



# Interim Report

January – March 2022



LIDS™

# LIDDS AB (publ) Interim Report January – March 2022

## January – March 2022

- Net sales amounted to 0.6 (0.6) MSEK
- The operating result for the period was -9.8 (-10.8) MSEK
- The net result was -9.8 (-10.8) MSEK corresponding to earnings per share of SEK -0.29 (-0.36)
- Cash flow from operating activities amounted to -6.1 (-11.7) MSEK
- Cash and cash equivalents amounted to 27.5 (23.3) MSEK

## Significant events January – March

- The R&D project with J&J has moved into the next phase.
- A financing agreement of up to 40.8 MSEK signed with Nice&Green

## Significant events after the reporting period

- Max Mitteregger and Johan Lund are proposed as new member of LIDDS Board of Directors. Max Mitteregger will in connection with the appointment to LIDDS' Board of Directors acquire shares at a total value of 4.5 MSEK. It is proposed that this will be done through a directed share issue of 750,000 shares at a subscription price of 6 SEK, which corresponds to LIDDS' share price at Nasdaq First North Growth Market at the time for a binding commitment to subscribe for the shares. The directed share issue is subject to approval by the Annual General Meeting of shareholders.

*"I am happy to have been able to meet both shareholders and other stakeholders during the first months of the year. We did this both at the Fight Cancer Day organized by Redeye in January and at the much-appreciated Capital Markets Day (CMD) that we held in March. The focus at the CMD was on our research and development - the heart of the company. I appreciate your commitment and interest and look forward to meeting you again. In June, we will have reason to spread the word about LIDDS further as we attend the US BIO International Convention in San Diego."*

Nina Herne, CEO

## Financial overview of the company

KSEK	1 January - 31 March 2022	1 January - 31 March 2021	1 January - 31 December 2021
Net sales	558	606	3 554
Operating result	-9 752	-10 786	-37 269
Net result	-9 752	-10 786	-37 270
Earnings per share, SEK	-0,29	-0,36	-1,16
Cash flow from operating activities	-6 109	-11 681	-42 641
Cash and cash equivalents by the end of the period	27 453	23 311	34 003

## LIDDS in brief:

LIDDS is a Swedish drug delivery company based on the proprietary technology NanoZolid<sup>®</sup>. With NanoZolid<sup>®</sup>, LIDDS can formulate drugs for local administration, with a maintained and controlled release for up to six months. The technology is versatile, can be used across different drug classes and solve problems within many indication areas. LIDDS offers the NanoZolid<sup>®</sup> technology to partners and has developed its own pipeline focused on oncology, where the technology enables delivery of a local and high drug dose, administered over time with very limited side effects. LIDDS has a broad pipeline with several projects in clinical development, both in early and late-stage clinical phase, and projects about to enter clinical development. The company is listed on Nasdaq First North Growth market.

## CEO comment

In the beginning of 2022, we have had several important announcements. Early January, we announced that the research collaboration with Johnson & Johnson Enterprise Innovation Inc (J&J) continued into the next stage. It is of utmost importance that the cooperation continues to develop well. The collaboration with J&J is an important part of our development goals to be able to offer drugs that make an important difference in patients' lives. We want to be part of developing products that improves the situation for patients, caregivers and society at large through improved treatment results, increased quality of life and efficient use of resources.

We also presented the next step in the development of our project nanodotax which is NanoZolid-formulated docetaxel. We will conduct a shorter clinical study to evaluate the immunological effects observed in the clinical Phase I study NZ-DTX-001. The study showed activation of systemic inflammatory biomarkers that are believed to improve conditions for treatment with so-called checkpoint inhibitors. Preliminary results indicate that local treatment with nanodotax could stimulate patients' immune systems in such a way that it could attack even distant metastases. Based on the positive results in the phase I study, we chose to take over the sponsorship of the previously approved investigator sponsored trial in patients with prostate cancer. We expect to be able to start recruiting patients quite soon and I look forward to the results as the study will provide important insights into the mechanism of action and how the project will be further advanced in the clinical development regarding patient group and indication.



I note that there is great interest in TLR9-targeted treatment as Regeneron Pharmaceuticals has announced its intention to acquire Checkmate Pharmaceuticals. Checkmate's product in development is a TLR9 agonist which is basically the same as our nanoimod product but without the long-lasting effect. We are convinced that the solution for good treatment results lies in a long-acting and continuous TLR9 activation. The deal is a good indication of the interest among pharmaceutical companies for intratumoral administration in general and more specifically of TLR9-targeted treatment as a new tool in the treatment of various cancers.

In order to be able to continue the positive development of the project portfolio, secured financing is of great importance. Therefore, we announced in February that LIDDS has entered into a convertible loan agreement with Nice & Green, a Swiss specialist investor with valuable experience from the life science sector. The agreement stipulates that Nice & Green has committed to subscribe for convertibles with a nominal value of up to SEK 40.8 million. The agreement gives LIDDS the opportunity, but no obligation, to use the agreed financing for the next 18 months. This is very important for the company because it gives us flexibility.

I am happy to have been able to meet both shareholders and other stakeholders during the first months of the year. We did this both at the Fight Cancer Day organized by Redeye in January and at the much-appreciated Capital Markets Day (CMD) that we held in March. The focus at the CMD was on our research and development - the heart of the company. I appreciate your commitment and interest and look forward to meeting you again. In June, we will have reason to spread the word about LIDDS further as we attend the US BIO International Convention in San Diego. The conference is one of the most important industry congresses with internationally renowned keynote speakers and brings together a large number of market-leading players from around the world. As a further step in strengthening the knowledge about LIDDS, the website has also been updated with new design, content and better functions to make it easier for our visitors.

My focus in the future is to manage the good foundation we carefully laid out for the company in 2021 and the beginning of 2022. We will accelerate the work of developing effective solutions for local drug administration and develop projects that generate the greatest opportunities for future collaborations and agreements.

Thank you for your support.

Uppsala May 2022

Nina Herne, CEO

## Overview of activities

LIDDS is a Swedish drug delivery company whose aim is to develop and commercialize the proprietary technology NanoZolid. With NanoZolid, LIDDS can formulate drugs for local administration, with a maintained and controlled release for up to six months. The technology is versatile, can be used across different drug classes and solve problems within many indication areas. LIDDS offers the NanoZolid technology to partners and has a pipeline focused on the large oncology therapeutic area. LIDDS' leading project Liproca Depot for treating prostate cancer is currently being prepared for a Phase III trial. The company also has two projects being prepared for Phase II and Phase I clinical trial, respectively.

Through a small, efficient and highly specialized organization, LIDDS will develop better and safer treatments with high value. This will be accomplished through continued development of the NanoZolid technology and its IP protection, together with a strong and diversified portfolio of proprietary oncology products. The aim is to secure licensing deals for internally developed projects, no later than after Proof of Concept in humans, as well as for the technology. LIDDS can also seek R&D collaborations or joint ventures to utilize its technology and know-how. The vision is to be the preferred solution for elegant and optimal drug delivery – thus enabling better health.

### *NanoZolid improves efficacy and reduces toxic side-effects*

NanoZolid addresses some of the main challenges that conventional drugs face, such as systemic side effects and limited efficacy resulting in many patients not being treated early enough or not at all. LIDDS' flexible technology is compatible with small to more complex molecules and has a comprehensive patent protection in all major markets until 2037. The NanoZolid-formulated drug is delivered locally through an injection and forms a solid and safe depot that releases the active drug over a period of up to six months – longer than any other technology either in development or available on the market. The controlled release of drug compounds can be tailored to the specific needs of the patients, the disease, and/or the drugs being used, resulting in a more precise treatment with fewer side effects. LIDDS' clinical trials have shown lower systemic drug exposure, improved local drug efficacy and signs of immune activation when treating with NanoZolid-formulated drugs.

### *LIDDS own portfolio is focused on oncology where the benefits of the technology are obvious and where the need for improved treatments is still high*

LIDDS is developing its portfolio within the oncology therapeutic area, where the benefits of the NanoZolid technology are obvious: a local and high drug dose that is administered over time with very limited side effects. In total, LIDDS has three clinical-stage projects: Liproca Depot, a NanoZolid formulated nonsteroidal antiandrogen (2-hydroxyflutamide), which is being prepared for a clinical Phase III study in prostate cancer, nanodotax, a NanoZolid formulated cytotoxic drug (Docetaxel), which is being prepared for a clinical Phase II trial in both prostate cancer and in a non-disclosed indication, and nanoimod/nanoxan, a combination therapy which is being prepared for a clinical Phase I study. In addition, the company works with and evaluates several pre-clinical projects.

### *Large addressable markets with lower development costs and risks*

The benefits of using the NanoZolid drug delivery technology are numerous for both potential partners and LIDDS. When reformulating existing drugs, the time to market is shorter with lower development costs and risks. For potential partners, this is an excellent opportunity to extend the commercial life of already existing products and to improve patient outcomes by more efficacious and less toxic treatments. For LIDDS Oncology portfolio, the reduced risk and costs are also of importance since this therapeutic area on average historically has shown a lower chance to market<sup>1</sup> and trials usually are more costly<sup>2</sup>.

The global market for pharmaceutical drug delivery was worth approximately USD 1.7 billion in 2021 and is expected to reach USD 2.2 billion by 2026<sup>3</sup>, with an annual growth rate of close to 6 percent during the forecasted period. The global oncology market includes more than 19 million new cases every year, projected to reach 30 million cases in 2040 and a mortality of almost 10 million each year, reaching 16 million in 2040.

LIDDS' most advanced project, Liproca Depot, is being developed to treat prostate cancer. The prostate cancer drug market was valued at USD 6.9 billion in 2018 and is expected to grow to USD 9.9 billion in 2026, representing a yearly growth rate of 4.6 percent during the period<sup>4</sup>. The number of men diagnosed with prostate cancer is around 1.4 million every year, of which

<sup>1</sup> Hay et al, Clinical development success rates for investigational drugs, Nature Biotechnology 2014 Jan; 32 (1):40-51

<sup>2</sup> Wouters et al, Estimated Research and Development Investment Needed to Bring a New Medicine to Market, 2009-2018, March 2020, JAMA The Journal of the American Medical Association 323(9):844.

<sup>3</sup> <https://www.marketsandmarkets.com/Market-Reports/drug-delivery-technologies-market-1085.html>

<sup>4</sup> <https://www.marketdataforecast.com/market-reports/prostate-cancer-market> Allied Market Research

approximately 420,000 are diagnosed with a localized prostate cancer with low or intermediate risk of cancer progression (Active Surveillance Patients). Liproca Depot is developed for treating Active Surveillance Patients.

#### Validated approach

LIDDS has validated its NanoZolid technology and partnering abilities by entering different partnering agreements. In 2021, LIDDS entered into an R&D agreement with Johnson & Johnson to develop an oncology product for an undisclosed indication with the option to reach an exclusive global product license agreement. LIDDS has also signed an exclusive license agreement for Mainland China with Puheng Pharma for its prostate cancer project Liproca Depot.

LIDDS has developed a strong oncology pipeline based on its drug delivery technology and continues to build its ability to translate discoveries into clinically and commercially viable drug delivery projects that brings real change to patients.

## LIDDS Oncology Pipeline

Indication	Preclinical	Phase 1	Phase 2	Phase 3
Prostate cancer	Liproca depot			Phase III ready
Solid tumors Prostate cancer	Nanodotax		Entering phase I/II PoC 2022	
Undisclosed target	Nanoimod + nanoxan	In preparation for phase I		
Undisclosed target	J&J	Feasibility program		

#### Liproca Depot

Liproca Depot is NanoZolid-formulated 2- hydroxyflutamide (2-HOF) which is an anti-androgen drug that binds and blocks androgen receptors. The product has been investigated in close to 160 patients in several clinical studies including three phase II studies. Liproca Depot has been shown to be well tolerated and safe with observed effects on tumour tissue, prostate volume and the prostate-specific antigen PSA. The product is currently being prepared for phase III.

#### NANODOTAX

Nanodotax is NanoZolid-formulated docetaxel which is a commonly used chemotherapeutic drug that has been approved for several oncological conditions and on the market since 1996. The drug has shown to be safe and well tolerated in a phase I study where adverse events were shown to be mild and local. Furthermore, there was an observed effect on systemic and local immunological biomarkers indicating that the immune system was responding positively and specifically to the tumors. The plan is to further investigate the mechanism of action in a clinical study in prostate cancer patients.

#### NANOIMOD/NANOXAN

Nanoimod is the toll-like receptor 9 (TLR9) agonist agatolimod formulated in NanoZolid while nanoxan is a cytotoxic drug formulated with the same technology. The project is in preclinical development and is being prepared for a first in human study.

#### J&J Collaboration

LIDDS is in a joint R&D feasibility project with Johnson & Johnson Enterprise Innovation Inc. The aim of the project is to investigate the suitability of the NanoZolid technology in the formulation of drugs for local treatment in non-disclosed oncology indications.

## Significant events during the reporting period

### *Successful completion of stage i in research co-operation*

In January 2022 the company announced that step 1 in the research co-operation with J&J had successfully been completed and that the project had moved into the next phase. The aim with the R&D project is to develop an oncology product based on the NanoZolid technology for a non-disclosed indication.

### *Financing agreement with Nice&Green*

In February 2022 the company announced that a convertible note agreement had been signed with Nice & Green ("N&G"), a Swiss specialty investor with significant experience from the life science industry. According to the agreement, N&G has committed to subscribe for convertible notes with a total nominal value of 40.8 MSEK, in tranches of 10.2 MSEK each. Each tranche is subscribed for at nominal value. LIDDS has the option, but not the obligation, to use the agreed financing. The convertible notes have a maturity of twelve months, carries zero interest and can be converted to shares at a 7 percent discount in relation to the shares' market price at the time of N&G's conversion request. LIDDS has at the time of a conversion request the option to instead redeem the convertible notes in cash for a 3 percent fee of the nominal amount.

## Significant events after the reporting period

### *Max Mitteregger and Johan Lund proposed as new members of LIDDS' Board of Directors*

In May 2022 the company announced that the Nomination committee will propose Max Mitteregger and Johan Lund as new member of LIDDS' Board of Directors. Max Mitteregger has many years of experience from the financial market, where he among other things has been the manager of the hedge fund Gladiator. In connection with the appointment to LIDDS' Board of Directors, Max Mitteregger will acquire shares at a total value of 4.5 MSEK. It is proposed that this will be done through a directed share issue of 750,000 shares at a subscription price of 6 SEK, which corresponds to LIDDS' share price at Nasdaq First North Growth Market at the time for a binding commitment to subscribe for the shares. The directed share issue is subject to approval by the Annual General Meeting of shareholders. Johan Lund has experience from senior roles in the global pharmaceutical industry, for example AstraZeneca, Pfizer and Biogen. Johan has an MD and a PhD from the Karolinska Institute. Johan's broad network within various major pharmaceutical companies as well as his scientific knowledge will be an important addition to the board for establishing new collaborations and driving the company pipeline forward.

## Financial information

### Net sales and result for the first three months 2022

In the first three months in 2022 net sales amounted to 0.6 (0.6) MSEK relating to income from the sale of research and development services under the co-operation agreement with J&J.

Other external costs amounted to 6.9 (9.5) MSEK in the first three months 2022. In 2022 costs for manufacturing of clinical trial material has been higher than in the first quarter 2021 and administrative expenses has been lower compared to the previous year. Personnel costs for the first quarter 2022 amounted to 3.3 (1.8) MSEK. The higher costs compared to last year is attributable to an increased number of employees and recruitment costs.

Accumulated depreciation and impairment of tangible and intangible assets amounted to 0.1 (0.1) MSEK in the first quarter 2022.

The operating result for the first quarter 2022 amounted -9.8 (-10.8) MSEK. The net result for the same period amounted to -9.8 (-10.8) MSEK.

### Cash flow and investments

Cash flow from the operating activities in the first quarter 2022 amounted to -6.1 (-11.7) MSEK. As part of the cash flow from the operating activities change in operating capital in the first quarter 2022 amounted to 3.5 (-1.0) MSEK. The negative cash flow from the operating activities is explained by the company's costs for ongoing research and development projects.

LIDDS cash flow from investment activities in the first quarter 2022 consist of investments in development work regarding the technology platform NanoZolid, ongoing patent applications and manufacturing equipment, please refer to the table below.

KSEK	1 January - 31 March 2022	1 January - 31 March 2021	1 January - 31 December 2021
Technology	326	807	1 291
Patents	81	165	519
Property, plant and equipment	34	109	736
<b>Total investments</b>	<b>441</b>	<b>1 080</b>	<b>2 546</b>

The cash flow from the financing activities for the first quarter 2022 amounted to 0 (0) MSEK.

Total change in cash and cash equivalents in the first quarter 2022 amounted to -6.6 (-12.8) MSEK. The company's cash and cash equivalents amounted to 27.5 (23.3) MSEK by 31 March 2022.

### Financial position

On 31 March 2022 the equity assets ratio was 81 percent (76) and equity 38.8 (32.0) MSEK.

LIDDS announced in February 2022 that a convertible note agreement had been signed with Nice & Green, a Swiss specialist investor. According to the agreement the company has the option to draw tranches of convertible notes at a total value of 40.8 MSEK. LIDDS has the option, but no obligation, to use the agreed financing during 18 months.

## Auxiliary information

### LIDDS share

LIDDS share is listed on Nasdaq First North Growth Market in Stockholm since 2014 with ticker LIDDS and ISIN code SE0001958612. The number of shares as of 31 March 2021 was 33,989,791 (29,675,316). The average number of shares in the first quarter 2022 was 33,989,791 (29,675,316).

Shareholders	Number of shares	Share of capital and votes (%)
Avanza Pension, Stockholm	2 969 736	8,7
Daniel Lifveredson, incl shares owned through companies	2 640 929	7,8
Wikow Invest AB	2 365 693	7,0
Swedbank Försäkring	2 218 068	6,5
Bengt Sporre	1 126 880	3,3
Nordnet Pensionsförsäkring AB	1 058 067	3,1
Gunvald Berger	755 155	2,2
Ulf Richard Kilander	700 324	2,1
BWG Invest	631 000	1,9
SEB Life International	529 027	1,6
Other	18 994 912	55,9
<b>Total</b>	<b>33 989 791</b>	<b>100,0</b>

LIDDS resolved in 2021 to set up an incentive program for senior executives. In total, 146,000 out of 250,000 warrants were subscribed for by the CEO and key employees in the company. The remaining warrants were kept by the company to be offered for subscription by key employees in connection with recruitment.

#### *Personnel and organization*

LIDDS has an experienced organization of individuals with high competence within their respective areas of responsibility. In 2021 the company management underwent a change. The CEO started in April 2021 and is employed by the company. The CEO has a performance-based bonus to develop the company's projects and organization as well as reaching operational and financial targets. By the end of March 2022, the number of employees was six. In addition, a close and long-term co-operation has been established with consultants within areas such as intellectual property rights, preclinical and clinical development, technology development, manufacturing, analysis services and IT and finance.

#### *Financial calendar*

Annual General Meeting 2022	1 June 2022
Interim report 1 January – 30 June 2022	25 August 2022
Interim report 1 January – 30 September 2022	24 November 2022

#### *Transactions with related parties*

The company has not had any transactions with related parties in the first quarter 2022.

#### *Significant risks and uncertainties*

Apart from general uncertainties related to research and development activities, including delayed initiation and execution of clinical studies and financing and capital raises for the business, there are no known tendencies, uncertainties, potential liabilities and obligations, commitments or events that can be expected to have a significant impact on the company's future prospects.

#### *Parent company*

The operations in the parent company correspond the operations in the group and the comments for the group are therefore also applicable for the parent company.

#### *Review by auditor*

This report has not been reviewed by the company's auditor.



*Assurance by the Board of Directors*

The Board of Directors and the CEO affirm that this interim report provides a fair view of the operations, financial position and results for the parent company and the group and describes the significant risks and uncertainties that the company and the companies in the group are exposed to.

Uppsala 24 May 2022

LIDDS AB (publ) Board of Directors

Jan Törnell  
Chairman

David Beijker

Anders Bjartell

IngaLill Forslund Larsson

Maria Forss

Daniel Lifveredson

Nina Herne  
CEO

## Consolidated statement of comprehensive income

KSEK	Note	1 January - 31 March 2022	1 January - 31 March 2021	1 January - 31 December 2021
<b>Operating income</b>				
Net sales	2	558	606	3 554
Other operating income		18	3	0
<b>Total</b>		<b>576</b>	<b>609</b>	<b>3 554</b>
<b>Operating expenses</b>				
External operating expenses		-6 872	-9 505	-30 064
Personnel costs		-3 337	-1 822	-10 296
Depreciation and impairment of fixed assets		-118	-68	-464
<b>Total</b>		<b>-10 328</b>	<b>-11 395</b>	<b>-40 823</b>
<b>Operating result</b>		<b>-9 752</b>	<b>-10 786</b>	<b>-37 269</b>
Financial income		0	0	0
Financial expenses		0	0	0
<b>Total</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Result after financial items</b>		<b>-9 752</b>	<b>-10 786</b>	<b>-37 270</b>
<b>Result before tax</b>		<b>-9 752</b>	<b>-10 786</b>	<b>-37 270</b>
<b>Result for the period</b>		<b>-9 752</b>	<b>-10 786</b>	<b>-37 270</b>

In the group there are no items that are accounted for in other comprehensive income and total comprehensive income and therefore correspond to the result for the period. Result for the period and total comprehensive income are in their entirety attributable to the parent company shareholders.

Earnings per share based on earnings attributable to Parent company shareholders for the year (SEK per share)	Note	1 January - 31 March 2022	1 January - 31 March 2021	1 January - 31 December 2021
Earnings per share before/ after dilution, SEK	3	-0,29	-0,36	-1,16

## Consolidated balance sheet

KSEK	Note	31 March 2022	31 March 2021	31 December 2021
<b>ASSETS</b>				
<b>Fixed assets</b>				
Intangible assets	4			
Capitalized development expenditure		14 900	14 234	14 574
Patents		1 722	1 523	1 677
<b>Total</b>		<b>16 623</b>	<b>15 757</b>	<b>16 250</b>
<b>Tangible assets</b>				
Property, plan and equipment		1 265	882	1 314
<b>Total</b>		<b>1 265</b>	<b>882</b>	<b>1 314</b>
<b>Total non-current assets</b>		<b>17 887</b>	<b>16 639</b>	<b>17 564</b>
<b>Current assets</b>				
<b>Current receivables</b>				
Trade receivables		680	0	2 053
Receivables at suppliers		7	0	400
Other current receivables		777	1 218	915
Prepaid expenses and accrued income		1 224	1 135	643
<b>Total</b>		<b>2 688</b>	<b>2 353</b>	<b>4 011</b>
Cash and cash equivalents		27 453	23 311	34 003
<b>Total current assets</b>		<b>30 141</b>	<b>25 665</b>	<b>38 014</b>
<b>TOTAL ASSETS</b>		<b>48 028</b>	<b>42 304</b>	<b>55 579</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital		1 801	1 573	1 801
Additional paid-in capital		325 801	283 056	325 801
Retained earnings (including loss for the period)		-288 842	-252 607	-279 090
<b>Total equity attributable to Parent Company shareholders</b>		<b>38 760</b>	<b>32 022</b>	<b>48 512</b>
<b>Current liabilities</b>				
Advance payments from customers		0	1 199	0
Trade payables		3 169	3 748	2 211
Other current liabilities		441	374	341
Accrued expenses and deferred income		5 659	4 960	4 515
<b>Total</b>		<b>9 268</b>	<b>10 282</b>	<b>7 066</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>48 028</b>	<b>42 304</b>	<b>55 579</b>

## Consolidated statement of changes in equity

KSEK	Attributable to the Parent Company shareholders			Total equity
	Share capital	Other contributed capital	Retained earnings, incl compr income for the period	
Opening balance 1 January, 2022	1 801	325 801	-279 090	48 512
Comprehensive income for the period			-9 752	-9 752
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>0</b>	<b>-9 752</b>	<b>-9 752</b>
<b>Transactions with shareholders</b>				
Total transactions with shareholders	0	0	0	0
<b>Closing balance 31 march, 2022</b>	<b>1 801</b>	<b>325 801</b>	<b>-288 842</b>	<b>38 760</b>

KSEK	Attributable to the Parent Company shareholders			Total equity
	Share capital	Other contributed capital	Retained earnings, incl compr income for the period	
Opening balance 1 January, 2021	1 573	283 056	-241 820	42 808
Comprehensive income for the period			-10 786	-10 786
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>0</b>	<b>-10 786</b>	<b>-10 786</b>
<b>Transactions with shareholders</b>				
Share issue	0	0	0	0
Issuance costs	0	0	0	0
<b>Total transactions with shareholders</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Closing balance 31 march, 2021</b>	<b>1 573</b>	<b>283 056</b>	<b>-252 607</b>	<b>32 022</b>

## Consolidated statement of cash flow

KSEK	1 January - 31 March 2022	1 January - 31 March 2021	1 January - 31 December 2021
<b>Operating activities</b>			
Operating profit/loss before financial items	-9 752	-10 786	-37 269
Interest received	0	0	0
Interest paid	0	0	0
<i>Adjustments for non-cash items</i>			
Depreciation and Impairment of intangible and tangible assets	118	68	464
<b>Cash flow from operating activities before changes in working capital</b>	<b>-9 634</b>	<b>-10 718</b>	<b>-36 806</b>
<b>Cash flow from changes in working capital</b>			
Change in operating receivables	1 323	152	-1 506
Change in operating liabilities	2 202	-1 115	-4 330
<b>Cash flow from operating activities</b>	<b>-6 109</b>	<b>-11 681</b>	<b>-42 641</b>
<b>Investing activities</b>			
Acquisition of intangible assets	-407	-972	-1 666
Acquisition of tangible assets	-34	-109	-736
<b>Cash flow from investing activities</b>	<b>-441</b>	<b>-1 080</b>	<b>-2 401</b>
<b>Financing activities</b>			
Share issue	0	0	45 000
Issuance costs	0	0	-2 196
Subscription warrants	0	0	169
<b>Cash flow from financing activities</b>	<b>0</b>	<b>0</b>	<b>42 973</b>
<b>Net cash flow for the period</b>	<b>-6 550</b>	<b>-12 761</b>	<b>-2 069</b>
Cash and cash equivalents at the beginning of the period	34 003	36 073	36 073
<b>Cash and cash equivalents at the end of the period</b>	<b>27 453</b>	<b>23 311</b>	<b>34 003</b>

## Income statement Parent company

KSEK	Note	1 January - 31 March 2022	1 January - 31 March 2021	1 January - 31 December 2021
<b>Operating income</b>				
Net sales	2	558	606	3 554
Other operating income		18	3	0
<b>Total</b>		<b>576</b>	<b>609</b>	<b>3 554</b>
<b>Operating expenses</b>				
Other operating expenses		-6 870	-9 504	-30 043
Personnel costs		-3 337	-1 822	-10 296
Depreciation and impairment of fixed assets		-118	-68	-464
<b>Total</b>		<b>-10 326</b>	<b>-11 394</b>	<b>-40 802</b>
<b>Operating result</b>		<b>-9 750</b>	<b>-10 785</b>	<b>-37 248</b>
Write-down shares in subsidiary		0	0	-21
Financial income		0	0	0
Financial expenses		0	0	0
<b>Net financial items</b>		<b>0</b>	<b>0</b>	<b>-21</b>
<b>Result after financial items</b>		<b>-9 751</b>	<b>-10 785</b>	<b>-37 270</b>
<b>Result before tax</b>		<b>-9 751</b>	<b>-10 785</b>	<b>-37 270</b>
<b>Result for the period</b>		<b>-9 751</b>	<b>-10 785</b>	<b>-37 270</b>

In the parent company there are no items accounted for in other comprehensive income and total comprehensive income correspond to the result for the period

## Balance sheet Parent company

KSEK	Not	31 March 2022	31 March 2021	31 december 2021
<b>ASSETS</b>				
<b>Fixed assets</b>				
Intangible assets				
Capitalized development expenditure		14 900	14 234	14 574
Patents		1 722	1 523	1 677
<b>Total</b>		<b>16 623</b>	<b>15 757</b>	<b>16 250</b>
Tangible assets				
Property, plan and equipment		1 265	882	1 314
<b>Total</b>		<b>1 265</b>	<b>882</b>	<b>1 314</b>
Financial assets				
Interests in group companies		50	50	50
<b>Total</b>		<b>50</b>	<b>50</b>	<b>50</b>
<b>Total fixed assets</b>		<b>17 937</b>	<b>16 689</b>	<b>17 614</b>
<b>Current assets</b>				
<b>Current receivables</b>				
Trade receivables		680	0	2 053
Receivables at suppliers		7	0	400
Other current receivables		777	1 218	915
Prepaid expenses and accrued income		1 224	1 135	643
<b>Total</b>		<b>2 688</b>	<b>2 353</b>	<b>4 011</b>
Cash and cash equivalents		27 419	23 276	33 968
<b>Total current assets</b>		<b>30 106</b>	<b>25 629</b>	<b>37 979</b>
<b>TOTAL ASSETS</b>		<b>48 044</b>	<b>42 318</b>	<b>55 593</b>

## Balance sheet Parent company

KSEK	Not	31 March 2022	31 March 2021	31 december 2021
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
<b>Restricted equity</b>				
Share capital		1 801	1 573	1 801
Statutory reserve		15 223	15 223	15 223
Fund for development expenditure		14 900	14 234	14 574
<b>Total</b>		<b>31 925</b>	<b>31 030</b>	<b>31 599</b>
<b>Unrestricted equity</b>				
Share premium reserve		294 677	252 599	295 004
Retained earnings (including result for the period)		-287 842	-251 606	-278 091
<b>Total</b>		<b>6 836</b>	<b>992</b>	<b>16 913</b>
<b>Total equity</b>		<b>38 760</b>	<b>32 022</b>	<b>48 511</b>
<b>Current liabilities</b>				
Förskott från kunder		0	1 199	0
Trade payables		3 169	3 748	2 211
Other liabilities		461	393	371
Accrued expenses		5 654	4 956	4 500
<b>Total</b>		<b>9 283</b>	<b>10 296</b>	<b>7 082</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>48 044</b>	<b>42 318</b>	<b>55 593</b>



## Notes to the group and parent company accounts

### Note 1 Accounting principles

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. For the parent company, the interim report has been prepared in accordance with the Annual Accounts Act. All amounts in this report are in thousands of Swedish kronor (KSEK), unless stated otherwise.

The same accounting principles are applied in this interim report as in the annual report 2021 with the addition below. The interim report should be read together with these. Changed and new standards and interpretations from IASB and IFRS Interpretations Committee that have come into force and are applicable for the financial year 2021 have not had an impact on the group's financial reporting. Nor has changes in RFR2 that have come into force and are applicable from 1 January 2021 had any significant effect on the parent company's financial reports.

### Net sales

For LIDDS customer agreement at fixed price the income is based on how large share of the total agreed services to be provided has been delivered. The share of the service that has been delivered is calculated based on actual costs compared to total expected costs to perform the assignment. Estimates for income, costs or the degree of completion of the project is revised if circumstances are changed. An increase or decrease in estimated income or costs that are dependent on a changed assessment, is accounted for in the period the circumstances were known to management. In a fixed price agreement, the transaction price is paid at agreed points in time. If the services delivered exceeds the payment an asset is accounted for as contractual asset and if payments exceed the delivered services a liability is accounted for as contractual liability. Contractual liabilities are accounted for under Advance payments from customers in the balance sheet.

### Not 2 Net sales

Group and Parent company, KSEK	1 January - 31 March 2022	1 January - 31 March 2021	1 January - 31 December 2021
<b>Income from external customers</b>			
Research and development services	576	606	3 554
Licensintäkter	0	0	
<b>Total</b>	<b>576</b>	<b>606</b>	<b>3 554</b>

### Not 3 Earnings per share

Earnings per share is calculated by dividing the result for the period with a weighted average number of outstanding shares during the period. LIDDS has, and has had outstanding warrants, which could cause dilution. Earnings per share has not been recalculated taking dilution from outstanding warrants into account since the result has been negative and a recalculation would mean an improved earnings per share.

Group and Parent company, KSEK	1 January - 31 March 2022	1 January - 31 March 2021	1 January - 31 December 2021
Result attributable to Parent Company shareholders, KSEK	-9 752	-10 786	-37 270
<b>Total</b>	<b>-9 752</b>	<b>-10 786</b>	<b>-37 270</b>
<b>Weighted average number of shares outstanding, thousands</b>	<b>33 990</b>	<b>29 675</b>	<b>32 012</b>
<b>Group Earnings per share, SEK</b>	<b>-0,29</b>	<b>-0,36</b>	<b>-1,16</b>

## Not 4 Intangible assets

KSEK	Patents	Other intangible assets	Total
<b>Financial year 2021</b>			
January 1, 2021 opening balance assets	1 381	13 283	14 664
This year's acquisitions	165	807	972
Depreciation for the year	-23	145	122
Write-downs for the year	0	0	0
<b>Closing carrying amount March 31, 2021</b>	<b>1 523</b>	<b>14 234</b>	<b>15 757</b>
<b>Financial year 2022</b>			
January 1, 2022 opening balance assets	1 677	14 574	16 250
This year's acquisitions	81	326	407
Divestments and scraps	0	0	0
Depreciation for the year	-35	0	-35
Write-downs for the year	0	0	0
<b>Closing carrying amount March 31, 2022</b>	<b>1 722</b>	<b>14 900</b>	<b>16 623</b>

## For further information, please contact

Nina Herne, CEO  
Phone: +46 (0)70 714 74 57,  
E-mail: [nina.herne@liddspharma.com](mailto:nina.herne@liddspharma.com)

Jenni Björnulfson, CFO  
Phone: +46 (0)708 55 38 05  
E-mail: [jenni.bjornulfson@liddspharma.com](mailto:jenni.bjornulfson@liddspharma.com)

LIDDS AB (publ)  
Virdings allé 32B  
754 50 UPPSALA

[www.liddspharma.com](http://www.liddspharma.com)

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