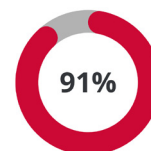


# Q1 2022.

**magle**  
group.

## Jan - Mar. '22

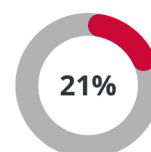
- Net sales amounted to 30.2 MSEK (30.4).
- EBITDA equaled 6.5 MSEK (3.5).
- Operating profit (EBIT) is 3.4 MSEK (0.8)
- Profit after tax amounted to 2.9 MSEK (1.0)
- Earnings per share amounted to SEK 0,27 (0,09) per share



Gross profit

## Period events

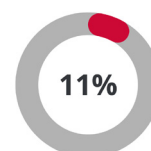
- EmboCept® S is approved in the CIRSE European Guidelines
- Commercial order for AXXO Woundgel received
- ISO13485:2016 certification inspection passed
- Magle Chemoswed funds new post-doc position at Copenhagen University



EBITDA

## After period

- Silke Thomsen joins Magle PharmaCept as COO
- Board approves manufacturing facilities expansion at Malmö site



Operating profit

KEY INDICATORS.	2022 Jan-Mar	2021 Jan-Mar	2021 Jan-Dec	2020 Jan-Dec
Net sales, TSEK	30 239	30 429	132 145	142 337
EBITDA, TSEK	6 470	3 538	16 848	16 193
EBITDA margin, %	21%	12%	13%	11%
Operating profit, TSEK	3 389	784	5 201	4 526
Net profit/loss for the period, TSEK	2 881	1 004	4 194	1 819
Earnings per share, SEK	0,3	0,1	0,4	0,2
Operating cash flow, TSEK	- 5 013	3 683	26 039	-5 545
Operating cash flow per share, SEK	-0,5	0,4	2,4	-0,5
Equity ratio, %	56%	64%	59%	59%
Equity at period end, TSEK	143 499	137 271	138 790	116 121
Return on Equity	2,5%	0,9%	4,0%	2,1%
Return on Asset	1,3%	0,6%	2,8%	2,6%
Net debt, TSEK	-32 833	-13 441	-23 453	-33 902

## Introduction Statement of our CEO.

We continue to execute on our strategy to be a leader in high-quality, life-changing healthcare innovations to meet medical needs through scientific excellence and establish a risk-to-growth balance acceptable to the business. We see strong business momentum in our business areas. Our investments in Magle PharmaCept and the DSM technology have allowed us to continue to win market share and deliver on customer commitments. In the quarter, we saw a sales equal to previous year same quarter. The gross margin at 91% (88%) indicates underlying stability while absorbing cost increases in the supply chain. Our EBITDA margin was 21% (12%).

Russia's invasion of Ukraine and the resulting humanitarian disaster is a significant shock for the world. Accordingly, following current sanctions, we have implemented an indefinite suspension of our business in Russia.

In our contract development and manufacturing business (CDMO), our sales have met forecast despite the challenges from a longer sales cycle compared with previous years as raw materials and transport are affected by the global political uncertainty. In addition, manufacturing operations are on track, and we have met demand in the quarter well.



In addition, we have worked hard to strengthen our market position for our generic drug substance portfolio with sales in the period of 7.9 MSEK (10.5). Our focus is on higher profit products in our portfolio. With an increased focus on these products, we have seen solid growth in our margins.

Development services were up by 15% YoY. The increase is in line with expectations. Sales from customer projects are anticipated and normal.

We are building a solid platform for the go-to-market team, and sales development in the DSM product range is encouraging, with demand returning to the main markets in Europe following the COVID-19 pandemic. We are increasing focus on accelerating sales growth and addressing efficiency to improve profitability in the Magle PharmaCept enterprise. Likewise, royalty revenues from the licence agreement with Becton Dickinson have returned to pre-COVID-19 levels for the period at 9.3 MSEK (9.3).

We also continue our R&D investments, in the period investment was 5% of net sales. In the upcoming periods, we will actively look to increase our R&D spend on the DSM product pipeline while simultaneously growing our investment in the sales force to be prepared for the market introduction of late-stage products and newly registered DSM products such as SmartPAN®.

With our investments and our winning culture, we are determined to make the Magle Group a more robust, more resilient Group while putting it in a position to capitalize on the high growth opportunities available to the company. I am confident we are on the right track.

## About us.

The Magle Group aims to establish itself as a leader in high-quality, life-changing healthcare innovations to meet medical needs through scientific excellence. The Group is founded on strategic acquisitions to drive growth and diversify risk. Magle AB (formed in 1995 as a pure development company) acquired Chemoswed AB (formed in 1944 as a manufacturing company) in 2016 before merging the companies in 2017 to form Magle Chemoswed. In 2019, Adroit Science AB was acquired to increase the development services segment. In 2021, PharmaCept GmbH was acquired as a first step towards developing a sales and marketing company in Europe.

## Magle PharmaCept.

Magle PharmaCept, based in Berlin, focuses on driving strategic development and commercialisation of the Group's proprietary and proven medical technology, DSM, in high-value medical segments with unmet medical needs. The sales team in the Berlin office drives the marketing of DSM medical device products in Europe and supports the international distributor network.

## A risk balanced group.

The Magle Group's business builds on a proven growth model incorporating risk diversification and the establishment of high-value revenue streams. This unique business model and approach generates stable and diversified revenues that support further business growth and investments while mitigating potential financial risks. The Group builds revenue streams across its business areas, including selling a portfolio of generic active drug substances. In addition, the supply of development and contract manufacturing services to customers as part of the contract development and manufacturing operation in the CDMO business generate further revenue contributions.

## Magle Chemoswed.

Magle Chemoswed, based in Malmö, is the Group's contract development and manufacturing organisation (CDMO), and contributes to stable revenues and profitable returns through contract manufacturing to customers and the sale of the Group's generic drug substance portfolio alongside the manufacturing of DSM products.

## A unique medical technology.

The Magle Group medical technology is a degradable starch microsphere (DSM) polymer technology with unique properties in various medical procedures. Areas of successful DSM application in approved products include general surgery, minimally invasive surgery, and advanced wound care. Multidisciplinary scientific teams with the experience, agility, and creativity to deliver innovative solutions that solve today's and tomorrow's challenges drive the development pipeline. In addition, our teams collaborate closely with clinics and research institutions to ensure we develop innovative solutions that positively impact patient outcomes. Our research programme focuses on further developing DSM and expanding into application areas with pressing medical needs. The Group's DSM medical technology is a high-growth area with high potential for long-term revenue contributions.

Magle PharmaCept has added a marketing and sales capability to the Magle Group following the PharmaCept acquisition. We have concentrated on strengthening the sales force in terms of strategic employment to increase our reach in Germany and Europe. The expansion of the sales force is in line with our strategic investment initiatives to increase the sales force to develop the market for the EmboCept® brand and the market entry of the products approved in 2021, SmartGel® and SmartPan®. Our products in and ready to go to market continue to be developed further to expand territory and gain market entry.

**SMARTPAN® (CE marked medical device)**

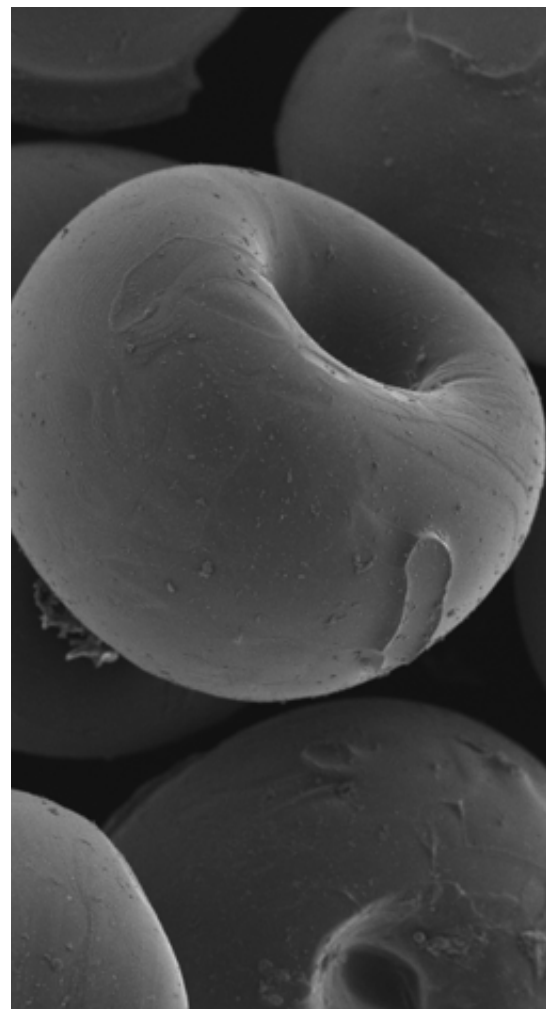
SmartPAN® is a first-in-class medical device for detecting pancreatic fluid leakage during open or minimally invasive surgical procedures. Pancreatic fluid, if left undetected, can potentially lead to significant postoperative side effects for patients. SmartPan® is approved for sale in Europe and is in a Post Market Surveillance Study in Heidelberg, Germany, before full commercial launch. The study aims to generate further clinical evidence to support reimbursement applications in Europe and expand registrations outside of Europe.

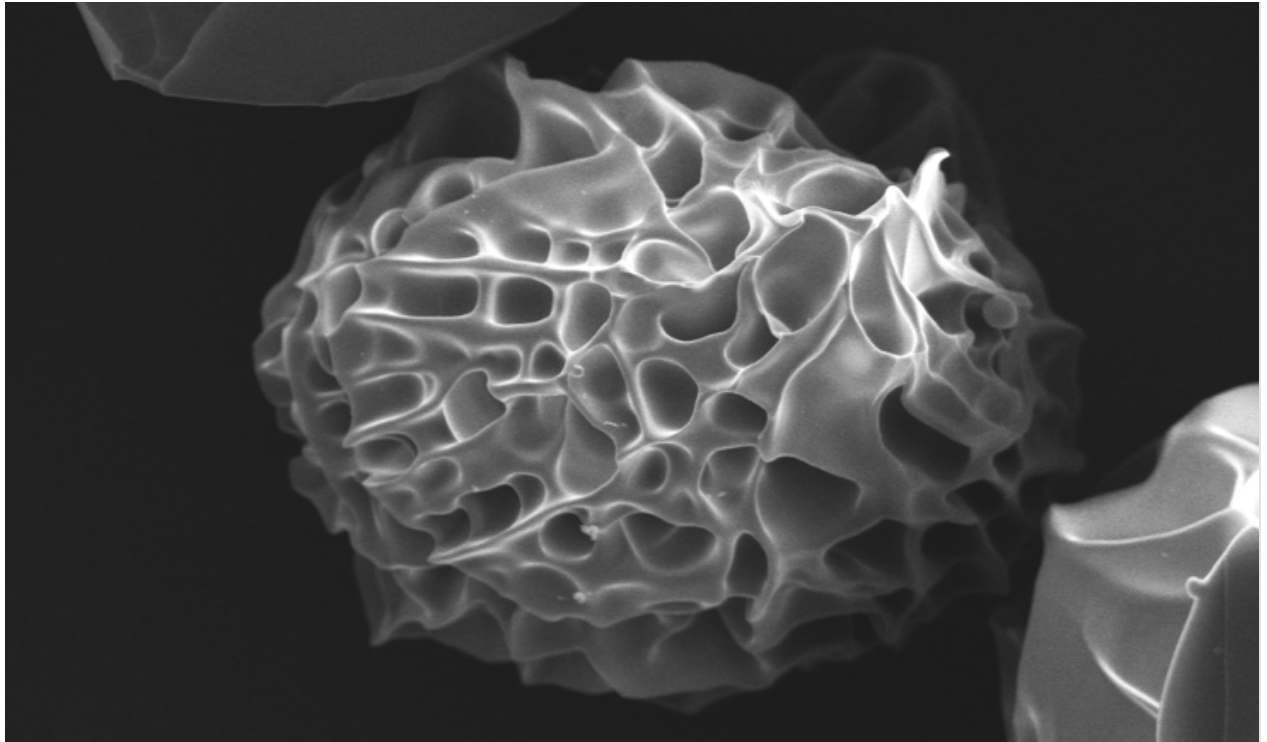
**SMARTGEL® (CE marked medical device)**

SmartGEL®, also marketed as AXXO® WoundGel, is a non-allergenic hydrogel based on our unique microsphere technology. SmartGEL is a unique wound hydrogel that contains an antimicrobial in microspheres in a gel matrix for helping to activate healing. Magle Group supports its marketing partner for AXXO® WoundGel in the Middle East and Latin America, with commercial launches expected in 2022 and 2023. In addition, SmartGEL® plans to be launched in Germany in 2023 following a Post Market Surveillance Study in 2022.

**EMBOCEPT® S (CE marked medical device)**

EmboCept® S DSM 50 µm in DSM-TACE with degradable starch microspheres to treat inoperable liver tumours. EmboCept® S is certified for chemoembolization of inoperable liver and lung tumours. EmboCept® S is well established and in 2022 was approved in the CIRSE Guidelines as a standard of care. EmboCept® S is CE marked and approved for sale in Europe. Strategic markets outside of Europe are under evaluation for regulatory approval to expand the need for the product. In addition, post-market studies are on-going to expand the therapeutic uses of the product in the future.





The Magle Group medical technology is a degradable starch microsphere (DSM) polymer technology with unique properties suitable for use in various medical procedures. DSM uses starch as its starting material. Starch is well documented as a bio-friendly, environmentally sustainable, and biocompatible starting material for DSM construction. In addition, the DSM is well tested in surgical procedures and proven to be safe and effective, biodegradable, and biocompatible with the human body. DSM is a multipurpose advanced technology base usable in several different combinations and formulations. Areas of successful DSM application in approved products include general surgery, minimally invasive surgery, and advanced wound care.

**EMBOCEPT® L**, developed for use as an embolic agent for the treatment of benign uterine fibroids. The product candidate offers important potential advantages in treatment, including possibility of repeatable administration, biocompatible degradation. EmboCept® L is in the final scale-up and commercial readiness stages before filing the regulatory documentation for approval in the Europe Union.

**EMBOCEPT® M** is being developed to treat benign prostatic hyperplasia through prostatic artery embolization. The product candidate offers important potential advantages over currently marketed products, including easy administration, controlled degradation, biocompatibility and potential for enhanced treatment efficacy in patients. EmboCept® M is in the final scale-up and commercial readiness stages before filing the regulatory documentation for approval in the Europe Union.

**SMARTBONE** focuses on developing a new composition for inducing and facilitating the repair and regeneration of tissue for use in dental bone tissue engineering, incorporating an mRNA molecule that can be used to accelerate regular physiological repair. SmartBone is in the early development phase, and a patent application protecting the invention in combination with the DSM was filed in 2021/22. The project will move into the pre-clinical stage in 2022.

## Magle PharmaCept.

Magle PharmaCept is a dedicated healthcare company with a history of successfully bringing innovations to market. As the originator of the degradable starch microsphere (DSM) technology, we have developed proven solutions for clinically complex and challenging conditions and procedures. Magle PharmaCept products, such as SmartPAN®, SmartGel® and EmboCept®, all use the DSM medical technology. These products are designed to bring high-quality, life-changing healthcare innovations to every patient globally, with the aspiration to make a positive medical impact by improving treatment options through innovation. The European direct sales force based in Berlin is the Magle Group's direct market access point for DSM products. In addition, extended international market access is achieved through the appointment and management of distribution partners is managed in Magle PharmaCept. Areas of successful DSM application in approved products include general surgery, minimally invasive surgery, advanced wound care, and sales of all DSM products. Income for the period is 5.0 MSEK (1.0). Sales of the DSM products continue to be a strategic growth channel for growth in the Group. Sales channels in the period were increased with new employments in Germany and advanced discussions in France with a go-to-market team, increasing the Group's direct sales footprint.

## DSM royalty.

The Magle Group holds a long-term licence agreement with Becton Dickinson. The agreement signed in 2015 expanded the global partnership with Becton, Dickinson & Company. The license agreement, which includes a right to use the DSM technology, covers the use of DSM in the hemostasis product segments in Becton Dickinson's portfolio. Through this collaboration, there is long term operating income from the sale of the Becton Dickinson product portfolio that incorporates DSM. The license agreement will generate license revenue on a long-term basis and has the potential to generate constant license revenues in the future. The agreement also holds the potential to create new opportunities for new products in hemostasis. Royalties are received in arrears and paid every quarter. Royalty income for the period is 9.3 MSEK (9.3).





## Manufacturing services.

As a full-service contract development and manufacturing organisation (CDMO), Magle Chemoswed can take on manufacturing alongside development services. The teams also work with clients looking to outsource specific components of their process without the need for extensive development work. In addition, expertise in specialist manufacturing areas increases the incentives for companies to use the manufacturing offerings by providing commercial manufacturing and related pre-commercial manufacturing, including clinical supply.

The facilities in Malmö, Sweden, are owned by the Group and encompass inspected and certified manufacturing facilities for pharmaceuticals and medical devices. Magle Chemoswed operates under European good manufacturing practices for pharmaceuticals and ISO13485:2016 for medical devices.

Alongside traditional CDMO work, the manufacturing operations support the production of medical device products belonging to the Group approved for commercialisation by relevant authorities. The Group products are based on the proprietary degradable starch microsphere (DSM) medical technology.

In addition, manufacturing operations are responsible for producing the Magle Group generic drug substance portfolio supplied to customers worldwide and providing stable revenue bases.

Income for the period is 2.5 MSEK (3.9), of which the sum of 1.1 MSEK is attributable to the provision of internal manufacturing services. Accordingly, the income for the period, excluding internal production, is 1.4 (3.9). The Magle Group generic drug substance manufacturing accounted for 7.9 MSEK (10.5).



## Development services.



Magle Chemoswed provides a full range of development services covering the development chain for pharmaceuticals and medical devices. Research and development is an essential component of drug development that forms the foundation for all the steps to a drug filing. With over 70 years of combined experience, Magle Chemoswed has a rich history of successfully providing development services that support products coming to market.

Development can result in the creation of new chemical or organic compounds, the discovery of new insights about a disease that already exists, and even new technologies for delivering a drug that already exists.

The development teams play an essential role in helping deliver solutions to customers' candidates to expedite their projects and provide a full range of chemistry support in bringing new products to commercialisation stages.

Throughout every step of product development, our teams work closely alongside our customers, helping them navigate the process and mitigate risk.

Reported revenues for development services generated from external customers and intercompany sales are part of the Group's operating income. Magle Chemoswed provides intercompany development services for product development of DSM products.

The generation of customer revenue is on a contract for service basis under which Magle Chemoswed provides development services for a fee under contract. Income for the period is 6.7 MSEK (5.8).





A grayscale, high-magnification microscopic image of various cells, likely from a biological specimen. The cells exhibit diverse shapes and textures, with some showing distinct nuclei and others appearing more rounded or elongated. The background is dark, making the lighter, translucent cells stand out.

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Financial statements

**Operating income**

Net sales for the first quarter amounted to 30.2 MSEK (30.4). For previous year pass-through income was posted as net sales and included in our services, since Q2 2021 this has been handled as other revenues.

**Operating expenses**

Operating expenses for the first quarter amounted to -29.5 MSEK (-30.6). The decrease in operating expenses is mainly attributable to an decreased cost of operations such as external storage, external services and maintenance on facilities.

**Research and development expenses**

Research and development expenses for the first quarter amounted to 1.5 MSEK (2.7). The decrease is mainly explained by the increased focus on the upscaling of the company's DSM approved products. The company has elected not to capitalise any of these development costs.

**Other operating income, expenses**

Other operating income for the first quarter amounted to 2.3 MSEK (0.9). The operating expenses amounted to 0 MSEK (0) for the year. During the period, Magle Chemoswed received a grant of 375 TSEK from the European Eurostars program for the Carrier4TSC project. Other operating income and expenses mainly consist of exchange rate differences on supplier and customer invoices and pass through costs to development customers.

**Result**

The operating profit for the first quarter amounted to 3.4 MSEK (0.8). The result from financial items amounted to 0.2 MSEK (0.5) for the first quarter. The result after financial items for the first quarter amounted to 3.6 MSEK (1.3).

**Cash flow, investments, and financial position**

Cash flow from investing activities for the first quarter amounted to -1.6 MSEK (-2.8). Cash flow from financing activities for the year to date amounted to 10.9 MSEK (17.1). As of March 31, 2022, cash and cash equivalents amounted to 8.2 MSEK (24.0 MSEK as of March 31, 2021).

**Equity**

Equity as of March 31, 2022, amounted to 143.5 MSEK (137.3), corresponding to 0.3 (0.1) per share. The company's equity ratio at the end of the period, was 56 percent (64 percent). The company believes that this key ratio provides investors with useful information of the company's capital structure.

**Raw material and consumables**

Raw materials and consumables amounted to 2.9 MSEK (3.9), which resulted in a gross margin of 91% (87%).

## Income statement.

TSEK	2022 Jan-Mar	2021 Jan-Mar	2021 Apr-Jun	RTM 2022
<b>Revenues</b>				
Net sales	30 239	30 429	33 535	132 006
Other revenues	2 301	966	2 941	13 566
<b>Total</b>	<b>32 540</b>	<b>31 396</b>	<b>36 476</b>	<b>145 572</b>
Change in inventory of finish goods	3 405	1 714	7	3 342
Raw materials and consumables	-6 269	-5 626	-4 954	-23 586
Other external expenses	-9 894	-8 943	-11 328	-44 404
Personnel costs	-13 312	-15 004	-16 188	-61 087
Depreciation and amortization	-3 081	-2 754	-2 787	-11 903
Other operating expenses	-	-	-	-44
<b>Total operating expenses</b>	<b>-29 150</b>	<b>-30 612</b>	<b>-35 251</b>	<b>-137 682</b>
<b>Operating profit/loss</b>	<b>3 389</b>	<b>784</b>	<b>1 226</b>	<b>7 891</b>
<b>Profit/loss from financial items</b>				
Financial income	358	496	-	1 047
Financial expenses	-112	-	-257	-978
<b>Profit before tax</b>	<b>3 635</b>	<b>1 280</b>	<b>968</b>	<b>7 960</b>
Taxes for the period	-754	-276	-212	-1645
<b>Net profit/loss for the period</b>	<b>2 881</b>	<b>1 004</b>	<b>756</b>	<b>6 315</b>

## Condensed statement of comprehensive income.

TSEK	2022 Jan-Mar	2021 Jan-Mar	2021 Apr-Jun	RTM 2022
Profit/loss for the period	2 881	1 004	756	6 315
<b>Total comprehensive income for the period</b>	<b>2 881</b>	<b>1 004</b>	<b>756</b>	<b>6 315</b>

## Earnings per share.

	2022 Jan-Mar	2021 Jan-Mar	2021 Apr-Jun	RTM 2022
<b>Equity holders of the parent</b>				
Earnings per share before dilution, share issue	0,27	0,10	0,08	0,58
Earnings per share after dilution*, share issue**	0,27	0,09	0,07	0,58
Profit/loss for the period	2 881	1 004	756	6 315
Average number of shares before dilution, share issue	10 800	10 000	10 000	10 800
Average number of shares after dilution, share issue	10 800	10 800	10 800	10 800

## Condensed consolidated balance sheet.

TSEK	2022	2021
<b>ASSETS</b>		
Intangible assets	71 704	28 966
Tangible assets	102 799	103 175
Deferred tax asset	108	-
Other non-current assets	676	55
<b>Total non-current assets</b>	<b>175 287</b>	<b>132 162</b>
Inventories	24 747	18 093
Trade receivables	21 540	21 750
Other operating receivables	26 055	16 858
Cash and cash equivalents	8 222	24 014
<b>Total current assets</b>	<b>80 564</b>	<b>80 715</b>
<b>TOTAL ASSETS</b>	<b>255 851</b>	<b>212 877</b>
<b>EQUITY AND LIABILITIES</b>		
Equity attributable to equity holders of the parent	<b>143 499</b>	<b>137 271</b>
Liabilities to credit institutions	25 938	28 938
Leasing debt	4 508	2 923
Deferred tax liability	157	2 119
Other longterm liabilities	13 632	-
<b>Total non-current liabilities</b>	<b>44 234</b>	<b>33 980</b>
Liabilities to credit institutions	15 118	8 518
Leasing debt	2 721	1 502
Trade payables	22 126	8 427
Other operating liabilities	28 153	23 179
<b>Total current liabilities</b>	<b>68 118</b>	<b>41 626</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>255 851</b>	<b>212 877</b>



## Condensed statement of changes in equity.

TSEK	Share capital	Other paid in capital	Translation reserves	Retained earnings incl. P/L for year	Total equity
<b>As at 1 January 2020</b>	<b>500</b>	<b>98 927</b>	-	<b>16 694</b>	<b>116 121</b>
Profit/loss as at 31 December 2020	-	-	-	4 194	4 194
Share issue	40	19 110	-	-	19 150
Other comprehensive income as 31 December 2020	-	-	-675	-	-675
<b>Equity as at 31 December 2020</b>	<b>540</b>	<b>118 037</b>	<b>-675</b>	<b>20 888</b>	<b>138 790</b>
<b>As at 1 January 2021</b>	<b>540</b>	<b>118 037</b>	<b>-675</b>	<b>20 888</b>	<b>138 790</b>
Profit/loss as at 31 December 2021	-	-	-	3 635	3 635
Other comprehensive income as at 31 December 2021: Translation difference	-	-	1 074	-	1 074
<b>Equity as at 31 December 2021</b>	<b>540</b>	<b>118 037</b>	<b>399</b>	<b>24 523</b>	<b>143 498</b>

## Condensed consolidated statement of cashflows.

TSEK	2022 Jan-Mar	2021 Jan-Mar	2021 Apr-Jun	RTM 2022
<b>Operating profit/loss</b>	3 389	784	1 226	7 891
Adjustments for depreciation, amortisation and other non-cash items:	-743	-515	1 164	3 908
Changes in working capital	-7 660	3 414	9 218	2 868
<b>Net cash flow from operating activities</b>	<b>-5 013</b>	<b>3 683</b>	<b>11 608</b>	<b>14 666</b>
Acquisition of subsidiary company, net of cash acquired	-	-	-16 196	-15 685
Payment of Acquisition of subsidiary company	-	-1 483	-1 483	-4 433
Investments in assets	-1 649	-1 369	-934	-13 994
<b>Net cash flows from investing activities</b>	<b>-1 649</b>	<b>-2 852</b>	<b>-18 608</b>	<b>-34 112</b>
Debt incurred	1 123	-	-	-594
Amortisation of bank loan	-375	-	-750	-1 500
Amortisation of leasing	209	-371	-373	1 273
Change in bank overdraft	11 066	-2 568	-3 707	4 475
Share issue	-	20 000	-	-
<b>Net cash flow from financing activities</b>	<b>10 898</b>	<b>17 061</b>	<b>-4 829</b>	<b>3 655</b>
<b>Net cash flow</b>	<b>4 237</b>	<b>17 892</b>	<b>-11 829</b>	<b>-15 791</b>
Cash and cash equivalents at beginning of period	3 983	6 122	24 014	24 014
<b>Cash and cash equivalents at end of period</b>	<b>8 222</b>	<b>24 014</b>	<b>12 185</b>	<b>8 222</b>

\*Condensed consolidated statement of cashflows excludes 9.3 MSEK from the DSM royalty as it is received 30 days after the close of the quarter.

## Condensed income statement of parent company.

TSEK	2022 Jan-Mar	2021 Jan-Mar	2021 Apr-Jun	RTM 2022
<b>Net sales</b>				
Intercompany revenue	3 113	1 494	1 106	6 543
Other revenues	11	-	-	11
<b>Total</b>	<b>3 124</b>	<b>1 494</b>	<b>1 106</b>	<b>6 554</b>
<b>Other external expenses</b>	-282	-1 814	-1 103	-2 023
<b>Personnel costs</b>	-763	-1	-40	-3 722
<b>Total Costs</b>	<b>-1 045</b>	<b>-1 815</b>	<b>-1 1423</b>	<b>-5 745</b>
<b>Operating profit/loss</b>	<b>2 079</b>	<b>-320</b>	<b>-37</b>	<b>809</b>
Net financial items	-23	295	-82	-70
<b>Profit loss after financial items</b>	<b>2 056</b>	<b>-25</b>	<b>-118</b>	<b>740</b>
Appropriations	-	-	-	2 166
Taxes for the period	-424	5	24	-438
<b>Net profit/loss for the period</b>	<b>1 632</b>	<b>-20</b>	<b>-94</b>	<b>2 470</b>

## Condensed balance sheet of parent company.

TSEK	2022 Jan.-Mar.	2021 Jan.-Mar.
<b>ASSETS</b>		
Non-current assets	80 346	44 647
Other receivables	38 657	45 762
Prepaid expenses	3 780	187
Cash and cash equivalents	796	13 558
<b>TOTAL ASSETS</b>	<b>123 580</b>	<b>104 154</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Restricted equity	540	500
Unrestricted equity	90 869	91 346
<b>Total equity</b>	<b>91 409</b>	<b>91 846</b>
<b>Non-current liabilities</b>	13 011	-
<b>Current liabilities</b>	19 160	12 308
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>123 580</b>	<b>104 154</b>

**Note 1: General information, accounting principles**

This interim report was prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The parent company's reporting has been prepared in accordance with RFR 2, Reporting for Legal Entities, and the Swedish Annual Accounts Act. Accounting principles have been applied as reported for the Annual Report per 31 December 2019. New or amended standards or interpretations of standards effective as of 31 March 2022 have not had any significant impact on Magle Chemoswed's financial statements.

**Note 2: Significant risks and uncertainties**

The Group is exposed to various financial risks. The business is impacted by many factors that could affect the Group's result and financial position. It is Magle Chemoswed's strategy to continuously identify and manage risks. Financial risk management is described in the Prospectus.

**Note 3: Transactions with related parties**

The financial reports include costs related to transactions between Magle Chemoswed and related parties.

**Note 4: Financial assets and liabilities**

Fair values of current financial assets and liabilities are assessed agree with values accounted for.

**Note 5: Segment information**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is the function responsible for allocating resources and assessing the performance of the operating segments. In the Magle Chemoswed Group, the CEO has been identified as the chief operating decision maker who evaluates the Group's financial position and performance and makes strategic decisions. The CEO analyzes and monitors the business performance based on the Group as a whole. The assessment is thus that the Group's operations consist of one operating segment.

By nature of income	2022 Jan-Mar	2021 Jan-Mar	2021 Apr-Jun	2021 Jul.-Sept.	RTM 2022
<b>TSEK</b>					
Manufacturing revenue	7 897	10 469	18 936	6 116	42 117
Contract Manufacturing rev.	1 375	3 891	9 469	9 191	27 268
Contract Service revenues	6 668	5 791	1 498	8 060	27 811
DSM License revenues	9 324	9 296	2 957	2 457	17 208
DSM Products	6 101	982	675	8 583	20 895
Eliminations	-1 126	-	-	-2 167	- 3 293
<b>Total</b>	<b>30 239</b>	<b>30 429</b>	<b>33 535</b>	<b>32 240</b>	<b>132 005</b>



	2022 Jan-Mar	2021 Jan-Mar	2021 Apr-Jun	2021 Jul-Sept.	RTM 2022
<b>By company</b>					
<b>TSEK</b>					
Magle Chemoswed AB	26 487	29 513	33 039	25 665	116 108
Magle Chemoswed Holding AB	3 113	-	-	-	3 113
Adroit Science AB	86	916	496	315	1 663
PharmaCept GmbH	<b>4 816</b>	-	-	6 261	15 386
Eliminations	<b>-4 262</b>	-	-	-	-4 262
<b>Total</b>	<b>30 239</b>	<b>30 429</b>	<b>33 535</b>	<b>32 240</b>	<b>132 006</b>

	2022 Jan-Mar	2021 Jan-Mar	2021 Apr-Jun	2021 Jul-Sept.	RTM 2022
<b>By country</b>					
<b>TSEK</b>					
Sweden	2 434	6 463	1 954	3 916	19 287
Europe excluding Sweden	14 004	16 061	12 468	14 407	51 096
Other territories	14 927	7 905	19 113	16 084	63 790
Intercompany sales	-1 126	-	-	-2 167	-3 293
<b>Total</b>	<b>30 239</b>	<b>30 429</b>	<b>33 535</b>	<b>32 240</b>	<b>132 006</b>

**Note 6: number of shares**

Ordinary Shares	Number of shares	Potential shares
31 December 2019	500	-
30 June 2020	10 000 000	225 000
4 January 2021	10 800 000	225 000

**Note 7: Warrants**

At period end, there is one warrant program. The warrant program was executed in 2020. Warrants give the holder the right to acquire 1 ordinary share.

Warrant program	Number of options	Equals number of shares
Balance January 1, 2020	0	
Balance March 30, 2020	0	
Balance June 30, 2020	225 000	225 000
Balance December 31, 2020	225 000	225 000

**Note 7: RTM (rolling twelve months)**

The 12-month rolling sum is the total amount from the past 12 months. As the 12-month period "rolls" forward each month, the amount from the latest month is added and the one-year-old amount is subtracted. The result is a 12-month sum that has rolled forward to the new month.

Board of directors.



Hans Henrik Lidgard  
Founder and Chairman

Born 1946. Chairman since 2016,  
board member since 2013.



Mats Pettersson  
Board Member

Born 1945. Board member since  
2016.



Sven-Christer Nilsson  
Board Member

Born 1944. Board member since  
2016.



Martin Lidgard  
Board Member

Born 1977. Board member since  
2021.



Malin Malmsjö  
Board Member

Born 1973. Board member since  
2016.



Joel Eklund  
Board Member

Born 1980. Board member since  
2020.



Claudia Lindwall  
Staff Representative

Born 1963. Employee representative  
since 2021.



Ingela Fritzon  
Staff Representative

Born 1964. Employee representative  
since 2019.

The Board of Directors and the CEO certify that the interim report, to the best of their knowledge, provides a fair overview of the parent company's and the group's operations, financial position and results and describes the material risks and uncertainties faced by the parent company and the companies included in the group.

## FORTHCOMING DISCLOSURES OF INFORMATION

FINANCIAL CALENDAR	DATE
INTERIM REPORT Q1 2022	5TH MAY, 2022
ANNUAL GENERAL MEETING 2022	17TH MAY, 2022
INTERIM REPORT Q2 2022	17TH AUGUST, 2022
INTERIM REPORT Q3 2022	9TH NOVEMBER, 2022
FULL-YEAR AND INTERIM REPORT Q4, 2022	16TH FEBRUARY, 2023

## CONTACT INFORMATION

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