existing and forecast cash flow to ensure that the company's funds and resources necessary to pursue operations and strategic focus adopted by the board. As Modus is primarily a research and development company, the company's long-term cash needs are determined by the scope and results of the clinical research conducted with regard to the company's drug candidate sevuparin. As of the last March 2023,
the Group's cash and cash equivalents amounted to SEK 6,3 million.

On March 29, 2023, Modus signed a bridge loan agreement of up to SEK 7.0 million from its largest shareholder, Karolinska Development.
On March 30, 2023 2,5MSEK of the loan was drawn down and is due for payment on June 1 2024.

The bridge financing facility will be submitted to the annual general meeting, to be held on 11 May 2023, for approval. Draw down of the capital in its entirety is subject to such approval being obtained.

Modus is investigating future possibilities for the funding required to realize the clinical activities that are to follow upon the recently finalized Phase 1b study. There are no guarantees that the required capital can be raised to finance the development on favorable terms, or that the capital can be procured at all. The Board and the CEO make the assessment that these projects will be able to be completed and put into use, and they also make the assessment that the prospects for future capital raising are good provided that the development projects delivers according to plan.

Should capital raising activities according to the above not be fulfilled, there is a risk regarding the group's continued operations.

Financial risks

Russia's invasion of Ukraine and the coronavirus's global spread affects the economy and society as a whole, including Modus. Delays in clinical trials may occur and the opportunities for refinancing can be hampered. The general downturn in the stock market and the increase in interest rates may also affect Modus and its opportunities to secure financing for its continued development. The Board monitors the evolvement of the crises closely and Modus is working intensively to minimize the impact of these crises.

Risks and uncertainty

Modus Therapeutics risks and uncertainties include, but are not limited to, risks related to drug

development and financial risks such as future financing. Further information on the Company's risk exposure can be found on page 33-34 of Modus Therapeutics Holding's annual report for 2022.

Consolidated summary income statement

TSEK	2023.01.01 -2023.03.31	2022.01.01 -2022.03.31	2022.01.01 -2022.12.31
Net sales	-	-	-
Research and development costs	-3 956	-1 044	-10 898
Administration costs	-1 823	-1 931	-6 988
Other operating expenses	-29	-90	-120
Operating profit/loss	**-5 808**	**-3 065**	**-18 006**
Net interest income	-232	0	**-314**
Profit/loss after financial items	**-6 040**	**-3 065**	**-18 320**
Income tax	-	-	**-**
Profit/loss for the period	**-6 040**	**-3 065**	**-18 320**
Earnings per share before and after dilution (SEK)	-0,38	-0,19	-1,14
Net profit/loss attributable to:			
Parent company shareholders	**-6 040**	**-3 065**	**-18 320**

Consolidated summary balance sheet

TSEK	2023.03.31	2022.03.31	2022.12.31
Assets			
Fixed assets			
Other financial fixed assets	50	50	50
Total Fixed assets	**50**	**50**	**50**
Current assets			
Other receivables	714	454	727
Cash equivalents	6 589	13 103	10 424
Total current assets	**7 303**	**13 557**	**11 222**
Total assets	**7 353**	**13 607**	**11 272**
Equity and liabilities			
Share capital	966	966	966
Additional paid-in capital	295 926	295 926	295 926
Retained earnings including net loss for the period	-305 517	-284 222	-299 477
Total equity attributable to parent company shareholders	**-8 625**	**12 671**	**-2 585**
Current liabilities			
Interest-bearing liabilities	14 000	-	11 500
Accounts payable	779	255	1 361
Other liabilities	159	107	138
Accrued expenses and deferred income	1 040	574	858
Total current liabilities	**15 978**	**936**	**13 857**
Total equity and liabilities	**7 353**	**13 607**	**11 272**

Consolidated change in shareholder's equity in summary

TSEK	2023.01.01 -2023.03.31	2022.01.01 -2022.03.31	2022.01.01 -2022.12.31
Opening balance equity	**-2 585**	**15 735**	**15 735**
Profit/loss for the period	-6 040	-3 065	-18 320
Other comprehensive income	-	-	-
Total comprehensive income	**-6 040**	**-3 065**	**-18 320**
Transactions with shareholders			
New issue of shares	-	-	-
Costs for new issue	-	-	-
Option premiums received	-	-	-
Total transactions with shareholders	**-**	**-**	**-**
Closing balance equity	**-8 625**	**12 670**	**-2 585**

The equity is assignable the shareholders of the parent company.

Consolidated cash flow statement in summary

TSEK	2023.01.01 -2023.03.31	2022.01.01 -2022.03.31	2022.01.01 -2022.12.31
Operating activities			
Operating profit/loss	-5 808	-3 065	-18 006
Interest received	-	-	-
Interest paid	-	-	-
Cash flow from operating activities before changes in working capital	**-5 808**	**-3 065**	**-18 006**
Changes in working capital	-527	-4 480	-3 719
Cash flow from operating activities	**-6 335**	**-7 545**	**-21 724**
Cash flow from investment activities	-	-	-
Cash flow from financing activities	2 500	-	11 500
Cash flow for the period	**-3 835**	**-7 545**	**- 10 224**
Cash equivalents at the beginning of the period	10 424	20 648	20 648
Changes in cash equivalents	-3 835	-7 545	-10 224
Cash equivalents at the end of the period	**6 589**	**13 103**	**10 424**

Parent company income statement in summary

TSEK	2023.01.01 -2023.03.31	2022.01.01 -2022.03.31	2022.01.01 -2022.12.31
Net sales	185	185	740
Research and development costs	-347	-272	-1 210
Administration costs	-1 506	-1 652	-5 862
Other operating expenses	-	-9	-
Operating profit/loss	-1 668	-1 748	-6 332
Net interest income	-232	0	-314
Profit/loss after financial items	**-1 900**	**-1 748**	**-6 646**
Appropriation	-	-	-17 900
Income tax expense	-	-	-
Profit/loss for the period	**-1 900**	**-1 748**	**-24 546**

Other comprehensive income in the parent company is in line with the profit/loss for the period.

Parent company balance sheet in summary

TSEK	2023.03.31	2022.03.31	2021.12.31
Assets			
Non-current assets			
Financial assets	70 050	70 050	70 050
Total non-current assets	**70 050**	**70 050**	**70 050**
Current assets			
Other receivables	603	183	593
Cash equivalents	5 688	12 058	9 182
Total current assets	**6 291**	**12 241**	**9 775**
Total assets	**76 341**	**82 291**	**79 824**
Equity and liabilities			
Restricted equity			
Share capital	966	966	966
Non-restricted equity			
Share premium reserve	295 800	295 800	295 800
Retained earnings	-247 604	-223 058	-223 058
Profit/loss for the period	-1 900	-1 748	-24 546
Total equity	**47 262**	**71 960**	**49 162**
Current liabilities			
Interest-bearing liabilities	14 000		11 500
Accounts payable	174	110	274
Other liabilities	13 927	9 932	18 136
Accrued expenses and deferred income	978	289	752
Total current liabilities	**29 079**	**10 331**	**30 662**
Total equity and liabilities	**76 341**	**82 291**	**79 824**

NOTES TO THE FINANCIAL REPORTS IN SUMMARY

Note 1 Accounting principles

Modus Therapeutics Holding AB's consolidated accounts have been prepared in accordance with the annual accounts act and the Swedish accounting standards board's general advice BFNAR 2012: 1 Annual Report and the Consolidated Financial Statements (K3). The interim report for the company has been prepared in accordance with chapter 9 of the annual accounts act and the same accounting principles have been applied as in the most recent annual report for 2022 note 1.

Note 2 Transactions with related parties

During the period, the parent company Modus Therapeutics Holding AB has invoiced TSEK 185 (185) to the fully owned subsidiary Modus therapeutics AB, which corresponds to 100% of the parent company's turnover for the period.

On March 29, 2023, Modus Therapeutics signed a bridge loan agreement of up to SEK 7.0 million from its largest shareholder, Karolinska Development at market conditions. On March 30 2.5 MSEK of the bridge loan was drawn down. The bridge financing facility will be submitted to the annual general meeting, to be held on 11 May 2023, for approval. Draw down of the capital in its entirety is subject to such approval being obtained. During the reporting period there were no other transactions with related parties that had any material impact on the group or parent company's position and earnings.

Note 3 Incentive program

At the Annual General Meeting on May 3, 2021, it was decided to issue a maximum of 215,000 warrants to a long-term incentive program for employees and consultants in the Company called "Incentive Program 2021/2024". The scope of the program corresponds to a maximum of 2 percent dilution before listing. Each warrant entitles the holder to subscribe for one new share in the Company at a subscription price corresponding to 130 percent of the subscription price applicable upon listing on Nasdaq First North SEK 6.40.

Subscription of new shares with the support of the warrants shall take place during the period from 1 September 2024 to 31 October 2024. At the date of this report, 172,000 warrants had been granted and acquired. During 2022 no warrants have been acquired. In addition, there are no outstanding share-related incentive programs in the Company.

Not 4 Equity

The share capital of the Parent Company consists only of fully paid ordinary shares with a nominal (quota value) of SEK 0,060/share. The company has 16 100 050 shares.

Shares/SEK	2023.01.01 -2023.03.31	2022.03.01 -2022.03.31
Subscribed and paid shares:		
At the beginning of the period	16 100 050	16 100 050
Share merger		
Offset issue		
Rights issue		
Subscribed and paid shares	**16 100 050**	**16 100 050**
Shares for sharebased payments	-	-
Sum at the end of the period	**966 003**	**966 003**

Signatures

The Board of Directors and the CEO provide their assurance that this interim report provides an accurate view of the operations, position and earning of the group and the parent company, and that it also describes the principal risks and uncertainties faced by the parent company and the companies included within the group.

This report has been prepared in both Swedish and English. In the event of discrepancies between the versions, it is the Swedish version that applies.

This interim report has not been subject to review by the Company's auditors

Financial calendar

Annual General Meeting 2023	2023.05.11
Interim Report Q2 2023	2023.08.23
Interim Report Q3 2023	2023.11.22
Year-end report 2023	2024.02.21

Modus Therapeutics Holding AB - Stockholm 9 May 2023

Viktor Drvota
Styrelseordförande

Ellen Donnelly
Styrelseledamot

Torsten Goesch
Styrelseledamot

John Öhd
CEO

Quarterly overview

HE GROUP	2023	2022				2021			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales, SEK ths	-	-	-	-	-	-	-	-	-
Operating profit, SEK ths	-5 808	-9 121	-2 829	-2 992	-3 065	-12 289	-4 441	-2 533	-1 428
Equity/Asset ratio,%	-117%	-23%	35%	90%	94%	74%	95%	70%	86%
Cash equivalents, SEK ths	6 589	10 424	18 616	9 876	13 103	20 648	29 035	3 830	6 179
Cashflow from operating activities, SEK ths	-6 335	-8 192	-2 760	-3 228	-7 545	-8 387	-4 226	-2 299	-1 166
Earnings per share (before and after dilution), SEK	-0,38	-0,58	-0,18	-0,19	-0,19	-0,76	-0,30	-0,26	-0,17
Shareholder's equity at the end of the period, SEK ths	-8 625	-2 585	6 771	9 678	12 670	15 735	28 023	3 033	5 567
Shareholder's equity per share, SEK	-0,54	-0,16	0,42	0,60	0,79	0,98	1,86	0,31	0,65
R&D expense/operating expense, %	68%	83%	40%	38%	34%	87%	43%	14%	41%
Average number of shares, 000'	16 100	16 100	16 100	16 100	16 100	16 100	15 035	9 656	8 600
Share price at the end of the period, SEK	2,32	2,79	2,27	3,25	3,61	3,8	4,10	-	-
Average number of employees	2,0	2,0	2,0	2,0	2,0	2,0	2,0	1,5	1,0

Definitions

Financial key ratios

- **Operating profit:** Operating income less operating expenses.
- **Equity/Asset ratio:** Equity at the end of the period divided by total assets at the end of the period.
- **Earnings per share for the period before dilution:** Profit for the period divided by the average number of shares before dilution.
- **Earnings per share for the period after dilution:** Profit for the period divided by the number of shares after dilution. Earnings per share after dilution is the same as before dilution because potential ordinary shares do not cause dilution.
- **Shareholder's equity per share:** Equity divided by average number of shares.
- **R&D expense/operating expense, %:** Research and development costs divided by total operating costs.
- **Number of employees (average):** Weighted average number of employees in the relevant period.

MODUS THERAPEUTICS

Olof Palmes gata 29 IV, 111 22 Stockholm, Sverige
+ 46 (0)8-502 492 53
info@modustx.com
www.modustx.com

CONTACT

John Öhd, CEO
+46(0)70-766 80 97
john.ohd@modustx.com

Claes Lindblad, CFO
+46(0)70-246 75 54
claes.lindblad@modustx.com