



# Interim report

## Q3 2021

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# INTERIM REPORT 1 JANUARY - 30 SEPTEMBER 2021

## Q3 2021

- ▶ The result for the quarter amounted to -5 043 kSEK (-5 346 kSEK)
- ▶ Cash flow for the quarter amounted to -6 414 kSEK (-165 kSEK)
- ▶ Cash and cash equivalents at the end of the quarter amounted to 19 564 kSEK (39 561 kSEK)

<b>Summary Financial Highlights kSEK</b>	<b>July-sep 2021</b>	<b>July-sep 2020</b>	<b>Jan-sep 2021</b>	<b>Jan-sep 2020</b>	<b>Jan-dec 2020</b>
Net revenue	0	0	0	0	0
Operating result	-5,045	-5,317	-14,643	-14,006	-17,235
Result	-5,043	-5,346	-14,686	-14,035	-17,289
Balance sheet total	29,348	42,720	29,348	42,720	39,640
Cash flow	-6,141	-165	-14,056	37,497	31,556
Cash and cash equivalents	19,564	39,561	19,564	39,561	33,620
Equity ratio %	82%	93%	82%	93%	92%
<b>Data per share SEK</b>					
Number of shares at the end of the period	9,806,200	9,606,200	9,806,200	9,606,200	9,606,200
Result per share before and after dilution*	-0.51	-0.56	-1.51	-1.75	-2.06
Cash flow per share	-0.63	-0.02	-1.45	4.68	3.75
Equity per share	2.46	4.13	2.46	4.13	3.79

\* Dilution effects is not calculated when the result is negative

## Significant events during Q3 (July-Sep)

On the 1st of September Anna Lönn started as Development director

## Significant events during Q1-Q2 (Jan-June)

Ziccum published its goals for 2021 on January 12. The major goals are to enter into the first licensing agreement for one or more dry-formulated vaccines, and to present a detailed plan for establishing a modular Fill and Finish production facility for filling and final packaging of dry, thermostable powder vaccines, including the necessary partnerships and financing plans. Ziccum's medium-term goal (2–3 years) is to establish the first Fill and Finish facility for dry-formulated vaccines in Sweden.

On January 25 Ziccum announced the extension of the evaluation agreement with Janssen Vaccine & Prevention B.V. (one of the Janssen Pharmaceutical Companies of Johnson & Johnson) that was entered into on October 3, 2019. The purpose is to finalize the analysis of Ziccum's air-drying capabilities on one of Janssen's vaccine platform technologies.

On March 17 Ziccum announced that the company has been accepted as a member of NIIMBL, the US National Institute for Innovation in Manufacturing Biopharmaceuticals. NIIMBL drives innovation and uptake of new technologies within biopharmaceutical manufacturing in the US. NIIMBL is among others funded by the US National Institute of Standards and Technology (NIST) and the U.S. Department of Commerce and is able to distribute federal grants.

At the General Meeting it was decided to adopt two long-term incentive programs: one for the Board of Directors, consisting of warrants (LTI 2021/2024), and another one for the employees consisting of employee stock options (LTI 2021:1).

The warrant program LTI 2018/2021 has also closed, and all warrants were exercised. The warrant program was assigned to the Board of Directors and consisted of 200 000 warrants, with a vesting period during 26 April – 26 May 2021. To finance the share subscription, the warrant holders have sold 120 000 warrants to a long-term investor, who has also exercised the warrants. The exercise price was 11 SEK per share, hence 2.2 mSEK was added to Ziccum through the share subscriptions. The exercised warrants increased the number of shares and votes with 200 000 and the total amount of shares is hereby 9 806 200.

## Significant events after the reporting period

Nothing significant to report

## CEO statement

Vaccinations are and have long been one of the best ways to prevent pandemics and epidemics. Right now the need has never been greater. Not least due to the Covid-19 pandemic, which has proven the enormous benefits vaccines have on society as whole. New travelling habits, population growth, climate change and overcrowding all potentially increase the risk of epidemics and pandemics, and children are the most vulnerable; one child in five still does not receive adequate vaccination protection. Approximately 1.5 million children die each year from diseases for which vaccines are already available. With the Covid-19 pandemic, many countries have come to realize the importance of taking responsibility for vaccine production.

Ziccum has a unique and patented technology – LaminarPace™ – which enables us to produce vaccines in dry powder form, which is not practically or economically possible with conventional technologies. The benefits are many. It increases the stability and so the lifespan of the vaccine, it facilitates the entire transport chain from factory to patient and it enables the distribution of vaccines to new places where, for example, cold- and freezer storage is a major challenge. The result is greater vaccination coverage at a lower cost.

Ziccum's key strategic priorities focus on three major areas: Developing thermostable formulations of vaccines, preparing for production on a commercial scale and building external collaborations with industrial actors who develop vaccines and, importantly for the industry, Non-Governmental Organizations (NGOs) and International Governmental Organizations (IGO). Several IGOs, including the WHO, are very clear that vaccine production must be increased in developing countries in so-called regional hubs, so that an equitable vaccine supply can be achieved. We are currently in discussions at a senior level with one of these regional hubs.

Driven by the ongoing pandemic, our work on developing thermostable formulations of vaccines is focused increasingly on Covid-19 vaccines. For example, we taken on work evaluating whether LaminarPace can dry vaccines built on mRNA technology. Good results in this would broaden our offer to the vaccine industry significantly. It should also be mentioned that Covid-19 vaccines are mainly based on 4-5 different technology platforms - we feel comfortable that our technology can be used effectively on a number of these.

In parallel, we are continuing our work developing a system for large-scale industrial production of dry thermostable vaccines. This is a top priority that will speed up our discussions with external collaborators and make our offering more attractive to partners. During the quarter, we have achieved important successes in this, and we now have an updated system onsite in our laboratory which we are evaluating. The updated system is a big step forward and is being prepared for GMP (Good Manufacturing Practice) requirements and scaling up.

Our collaboration with Janssen continues as planned. We have also initiated a new collaboration with a prominent academic partner and we have several discussions ongoing with new partners, both industrial and academic, about new collaborations.

We have two main goals for 2021, to partly develop concrete plans to build and establish a demonstration Fill and Finish facility for filling and final packaging of vaccines based on LaminarPace, and to continue our work of licensing our technology. A license agreement would validate LaminarPace and be a clear acknowledgment of the commercial value of Ziccum's offering. This work is continuing.

We are gratified to see the large number of new initiatives being taken worldwide to greatly increase the regional production capacity of vaccines. This means that the traditional customer base for our technology, ie large global vaccine companies, is being expanded with several new players, especially in developing countries. Our solution for thermostable vaccines provides a very strong competitive advantages, as many Covid-19 vaccines still have to be transported and stored at temperatures all the way down to -80 ° C. Yet storing and transporting vaccines at -80 ° C in large parts of the world with undeveloped infrastructure and insecure access to stable electricity networks is an enormous challenge.

In summary, we are well positioned for a very exciting future in an industry that will remain a key priority area globally for a long time to come.

Lund, October 28, 2021 Göran Conradson, VD

## Expected future development

The company's goals for the year, as earlier communicated, are to:

- ▶ Enter into a first licensing agreement regarding one or more vaccine
- ▶ Present a detailed plan for establishing a modular Fill and Finish production facility for filling and final packaging of dry, thermostable powder vaccines, including the necessary partnerships and financing plans
- ▶ Expand international collaborations
- ▶ Continue to set a high pace in Research and Development activities, with the aim of generating new data that can form the basis for further patent applications
- ▶ Expand process development for the formulation process and adapt it for industrial production
- ▶ Apply for grants
- ▶ Continue to hire, to strengthen the opportunity to deliver on the company goals

## Licensing agreements

Based on the collaboration agreements and the ongoing positive dialogues with established parties on the market, it's Ziccum's goal, during 2021, to generate at least one license agreement based on commercial terms.

## Manufacturing facility

During 2020 Ziccum have accomplished a conceptual design of a manufacturing facility together with KeyPlants AB based on their modular system. This study pointed out many advantages compared to traditional lyophilization (freeze-drying):

80% less electricity

65% less Operational costs (OPEX)

50% less Investment cost (CAPEX)

The conceptual design has been well received by the industry and different stakeholders within the vaccine field. By establishing a Fill and Finish facility it will be possible to concretize what Ziccum can offer. The company's business model and revenue streams can expand by taking a larger part of the value chain.

## International cooperation

A key to success is to make sure that stakeholders within the vaccine market know and understand that Ziccum's technology can develop new vaccine formulations that are less dependent on the cold chain. In that way, those stakeholders can demand and influence established vaccine producers to make a change towards thermostable vaccines. The goal is to enter into at least one formal cooperation during 2021.

## Patent

It is the company's ambition to continue setting a high pace on its own Research and Development activities with the aim of generating new data that can form the basis for new patent applications, primarily regarding more types of vaccines. Furthermore, the cooperation with AMU, Aix-Marseille University, which provides both a good supply and knowledge about viruses and vaccines, will continue.

## **Process development**

Ziccum puts a lot of effort into developing the process of producing thermostable vaccines and adapting the technology for industrial production. This work is done with the aim of furthering effective, ongoing and upcoming discussions with industrial partners. The project includes upscaling of production capacity, automatization, and adaption to regulatory standards.

## **Grant applications**

The vaccine market offers several different opportunities to receive various forms of grants. Ziccum will apply for such grants that the company deems to be in Ziccum's interest and opportunity to receive.

## **Organizational development**

We will continue to have a great need to employ competent and experienced staff to further strengthen the company's ability to deliver on its set goals.

## Result - Q3 (July-Sep) 2021

Operating income from goods and services amounted to 0 kSEK (0).

Operating expenses amounted to 5 045 kSEK (5 319), of which personnel costs amounted to 2 032 kSEK (836).

Other external costs amounted to 2 775 kSEK (4 389).

Operating result amounted to -5 045 kSEK (-5 317) and result after financial items amounted to -5 043 kSEK (-5 346).

Result amounted to -5 043 kSEK (-5 346).

Earnings per share before and after dilution amounted to -0.51 SEK (-0.56).

Cash flow during the period amounted to -6 141 kSEK (-165). The cash flow included a share issue of 0 kSEK (6 554). Cash flow per share amounted to -0.63 SEK (-0.02). Cash flow excluding share issues and raising of loans amounted to -0.63 SEK (-0.71).

## Result and financial position - reporting period (Jan-June)

Operating income relating to goods and services amounted to 0 kSEK (0).

Operating expenses amounted to 14 643 kSEK (14 008), of which personnel costs amounted to 6 663 kSEK (2 127).

Other external costs amounted to 7 429 kSEK (11 611).

Operating result amounted to -14 648 kSEK (-14 006) and result after financial items amounted to -14 686 kSEK (-14 035).

Result amounted to -14 686 kSEK (-14 035).

Earnings per share before and after dilution amounted to -1.51 SEK (-1.75).

Cash flow during the period amounted to -14 056 kSEK (37 497). Cash flow included share issues of 2 358 kSEK (52 398) and raising of loans of 0 kSEK (2 000). Cash flow per share amounted to -1.45 SEK (4.68). Cash flow per share excluding new issues and raising of loans amounted to -1.69 SEK (-1.86).

Cash and cash equivalents as of Sep 30 2021 amounted to 19 564 kSEK, compared with 33 620 kSEK on December 31 2020.

The company's equity as of Sep 30 2021 amounted to 24 139 kSEK, compared with 36 381 kSEK on December 31 2020.

Equity per share amounted to 2.46 SEK, compared with 3.79 SEK on December 31 2020.

The company's equity ratio as of Sep 30 2021 was 82% compared to 92% on December 31 2020.

The result follows budget expectations regarding the costs of the ongoing commercialization of LaminarPace technology. The increase of external costs is mainly driven by consulting fees and extended premises. Personnel costs have increased compared with the previous year due to increased workforce and the fact that the CEO is now employed by the company.

The investments made during the year is mainly related to development of the LaminarPace technology in order to adapt and automate the technology for industrial production by increasing production capacity and prepare for GMP production.



## Ziccum in brief

Ziccum's patented technology LaminarPace air-dries liquid vaccine into a thermostable powder vaccine. Before the vaccine is administered, the vaccine powder is mixed with liquid and can then be injected in exactly the same way as a liquid solution vaccine. The LaminarPace technology is gentle, air drying takes place at room temperature, resulting in powder vaccines becoming thermostable. This means that the vaccine can be transported and stored at room temperature, unlike today's vaccines that require costly, complex logistics with an unbroken freezer or cold chain.

## Vision

Ziccum's vision is to increase vaccination coverage worldwide. This can be made possible by minimizing dependence on expensive, impractical, and energy-intensive refrigerated and frozen transport systems and storage.

## Business model

Ziccum's business model is to offer licenses and tech transfers to vaccine companies based on Ziccum's patent portfolio. A strategically important milestone is the establishment of a Fill and Finish production facility containing LaminarPace technology.

## History

LaminarPace was developed by Inhalation Sciences Sweden AB (publ) to generate small amounts of micronized material for aerosolization. However, the many additional high-potential areas the technology could be applied to soon became apparent, and for that reason, Inhalation Sciences carried out a spin-out of LaminarPace into a subsidiary, Ziccum AB, which since mid-2017 has been developing and commercializing the technology on its own. Ziccum's shares were listed on Spotlight Stock Markets on October 25, 2018. On December 1 2020, Ziccum moved to Nasdaq First North Growth Market.

## Market

Ziccum focuses on applying LaminarPace technology to already approved vaccines, or to vaccines that are under development. The vaccine market has seen very strong growth recently, driven by COVID-19. But even apart from COVID-19, the WHO predicts growth for almost all vaccines. In 2019, the global vaccine market was worth 33 BUSD, divided into 5.5 billion doses, excluding military and travel vaccines (WHO Global vaccine market report 2020). Global vaccine production for 2021 is forecast at about 20 billion doses. Future growth largely depends on how COVID-19 develops in terms of booster jabs and mutations.

## LaminarPace technology

Ziccum has developed a method for the gentle air drying of biological drugs. The company's patented technology, LaminarPace, dries at room temperature, which provides a unique opportunity to develop stable, dry formulations of primarily sensitive biological substances.

The basic principle of LaminarPace's function is countercurrent spray drying with separate flows. The constituent liquid is nebulized, i.e. distributed in the inner column in a mist of very small droplets. The size of these can be controlled by a special net.

During the downward flow, the liquid droplets are vaporized, and the moisture is transported through a paper-based membrane which allows evaporation. The external upward flow of very dry air collects the evaporation which is then transported to the absorption column where the air is dried again.

The dry, micronized substance is retained inside the column and collected on a filter in the filter container. The drying cycle is a so-called semi-continuous process. The system not only retains all the properties of sensitive substances, but also allows great possibilities to control certain properties of the particles, e.g. particle size.

The powder produced during the process is normally very easy to dissolve, which enables flexible application possibilities, e.g. vials of intravenously administered drugs, inhalable drugs and even for topical application of single particles through the skin.

## Shares

As of January 1 2021, the total number of shares was 9 606 200 and as of June 30 2021, the total number of shares was 9 806 200. The increase of 200 000 shares is due to the termination of the LTI 2018/21 option program where all warrants were exercised.

All shares have a voting ratio of 1.

### Shareholders 2021-09-30

Name	Number of shares	Share capital	Votes
Göran Conradson	760,738	7.8%	7.8%
Försäkrings AB, Avanza Pension	695,266	7.1%	7.1%
Nordnet Pensionsförsäkring AB	263,036	2.7%	2.7%
Viskär AB	220,000	2.2%	2.2%
Kenneth Hopp	164,350	1.7%	1.7%
Rolf Örell	150,000	1.5%	1.5%
Rest of the shareholders	7,552,810	77.0%	77.0%
<b>Total</b>	<b>9,806,200</b>	<b>100%</b>	<b>100%</b>

### Share price

Ziccum AB was registered as a public company by the Swedish Companies Registration Office 2018-05-31.

Ziccum's shares were listed on Spotlight Stock Markets on October 25, 2018.

The share's closing price on the first trading day amounted to SEK 5.90.

Ziccum moved to Nasdaq First North Growth Market on December 1, 2020.

The share closing price on Sep 30 2021 amounted to SEK 16.90.

### Share related incentive programs

At the Annual General Meeting on April 27 2021, it was decided to introduce a long-term incentive program by issuing warrants to the Board (LTI 2021/2024), as well as a long-term incentive program for the company's employees consisting of employee stock options (LTI 2021: 1). No of the options entail the right to a dividend.

Based on the existing number of shares in the company, the dilution as a result of the incentive programs, assuming that all warrants are exercised for new subscription of shares, is approximately 1% of the number of shares and votes.

### LTI 2021/24

The exercise price per share for LTI 2021/2024 amounts to SEK 28.8 and subscription can take place during the period from 1 May 2024 to 31 May 2024. The incentive program means that participants are offered to subscribe warrants at market value calculated according to the Black-Scholes valuation model.

A prerequisite for participation in the incentive program is that the participant has entered into a pre-purchase agreement with Ziccum, whereby Ziccum, with certain exceptions, reserves the right to repurchase warrants if the board member's assignment in Ziccum ends or if the participant wishes to transfer the options before the warrants can be exercised.

The Board was offered to acquire a maximum of 9 200 warrants each and all chose to acquire the maximum number, which resulted in a total of 46 000 warrants being issued.

## LTI 2021:1

LTI 2021: 1 runs for three years and means that participants are granted employee stock options free of charge that give the right to acquire shares in Ziccum at a subscription price corresponding to the share's quota value. Each employee stock option gives the right to subscribe for a new share in Ziccum, alternatively up to 40% of the number in synthetic options that give the right to cash compensation instead of shares. Each synthetic option entitles the participant to receive a cash payment corresponding to the value of a share at the time of payment.

The options will be expensed as personnel costs over a period of three years, without affecting the company's cash flow. If employee stock options are exercised, LTI 2021:1 will also entail costs in the form of social security contributions.

Social security contributions will be expensed in the income statement during a period of three years. The company intends to hedge the entire cost of social security contributions through an issue of warrants, which may be exercised by a financial intermediary in connection with the exercise of the employee stock options. If the company chooses to implement such hedging measures, the social security contributions will not affect the company's cash flow.

A total of 55 796 options were issued, of which 13 340 of them relate to hedging of social security contributions.

During the reporting period, costs relating to LTI 2021:1 have been charged for the period 171 kSEK of which 37 kSEK relates to social security contributions.

## Transactions with related parties

During the reporting period, fees charged by related parties were invoiced as follows:

The Chairman of the Board, Fredrik Sjövall, has through Axelero AB invoiced fees amounting to 38 kSEK for project management.

Board fees have been paid in accordance with resolutions at the Annual General Meeting.

There have otherwise been no significant transactions with related parties.

## Significant risk and uncertainties in brief

Ziccum's significant risk and uncertainty factors include business-related risks as well as risks related to market and technology development, patents, competitors and future financing.

The company's value is largely dependent on the success of the company's development projects and the ability to enter into partnerships, and that LaminarPace receives broad market acceptance. Ziccum is in the commercialization phase and there is a risk that the company will not reach sufficient profitability.

The company has not generated sufficient income to achieve a positive cash flow, which means that the company needs access to capital before its cash flow becomes positive.

It is the company's assessment that the company has the required financing by the end of Q3 2022.

In light of the outbreak of the coronavirus and COVID-19, Ziccum is closely monitoring the development of events and taking measures to minimize or eliminate the impact on the company's operations. Ziccum follows guidelines from the Swedish Public Health Agency, WHO and ECDC (European Center for Disease Prevention and Control). Ziccum has been able to continue its internal operations without significant impact on COVID-19. However, there is a risk of delays in the Company's external collaborative projects due to the pandemic.

## Income statement

kSEK	July-sep 2021	July-sep 2020	Jan-sep 2021	Jan-sep 2020	Jan-dec 2020
<b>Net sales</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>
Other income	0	2	5	2	5
<b>Total income</b>	<b>0</b>	<b>2</b>	<b>5</b>	<b>2</b>	<b>5</b>
Other external costs	-2,775	-4,389	-7,429	-11,611	-13,421
Personnel costs	-2,032	-836	-6,663	-2,127	-3,428
Depreciation of tangible and intangible assets	-238	-94	-556	-270	-391
<b>Operating result</b>	<b>-5,045</b>	<b>-5,317</b>	<b>-14,643</b>	<b>-14,006</b>	<b>-17,235</b>
<b>Result from financial items</b>					
Financial net	2	-29	-43	-29	-54
<b>Result after financial items</b>	<b>-5,043</b>	<b>-5,346</b>	<b>-14,686</b>	<b>-14,035</b>	<b>-17,289</b>
<b>RESULT FOR THE PERIOD</b>	<b>-5,043</b>	<b>-5,346</b>	<b>-14,686</b>	<b>-14,035</b>	<b>-17,289</b>
Result per share before and after dilution*	-0.51	-0.56	-1.51	-1.75	-2.06

\*Dilution effect is not calculated when the result is negative

## Balance sheet statement

kSEK	Not	2021-09-30	2020-09-30	2020-12-31
<b>Assets</b>				
<b>Intangible assets</b>				
Patents, licenses, trademarks and similar rights		656	865	813
<b>Tangible assets</b>				
Equipment & tools		7,778	1,397	3,988
<b>Total non-current assets</b>		<b>8,434</b>	<b>2,262</b>	<b>4,801</b>
<b>Current assets</b>				
<b>Short-term receivables</b>				
Other receivables		1,127	790	983
Prepaid expenses & accrued income		223	107	236
<b>Total short-term receivables</b>		<b>1,350</b>	<b>897</b>	<b>1,219</b>
Cash & cash equivalents		19,564	39,561	33,620
<b>Total current assets</b>		<b>20,914</b>	<b>40,458</b>	<b>34,839</b>
<b>TOTAL ASSETS</b>		<b>29,348</b>	<b>42,720</b>	<b>39,640</b>
<b>Equity &amp; liabilities</b>				
<b>Equity</b>				
<b>Restricted equity</b>				
Share capital	2	1,634	1,601	1,601
<b>Total restricted equity</b>		<b>1,634</b>	<b>1,601</b>	<b>1,601</b>
<b>Unrestricted equity</b>				
Share premium fund		66,081	63,756	63,756
Retained earnings		-28,890	-11,687	-11,687
Result of the period		-14,686	-14,035	-17,289
<b>Total unrestricted capital</b>		<b>22,505</b>	<b>38,034</b>	<b>34,780</b>
<b>Total equity</b>		<b>24,139</b>	<b>39,635</b>	<b>36,381</b>
<b>Debt</b>				
<b>Long-term debt</b>				
Loans		1,571	2,000	2,000
<b>Short-term debt</b>				
Account payables		2,100	947	818
Short-term loans		429	0	0
Other short-term debt		187	57	108
Accrued expenses and defferred income		922	81	333
<b>Total short-term debt</b>		<b>3,638</b>	<b>1,085</b>	<b>1,259</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>29,348</b>	<b>42,720</b>	<b>39,640</b>
<b>Pledged assets &amp; contingent liabilities</b>				
<b>Pledged assets</b>				
Floating charge		2,000	2,000	2,000
		<b>2,000</b>	<b>2,000</b>	<b>2,000</b>

## Changes in equity

	Restricted equity	Unrestricted equity			
kSEK	Share capital	Share premium fund	Retained earnings	Result of the period	Total equity
<b>Opening balance 2020-01-01</b>	<b>1,232</b>	<b>27,621</b>	<b>-2,964</b>	<b>-8,723</b>	<b>17,166</b>
Appropriations of net result			-8,723	8,723	0
Result of the period				-14,035	-14,035
<b>Transactions with shareholders</b>					
Share issue	369	38,425			38,794
Share issue costs		-2,290			-2,290
<b>Closing balance 2020-09-30</b>	<b>1,601</b>	<b>63,756</b>	<b>-11,687</b>	<b>-14,035</b>	<b>39,635</b>
<b>Opening balance 2020-01-01</b>	<b>1,232</b>	<b>27,621</b>	<b>-2,964</b>	<b>-8,723</b>	<b>17,166</b>
Appropriations of net result			-8,723	8,723	0
Result of the period				-17,289	-17,289
<b>Transactions with shareholders</b>					
Share issue	369	38,425			38,794
Share issue costs		-2,290			-2,290
<b>Closing balance 2020-12-31</b>	<b>1,601</b>	<b>63,756</b>	<b>-11,687</b>	<b>-17,289</b>	<b>36,381</b>
<b>Opening balance 2021-01-01</b>	<b>1,601</b>	<b>63,756</b>	<b>-11,687</b>	<b>-17,289</b>	<b>36,381</b>
Appropriations of net result			-17,289	17,289	0
Result of the period				-14,686	-14,686
<b>Transactions with shareholders</b>					
Share issue (LTI 2018/21)	33	2,167			2,200
Share issue costs		-55			-55
Warrants		213			213
Share related remunerations			86		86
<b>Closing balance 2021-09-30</b>	<b>1,634</b>	<b>66,081</b>	<b>-28,890</b>	<b>-14,686</b>	<b>24,139</b>



## Cash flow statement

kSEK	July-sep 2021	July-sep 2020	Jan-sep 2021	Jan-sep 2020	Jan-dec 2020
<b>Cash flow from operating activities</b>					
Operating result	-5,045	-5,317	-14,643	-14,006	-17,235
Paid interest	-25	-29	-75	-29	-54
<b>Adjustments for items that is not included in the cash flow</b>					
Share related remunerations	43		87		
Currency exchange	27		31		
Depreciations	238	94	556	270	391
<b>Cash flow from operating activities before changes in working capital</b>	<b>-4,762</b>	<b>-5,252</b>	<b>-14,044</b>	<b>-13,765</b>	<b>-16,898</b>
<b>Cash flow from changes in working capital</b>					
Changes in operating receivables	-185	-195	-134	152	-171
Changes in operating debt	699	-1,272	1,954	-145	30
<b>Cash flow from operating activities</b>	<b>-4,248</b>	<b>-6,719</b>	<b>-12,224</b>	<b>-13,758</b>	<b>-17,039</b>
<b>Investing activities</b>					
Acquisition of non-current assets	-1,894	0	-4,190	-1,143	-3,803
<b>Cash flow from investment activities</b>	<b>-1,894</b>	<b>0</b>	<b>-4,190</b>	<b>-1,143</b>	<b>-3,803</b>
<b>Financing activities</b>					
Share issue (LTI 2018/21)			2,200		
Warrants (LTI 2021/24)			213		
Share issue		6,475		52,688	52,688
Loan				2,000	2,000
Share issue costs		79	-55	-2,290	-2,290
<b>Cash flow from financing activities</b>	<b>0</b>	<b>6,554</b>	<b>2,358</b>	<b>52,398</b>	<b>52,398</b>
<b>Cash flow from the period</b>	<b>-6,142</b>	<b>-165</b>	<b>-14,056</b>	<b>37,497</b>	<b>31,556</b>
<b>Opening balance cash &amp; cash equivalents</b>	<b>25,706</b>	<b>39,726</b>	<b>33,620</b>	<b>2,064</b>	<b>2,064</b>
<b>CLOSING BALANCE CASH &amp; CASH EQUIVALENTS</b>	<b>19,564</b>	<b>39,561</b>	<b>19,564</b>	<b>39,561</b>	<b>33,620</b>

## Note 1 Accounting standards

Ziccum AB (publ) reports in accordance with the Swedish Annual Accounts Act and the Swedish Accounting Standards Board's general advice BFNAR 2012:1 (K3).

The company's accounting principles are described in the company's annual report for 2020.

Amounts are expressed in kSEK, which in this report refers to thousands of Swedish kronor.

Amounts in parentheses refer to comparative figures from the previous year, if nothing else is stated.

## Note 2 Changes in equity

Date	Transaction	Number of serie B	Share capital	Quota-värde	Subscription-course	Total invested capital (SEK)
5 Apr 17	Formation	500	50,000	1.00	1.00	50,000
29 May 17	Share issue	500	50,000	1.00	1.00	50,000
31 Dec 17	Conditional shareholder contribution*	-	-	-	-	1,996,622
25 Apr 18	Bond issue	-	400,000	1.00	-	-
27 Apr 18	Split	2,999,000	-	0.17	-	-
19 Oct 18	Share issue	3,000,000	500,000	0.17	5.26	15,776,962
14 Jan 20	Share issue	1,389,385	231,564	0.17	10.00	13,893,850
6 Jul 20	Share issue	2,216,815	369,469	0.17	17.50	38,794,263
15 Jun 21	Share issue (LTI 2018/21)	200,000	3,334	0.17	11.00	2,200,000
<b>Total</b>		<b>9,806,200</b>	<b>1,604,367</b>			<b>70,561,697</b>

\* Inhalation Sciences Sweden AB did in 2017 provide conditional shareholder contributions amounting to 1 996 622 SEK (cash 0.3 mSEK and reverse loans arising in connection with the acquisition of intangible assets by the parent company converted to shareholder contributions amounting to approximately 1.7 mSEK).

## Note 3 Definitions of key figures

	July-Sep 2021	July-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020
<b>Cash flow per share</b>					
Cash flow from the period, kSEK	-6,141	-165	-14,056	37,497	31,556
Average number of shares	9,806,200	9,483,044	9,721,241	8,020,375	8,410,673
<b>Cash flow per share (SEK)</b>	<b>-0.63</b>	<b>-0.02</b>	<b>-1.45</b>	<b>4.68</b>	<b>3.75</b>
<b>Equity per share</b>					
Equity, kSEK	24,138	39,635	24,138	39,635	36,381
Number of shares at the end of the period	9,806,200	9,606,200	9,806,200	9,606,200	9,606,200
<b>Equity per share (SEK)</b>	<b>2.46</b>	<b>4.13</b>	<b>2.46</b>	<b>4.13</b>	<b>3.79</b>
<b>Equity ratio</b>					
Equity, kSEK	24,138	39,635	24,138	39,635	36,381
Total equity & debt, kSEK	29,348	42,720	29,348	42,720	39,640
<b>Equity ratio %</b>	<b>82%</b>	<b>93%</b>	<b>82%</b>	<b>93%</b>	<b>92%</b>

## Financial calendar

Year-end report 2021: 17 February 2022

Annual report 2021: 24 March 2022

Interim report Q1 2022: 27 April 2022

General annual meeting: 28 April 2022

## Contact

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## Certification

The report has not been reviewed by the company's auditors.

This is a translation of the Swedish report.

The board and the CEO ensure that this report provides a fair overview of the company's operation, financial position and results and describes significant risks and uncertainties to which the company is exposed.

Lund the 28th of October 2021

**Fredrik Sjövall**

Chairman of the board

**Mattias Münnich**

**Kristian Kierkegaard**

**Mikaela Bruhammar**

**Andreas Pettersson Rohman**

**Göran Conradson**

CEO