

FULL YEAR REPORT

OCTOBER 1 - DECEMBER 31, 2021.

October-December 2021.

- Net sales amounted to 35.9 MSEK (35.6).
- EBITDA equalled 4.4 MSEK (2.7).
- Operating profit (EBIT) is 1.3 MSEK (0.1)
- Profit after tax amounted to 1.1 MSEK (-0.1)
- Earnings per share amounted to SEK 0.11 (-0.01) per share

Events during the period.

- Martin Lidgard appointed to the Board of Directors
- Simon Jegou joined as new Chief Strategy Officer

January-December 2021.

- Net sales amounted to 132.2 MSEK (142.3) adjusted for revenue recognition change in 2021 net sales amounted to 139.3 (142.3)
- EBITDA equalled 16.9 MSEK (16.2).
- Operating profit (EBIT) is 5.3 MSEK (4.5)
- Profit after tax amounted to 4.4 MSEK (1.8)
- Earnings per share amounted to SEK 0.4 (0.2) per share

Events after the period.

- Ethical approval granted for the post market clinical study for SmartPan®.

Consolidated Group Financial Summary	2021 Oct-Dec.	2020 Oct-Dec.	2021 Jan-Dec.	2020 Jan-Dec.
Net sales, TSEK	35 992	35 614	132 197	142 337
EBITDA, TSEK	4 368	2 689	16 861	16 193
EBITDA margin, %	12%	8%	13%	11%
Operating profit, TSEK	1 284	12	5 285	4 526
Net profit/loss for the period, TSEK	1 165	-138	4 439	1 819
Earnings per share, SEK	0,11	-0,01	0,41	0,24
Operating cash flow, TSEK	7 557	-2 276	23 691	-5 545
Operating cash flow per share, SEK	0.70	-0.23	2.19	-0,54
Equity ratio, %	60%	59%	60%	59%
Equity at period end, TSEK	139 398	116 121	139 398	116 121
Return on Equity	1.07%	-0.26%	4.02%	2,10%
Return on Asset	0.75%	0.01%	2.89%	2,64%
Net debt, TSEK	-26 380	-33 902	-26 380	-33 902

CEO COMMENT.

The Magle group is driven by one purpose: bringing innovations from idea to product. With solutions concentrated in three essential and integrated business areas - Contract Development Services, Contract Manufacturing Services, and Direct DSM Product Sales.

Over the past year, we built momentum through solid execution, and the outcome is visible in our performance and progress. We have maintained revenue and increased returns while strengthening our impact and strategic position.

We also took a series of actions to create recurring and long-term value for shareholders. For example, we have increased our investment in DSM R&D and closed the PharmaCept acquisition, which has strong potential to create value over the long term through direct sales of our DSM products.

Our Value Creation 2024 strategy is our guide for delivering value for all stakeholders. We have programs to catalyse each element of our strategy, from our organic DSM innovation pipeline, to how we work with our customers and deliver efficiencies and margin expansion.

We activated our Value Creation 2024 programs to drive more substantial margins across our Contract Development Services, Contract Manufacturing Services, as well as strategic pricing actions across our DSM portfolio. Since launching Value Creation 2024, we have

strengthened our long-term targeted growth profile through a series of bold decisions and activities, such as expanding our sales force numbers in Europe, geographic expansion of DSM product registrations and moving innovations to the market through PharmaCept.

Our focus is on higher-growth segments that positively impact our performance as we move ahead.

R&D isn't the only lever we can pull to move into higher-growth markets. We're also driving our Contract Development Services, Contract Manufacturing Services to a new level with more profound relationships with our customers, stronger partnerships, expanded service offering footprints that we can continue to build upon in the years ahead.

Contract Development Services – in 2021, we saw a strong performance in this business area with good demand for development services. This category is growing fast as a durable core of our contract development services model.

We're leveraging our scientific expertise and investments in the core laboratory and development instruments to develop more connected and efficient customer solutions. This platform provides a good base from which to increase profitable returns.

Contract Manufacturing Services – in 2021 has had several challenges as the

world has suffered from supply chain disruptions, and critical raw materials have been in short supply and subject to price spikes.

However, Contract Manufacturing is moving increasingly to a more stable position, and downstream supply difficulties are becoming less prominent.

Direct DSM Product Sales – Since the PharmaCept acquisition, we have made progress shifting our DSM portfolio mix into higher-return products by realising the full transfer pricing on the products.

We are reallocating our marketing spend and increasing our sales representative numbers in Germany to drive sales numbers.

We are working tirelessly to ensure product launching and clinical studies are on schedule and delivering as planned.

I am proud of the many contributions in 2021 despite the ongoing challenges surrounding COVID-19. Despite this, we remain on track strategically, and the focus on profitability and return for 2021 has met our expectations.

Moving into 2022, our focus will be on the Direct DSM Product Sales growth and accelerating our DSM pipeline to increase our product portfolio and continue to diversify our revenue streams throughout the operations.

I expect the focus on the pipeline and the registration of new DSM products to be capital intensive in 2022, with a direct line of sight to future value and growth.

Justin Pierce
CEO



"I am proud of our many contributions that we have made in 2021, we remain on track strategically and the focus on profitability and return for 2021 has met our expectations and demonstrates the underlying stability of the business."

ABOUT US.

Magle Group is a growth-stage healthcare group that brings innovative medical products to market through its own sales channels based on proprietary and proven medical technology. In addition to the earnings generated by selling its product portfolio, the Magle Group also sells contract manufacturing and contract development services through its contract development and manufacturing organisation (CDMO).

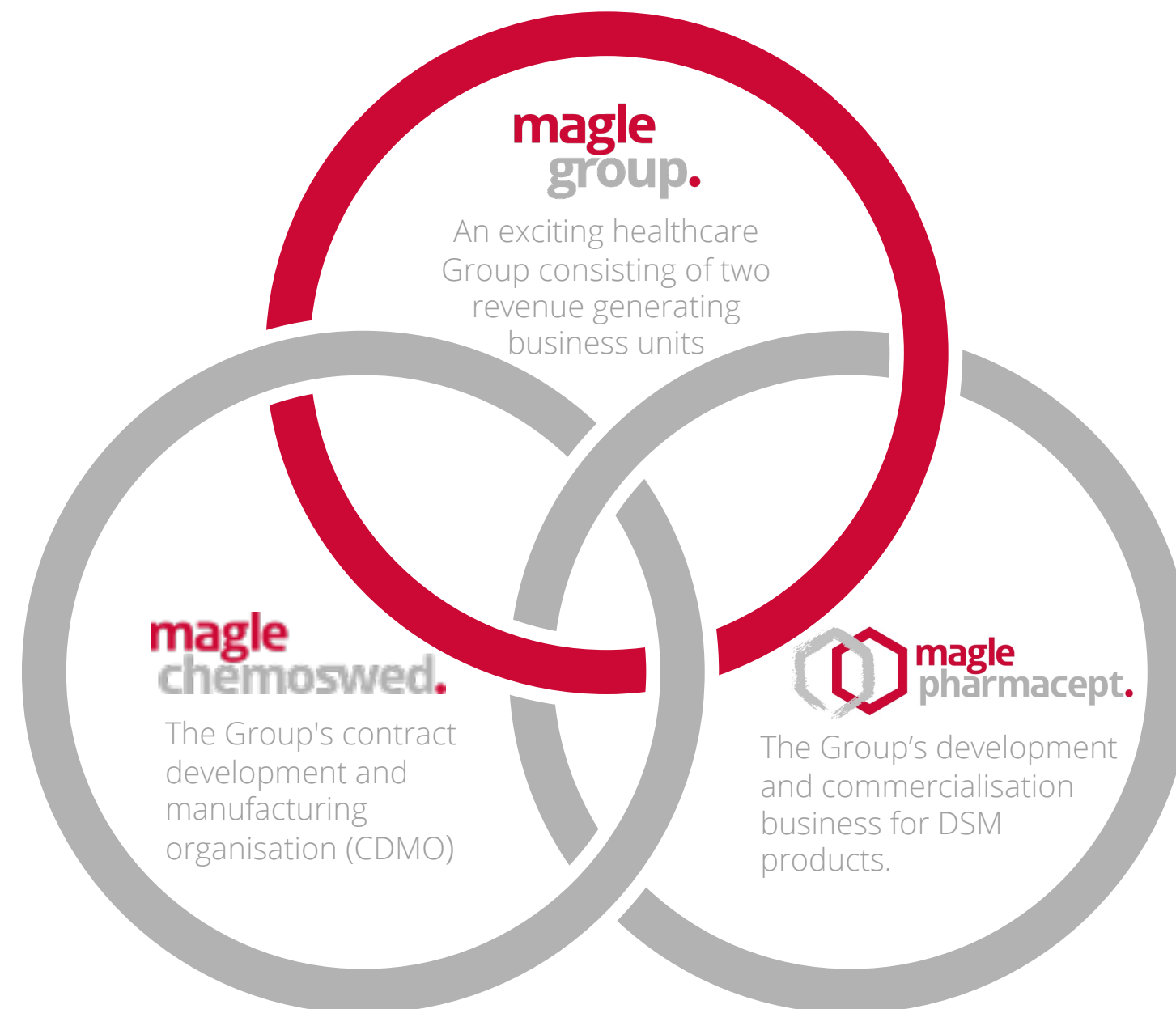
Magle Chemoswed Holding AB, the Magle Group parent company, is a Swedish company listed on Nasdaq First North Premier since June 2020. The Magle Group aims to establish itself as a leader in high-quality life-changing healthcare innovations to meet medical needs through scientific excellence.

The Group's proprietary and proven medical technology of degradable starch microspheres (DSM) serves as the base for developing new products. The Magle 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 added as a first step to develop a sales and marketing company in Europe for DSM products. Today, the Group includes two operational business units. Magle Chemoswed and Magle PharmaCept. Magle PharmaCept is 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 identified unmet medical needs.

Magle Chemoswed - based in Malmö, is the Group's contract development and manufacturing organisation (CDMO), contributing stable revenues and profitable returns. As an established healthcare Group, we have broad and risk-balanced exposure to several high-growth areas with a diversified revenue portfolio through DSM commercialisation and the sale of CDMO services and generic drug substances owned by the Group.

Across the two business areas, the Group aims at being a highly diversified company with high stakeholder return. The Group has constant sales generated by the CDMO services and generic drug substance portfolio, generating less volatile cash flow and lower revenue risks. In addition, the established DSM products generate substantial revenue streams with new product candidates in the pipeline in high revenue segments developing great potential for future growth.



BUSINESS MODEL AND GROWTH STRATEGY.

We are in a unique market position with a diverse existing revenue base. Due to our unique business model, we have stable revenues generated by Magle Chemoswed through a small portfolio of active drug substances and the sale of contract services and contract manufacturing. In addition, our DSM revenues are generated through a long-term royalty agreement and direct sales from Magle PharmaCept.

The Magle Group's growth focuses on generating profitable revenue through our product portfolio and sales organisation. We will continuously assess potential acquisition targets to expand our product range or our sales footprint. In parallel, we will continue to drive returns from our CDMO business area by working with low risk and long-term partners and projects. We will use our returns to drive our pipeline and new products whilst strengthening our future growth opportunity capabilities. We have a clear strategy for developing our business areas. Between 2021-2024, we are driving a value creation program ("Value Creation 2024") consisting of five priority initiatives.

1. Establishing a Direct Sales Force

The critical factor that allows us to generate value is extending DSM products' offering to include a direct marketing and sales function to the medical community. Direct market access provides a competitive advantage to meet increasing market expectations in quality and product support through direct sales contact and inputs. In addition, it offers the opportunity to secure a more significant share of the value chain and increased revenues from a direct sales force.

2. Increasing CDMO Returns

Supporting customers in developing new products allows us to generate sustainable organic growth and secure manufacturing services across the development and commercial supply chain. We strive to ensure that CDMO service offerings are streamlined continuously and developed in line with industry needs. We

are constantly evaluating and assessing the feasibility of expanding CDMO services to advanced therapy medicinal products to create value for customers and stakeholders and ensure the return on services supports business growth.

3. Accelerated Research and Development Pipeline

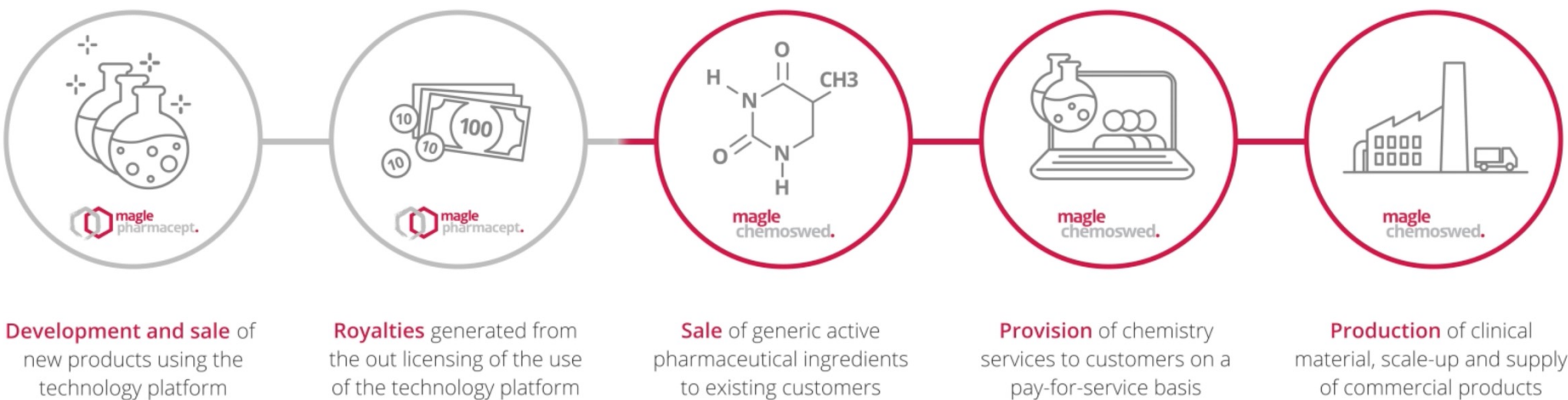
Our focus is on our research and development capabilities, under which we are working to actively expand and accelerate the development of the DSM to increase the portfolio of products. Our development focus areas all have an unmet medical need and strong market potential. Our priority development market segments are (i) advanced wound care and (ii) particle embolisation. By accelerating development, the Company can lead new products to market quickly and leverage the direct sales force to get new products to market under the best conditions and best results for patients.

4. Being an Exceptional Employer

Reaching the aspirational standards and levels that the Group aims for can only be done with excellent, motivated, and eager people. Therefore, we continue to work hard to attract, develop, and retain top talent. We actively promote personal development in a flat organisation guided by agile principles and encourage and support education and knowledge advancement.

5. Operational Efficiency

We are not driven by increasing just headcount or revenue. Instead, we focus on objective indicators of enhanced operational efficiency and sustainable profit generation. We strive to operate in a lean and agile manner that reduces waste and optimises returns from generated revenues.



DSM MEDICAL TECHNOLOGY.

Our development program focuses on further developing our proprietary medical technology and expanding into application areas with pressing medical needs. Our technology base is a unique degradable starch microsphere (DSM) polymer technology with unique properties suitable for use in various formulations.

DSM uses starch as its starting material. Starch is well documented and known and presents 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 in the human body.

Our products, such as SmartPAN®, SmartGel® and EmboCept® S use the DSM platform. Our 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.

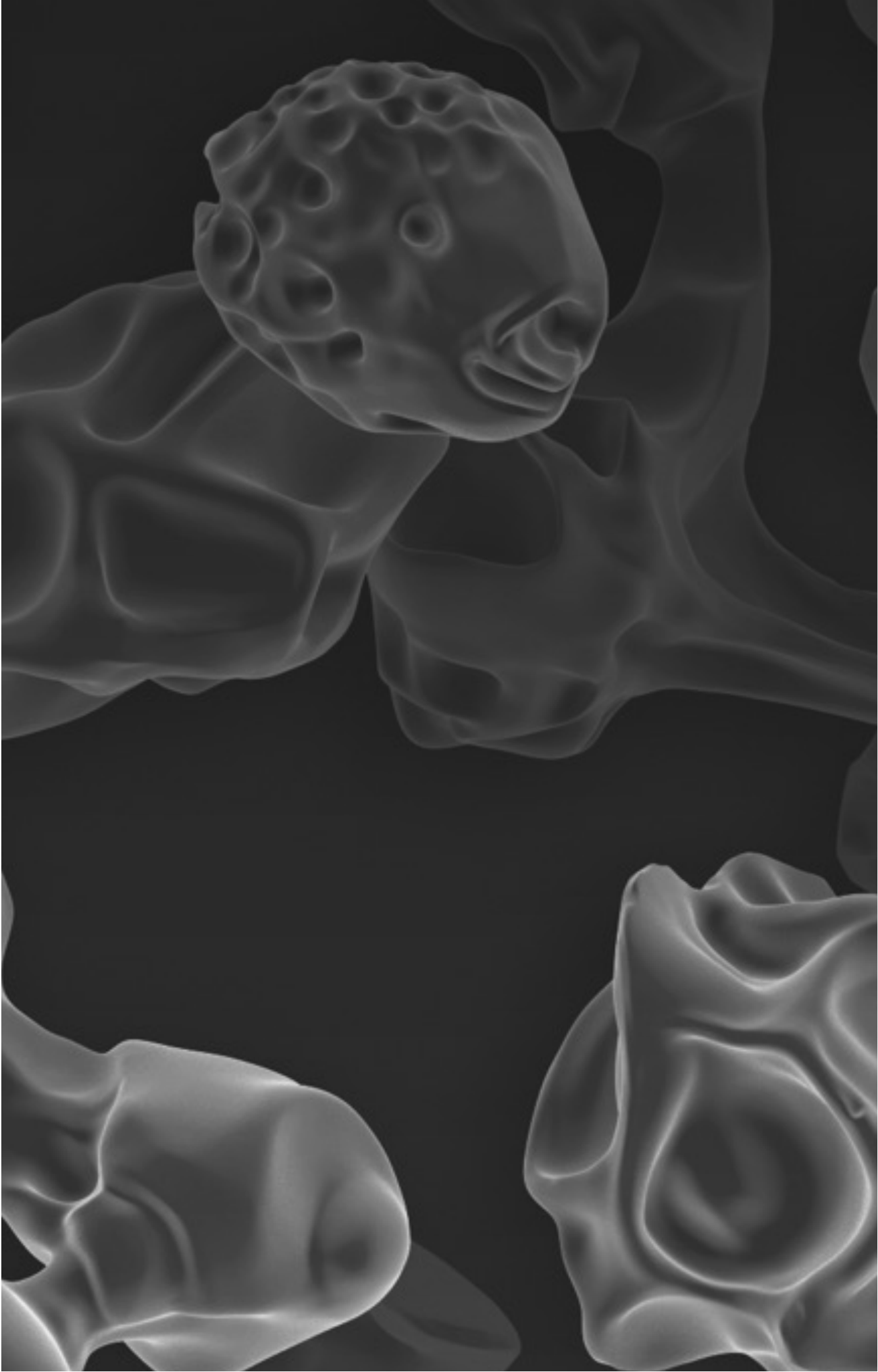
Several different combinations with DSM have been investigated to add unique properties to our products. As a result, we have established that the DSM is compatible with a spectrum of active substances and biologic material such as viral vectors and cell and protein therapies and has an established efficacy and safety profile in several therapeutic applications in combination with drug therapies. The flexibility of DSM is proven in practice through established products. In addition, our extensive pre-clinical data library, especially in the wound healing, enzymatic detection, and arterial embolisation areas, demonstrates the positive impact of DSM as a unique technology that delivers high-quality positive impact in these areas.

We have a history of successful development using our DSM, leading to marketed products

and successful out-licence agreements. Medical applications of DSM necessitate controlled particle size and generally narrow size distributions because the localisation and distribution of the DSM in the body depend on these parameters. Therefore, there is optimum particle size and distribution for each route of administration.

Because of the crucial importance of these parameters for medical applications, our development focuses on controlling the mean size and size distribution during the preparation process. In this respect, formulation and processing parameters allow us to manufacture the DSM and convert it to different formulations depending on the medical need and user requirements. We have four strategic DSM development areas.

To further strengthen our DSM platform, we plan to expedite investment in generating clinical evidence as a strategic focus for the future to build further scientific evidence that supports our market experience and pre-clinical data packages.



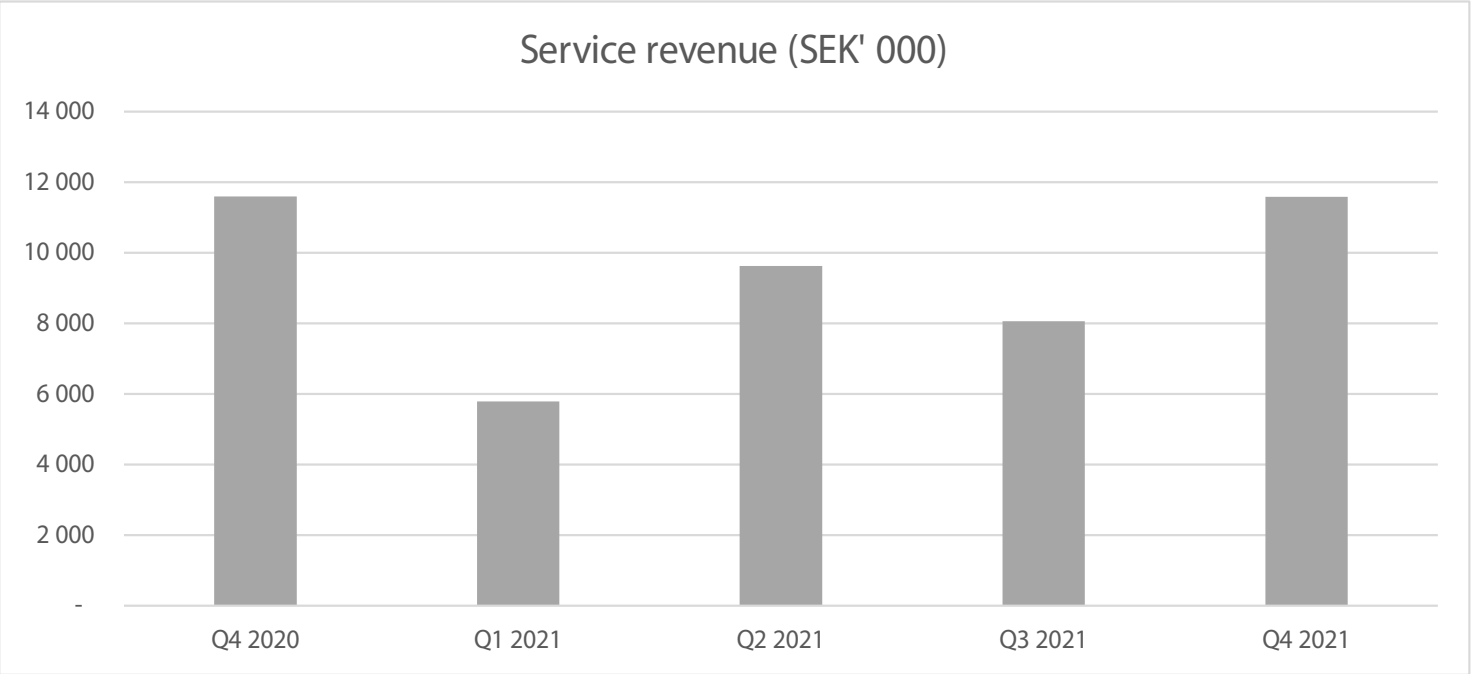
DEVELOPMENT SERVICES.

We have a highly experienced and flexible team dedicated to our service offerings. We provide a full range of services covering the development chain for pharmaceuticals and medical devices. With over 70 years of combined experience, we have a rich history of successfully providing development services that support products coming to market.

Our development teams play an essential role in helping deliver solutions to customers' projects to expedite their projects and provide chemistry support and explanations for authorities. Demand in the development service area is in line with expectations for 2021.

We saw continued growth in need from our pay for service customers across our service offerings in the last quarter. As a result, revenues were 11.6 MSEK (11.6). Sales for the year are 35.1 MSEK (26.7), an increase in sales of 27%. Adjusted for currencies increased 34% over the year.

We have added personnel to the chemistry teams to support future growth in the pay for service and provide expanded development support for our DSM products' continued development focus. This expansion is a strategic part of our development service package that we actively invest in to support future revenues.



MANUFACTURING.

Magle Chemoswed operates a contract manufacturing service to support the supply of drug substances and medical devices for customers on a contract manufacturing basis. In parallel, manufacturing services also provide generic drug substances supplied to an international client base.

In the fourth quarter, manufacturing remained constant to forecast, with associated costs in the contract manufacturing business area in the range of expectations. Fourth-quarter manufacturing revenues were well balanced across the portfolio, including clinical material and medical device supply. Combined revenues for the period were 16.4 MSEK (21.1).

The product sales and contract manufacturing services cost 7.9 MSEK (7.9) for the quarter.

Sales for the whole year are 66.8 MSEK (79.9), a decrease in sales of 16%. Adjusted for currencies revenues decreased 12%. Year-to-date, the cost of goods and contract manufacturing services fell to 21.3 MSEK (30.4). Part of the revenue reduction is related to a new revenue recognition system related to pass-through customer costs recognised as other revenues.

Our strategic investment program to increase niche offerings in manufacturing operations is in the final stages of approval to expand our manufacturing capabilities in an aseptic cleanroom facility. The expectation is that aseptic services will be available in the first half of 2022.



DSM PRODUCTS.

Magle Chemoswed aims to establish itself as a leading company in high-quality life-changing healthcare innovations to meet medical needs through scientific excellence. We will expand our proprietary DSM platform to improve patients' quality of life and treatment outcomes through innovation and meeting medical needs. Our winning aspiration is driven by generating clinically reliable data to build value in DSM and move quickly to market.

Magle PharmaCept has added a marketing and sales capability to the Magle Group following the PharmaCept acquisition. In the last quarter, 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®.

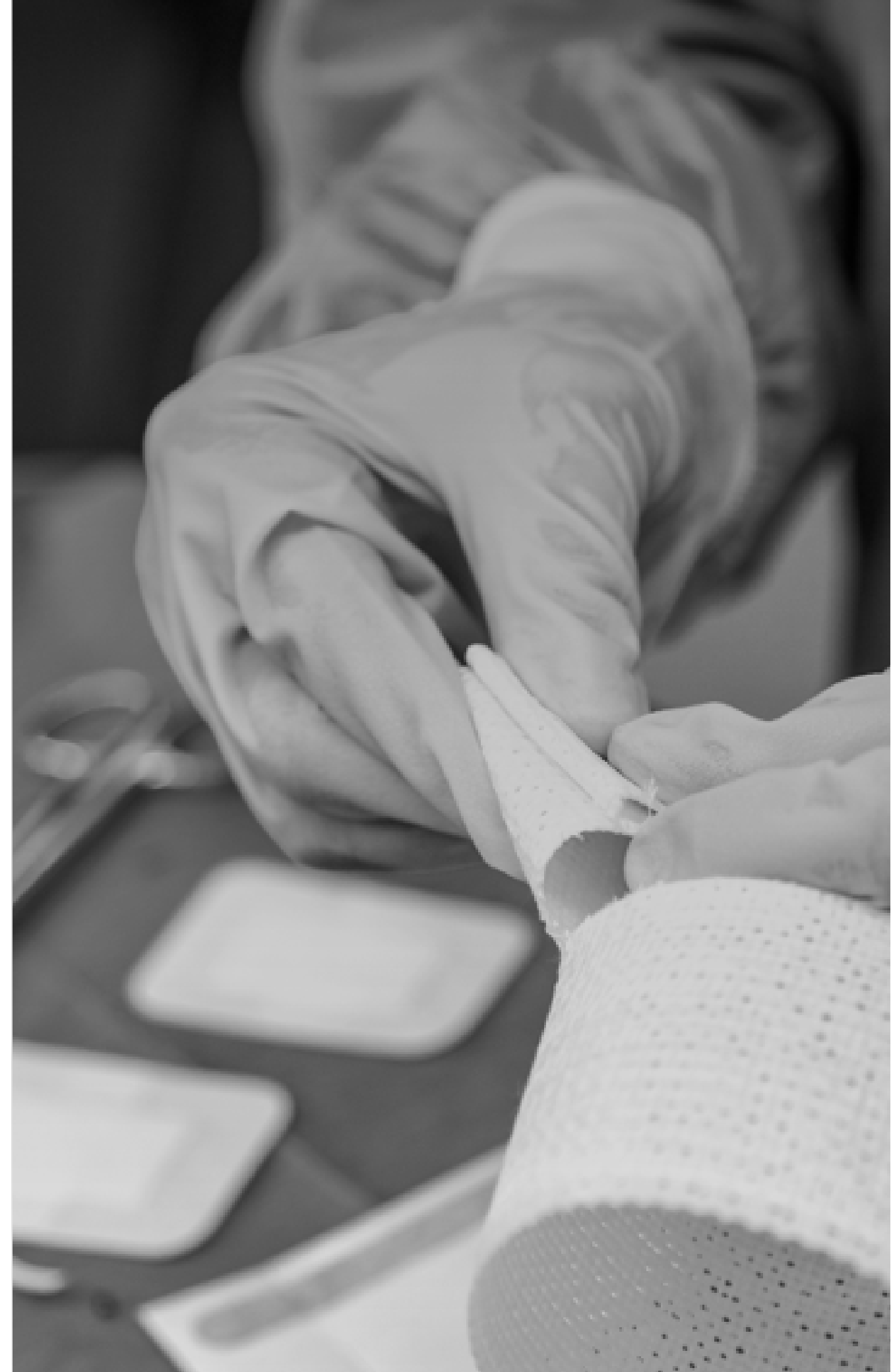
Sales in Magle PharmaCept align with expectations since their acquisition at 10.6 MSEK. In addition, the sales and launch programs for SmartGel® and SmartPan® moved to the Magle PharmaCept organisation. SmartGel®, also marketed as AXXO Woundgel, is a non-allergenic hydrogel based on our unique microsphere DSM. We have received the first forecast for AXXO Woundgel and have confirmed the manufacturing of the pre-launch product samples. In addition, registrations in Latin America are underway, and we are supporting AXXO in these activities.

SmartGel® is on track to introduce the European market in the latter part of 2022. SmartPAN® a first-in-class medical device, remains on track with ethical approval granted in Germany for a post-market clinical follow-up study expected to commence in the

first half of 2022, around three months earlier than previously planned.

International expansion plans for EmboCept® S remain on track with registrations ongoing in Vietnam, Latin America, South Korea and China.

DSM royalties generated from the long term royalty agreement with Becton Dickinson were negatively affected by the COVID-19 pandemic and therefore fell sharply in the quarter compared to previous years. In the quarter, royalties amounted to 2.5 MSEK (6.1). For the full year, the royalties amounted to 16.7MSEK (31.0).



DSM DEVELOPMENT.

The company's products and pipeline are based on a unique degradable starch microsphere (DSM) polymer technology. The DSM is suitable for use in a variety of medical formulations and can be used both on and in the body being biodegradable and biocompatible. The company's pipeline represents a mix of in-house and partnered programs from early to late-stage development. In line with our strategy our pipeline candidates are selected where we believe there is a high potential for a positive medical impact for patients through our innovation.

Research and development investments in the quarter amounted to 1,2 MSEK (0,5). The investment for 2021 is 3,7 MSEK (2,98). Investments in research and development of the DSM platform is treated as a direct expense, and capitalisation is applied to late-stage development where required by IFRS accounting rules.

MCS2101 - is developed for the treatment of benign prostatic hyperplasia through prostatic artery embolization. The product candidate offers important potential advantages over current marketed products, including easy administration, controlled degradation, biocompatibility and potential for enhanced treatment efficacy in patients. **Status:** this product is moving into a validation and bio-compatibility pre-clinical phase.

MCS2102 - is 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. **Status:** this product is moving into a validation and bio-compatibility pre-clinical phase.

MCS2103 – is an easy to use and effective hydrogel for use in advanced wound care. The product is loaded with active substances that in combination are effective in breaking the biofilm on wound surfaces and at for bacterial biofilm-associated wound infection. **Status:** this product is moving into a development and is currently under patent review.

MCS2104 – the project focuses on the development of a new composition for inducing and facilitating repair and re-generation of tissue for use in dental bone tissue engineering incorporating an mRNA molecule that can be used to accelerate normal physiological repair. **Status:** this product is in early research and a patent application has been filed the product is in early formulation research.

MCS2105 – the project incorporates cisplatin with DSM through a lyophilisation technique to generate a solid cake for dissolution and transarterial chemoembolization in the treatment of unresectable hepatocellular carcinoma. **Status:** this product is in early research and the product is in early formulation analysis.

Candidate	Name	Therapeutic Area	Discovery	Development	Pre-Clinical	Validation	Clinical	Registration
MCS2101	EmboCept M	Embolisation						
MCS2102	EmboCept L	Embolisation						
MCS2103	SmartGel II	Wound Care						
MCS2104	SmartBone	Bone Tissue						

*Not all product candidates require clinical studies to be conducted prior to registration

FINANCIAL INFORMATION.

Operating income

Net sales for the fourth quarter amounted to 36.0 MSEK (35.6) and 132.2 MSEK (142.3) for the year. Pass-through income was posted as net sales and included in our services for the previous year. For 2021, this has been booked as other revenues.

Other external expenses

Other external expenses for the fourth quarter amounted to -10.8 MSEK (-9.2) and -43.5 MSEK (-40.8) for the year to date. The increase in operating expenses is mainly attributable to an increased cost of facilities such as electricity, external storage, services, and maintenance. In addition, financial investment activities have brought extra costs during 2021.

Raw material and consumables

Raw materials and consumables amounted to 7.9 MSEK (7.9), which resulted in a gross margin of 87% (80%).

Research and development expenses

Non-capitalised Research and development expenses for the fourth quarter amounted to 1.23 MSEK (0.58). The increased costs reflect the focus on developing the company's DSM platform. As a result, the company has elected not to capitalise on these development costs.

Other operating income, expenses

Other operating income for the fourth quarter amounted to 3.4 MSEK (0.7) and to 12.2 MSEK (3.9) for the year to date. The operating expenses amounted to -0.04 MSEK (-0.00) for the year. In 2021, Magle Chemoswed received a grant of 188 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 fourth quarter amounted to 1.3 MSEK (0.0) and 5.3 MSEK (4.5) for the year. The result from financial items amounted to 0.2MSEK (-0.3) for the fourth quarter and 0.3 MSEK (-2.1) for the year to date. The result after financial items for the fourth quarter amounted to 1.5 MSEK (-0.3) and 5.6 MSEK (2.4) for the year.

Cash flow, investments, and financial position

Cash flow from investing activities for the fourth quarter amounted to -5.4 MSEK (0.8) and -35.4 MSEK (-15.1) for the year to date. Cash flow from financing activities for the year to date amounted to 9.6 MSEK (23.5). As of December 31, 2021, cash and cash equivalents amounted to 4.0 MSEK (6.1 MSEK as of December 31, 2020).

Equity

As of December 31, 2021, Equity amounted to 139.4 MSEK (116.1), corresponding to 12.91 (10.75) per share. At the end of the period, the company's equity ratio was 60 percent (59 percent). The company believes that this key ratio provides investors with useful information about the company's capital structure.

Personnel

As of December 31, 2021, the group had 72 employees, of whom 29 were women and 43 men, with 14 PhDs. The company also engages consultants for specialist tasks and assignments frequently.

The share

Magle Chemoswed Holding's shares are listed on Nasdaq Stockholm with the ticker MAGLE and SE0014401014. As of December 31, 2021, the total number of shares amounted to 10,800,000 and the market capitalisation was 322 MSEK. The company's shares are issued in one class and each share carries one vote.

The Magle Chemoswed Holding Group

The group ("Magle Chemoswed Holding Group") consists of the parent company, Magle Chemowed Holding AB (publ) and the subsidiaries Magle Chemoswed AB, Adroit Science AB and PharmaCept GmbH.

COVID-19 statement

COVID-19 has impacted the trading conditions of the group over 2021. COVID-19 impact on generic drug substances remains a consideration to some geographies, including China and Russia, where lower demand persists due to the pandemic. The decline in DSM royalty revenues is a direct result of the effect of the COVID pandemic leading to a reduced number of non-essential surgical procedures in the United States and Europe. The impact on the sales of the EmboCept® S product in Europe is lessened in Q4, 2022 but has had an overall negative impact on revenues



FINANCIAL REPORTS.

Condensed consolidated income statement.

TSEK	2021 Jan-Mar	2020 Jan-Mar	2021 Apr-Jun	2020 Apr-Jun	2021 Jul-Sept.	2020 Jul-Sept.	2021 Oct-Dec.	2020 Oct-Dec.	2021 Jan-Dec.	2020 Jan-Dec
Revenues										
Net sales	30 429	38 793	33 535	34 263	32 240	28 779	35 992	35 614	132 197	142 337
Other revenues	966	2 569	2 941	2 642	4 931	2 799	3 393	766	12 231	3 914
Total	31 396	41 362	36 476	36 905	37 171	31 578	39 386	36 380	144 429	146 252
Change in inventory of finish goods	1 714	-11 474	7	2 592	-275	-943	205	-	-71	-13 676
Raw materials and consumables	-5 626	-2 153	-4 954	-5 800	-4 231	-4 721	-8 132	-7 896	-21 223	-16 719
Other external expenses	-8 943	-8 296	-11 328	-13 320	-12 342	-10 117	-10 840	-9 243	-43 453	-40 801
Personnel costs	-15 003	-16 584	-16 188	-13 683	-15 381	-12 015	-16 206	-16 551	-62 777	-58 859
Depreciation and amortization	-2 754	-2 668	-2 787	-3 645	-2 951	-2 686	-3 084	-2 678	-11 576	-11 667
Other operating expenses	-	-	-	-	-	3	-44	-	-44	-3
Total operating expenses	-30 612	-41 175	-35 251	-33 856	-35 180	-30 484	-38 101	-36 368	-139 144	-141 726
Operating profit/loss	784	187	1 226	3 049	1 991	1 095	1 284	12	5 285	4 526
Profit/loss from financial items										
Financial income	-	443	-	264	229	-	460	-	1 455	706
Financial expenses	496	-92	-257	-137	-350	-1 565	-258	-309	-1 134	-2 798
Profit before tax	1 280	538	968	3 175	1 870	-470	1 487	-298	5 606	2 434
Taxes for the period	-276	-128	-212	-692	-356	88	-323	160	-1 167	-614
Net profit/loss for the period	1 004	410	756	2 483	1 514	-382	1 165	-138	4 439	1 819

Condensed consolidated statement of comprehensive income.

TSEK	2021 Jan-Mar	2020 Jan-Mar	2021 Apr-Jun	2020 Apr-Jun	2021 Jul-Sept.	2020 Jul-Sept.	2021 Oct-Dec.	2020 Oct-Dec.	2021 Jan-Dec.	2020 Jan-Dec
Profit/loss for the period	1 004	410	756	2 483	1 514	-382	1 165	-138	4 439	1 819
Total	1 004	410	756	2 483	1 514	-382	1 165	-138	4 439	1 819

Earnings per share.

	2021 Jan-Mar	2020 Jan-Mar	2021 Apr-Jun	2020 Apr-Jun	2021 Jul-Sept.	2020 Jul-Sept.	2021 Oct-Dec.	2020 Oct-Dec.	2021 Jan-Dec.	2020 Jan-Dec
Equity holders of the parent										
Earnings per share before dilution, share issue	0,10	0,82	0,08	4,97	0,14	-0,04	0,11	-0,01	0,41	3,64
Earnings per share after dilution*, share issue**	0,09	0,75	0,07	0,47	0,14	-0,04	0,11	-0,01	0,41	0,24
Profit/loss for the period	1 004	410	756	2 483	1 514	-382	1 165	-138	4 439	1 819
Average number of shares before dilution, share issue	10 000	500	10 000	500	10 800	10 000	10 800	10 000	10 000	500
Average number of shares after dilution, share issue	10 655	500	10 800	5 246	10 800	10 000	10 800	10 000	10 800	7 671

*A share split was carried out on the 27th of March 2020, **A share issue was carried out on the 4th of January 2021

FINANCIAL REPORTS.

Condensed consolidated balance sheet.

TSEK	2021 Jan-Dec	2020 Jan-Dec
ASSETS		
Intangible assets	71 035	28 966
Tangible assets	103 191	104 029
Deferred tax asset	-	2
Other non-current assets	676	55
Total non-current assets	174 902	133 052
Inventories	19 620	18 348
Trade receivables	24 942	26 271
Other operating receivables	9 851	14 272
Cash and cash equivalents	3 982	6 122
Total current assets	58 395	65 013
TOTAL ASSETS	233 298	198 065
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent	139 398	116 121
Liabilities to credit institutions	25 938	28 938
Leasing debt	3 748	3 302
Deferred tax liability	2 166	2 087
Other longterm liabilities	13 632	-
Total non-current liabilities	45 484	34 326
Liabilities to credit institutions	4 425	11 086
Leasing debt	2 351	1 494
Trade payables	18 752	12 365
Other operating liabilities	22 888	22 672
Total current liabilities	48 416	47 617
TOTAL EQUITY AND LIABILITIES	233 298	198 065

Condensed consolidated statement of changes in equity .

TSEK	Share capital	Other paid in capital	Translation reserves	Retained earnings incl. P/L for year	Total equity
As at 1 January 2020	50	98 927	-	14 682	113 659
Profit/loss as at 31 December 2020	-	-	-	1 819	1 819
Share issue	450	-	-	-450	-
Other comprehensive income as 31 December 2020	-			643	643
Equity as at 31 December 2020	500	98 927	-	16 694	116 121
As at 1 January 2021	500	98 927	-	16 694	116 121
Profit/loss as at 31 December 2021	-	-	-	4 439	4 439
Other comprehensive income as at 31 December 2021: Translation difference	-	-	-312	-	-312
Share issue	40-	-	-	19 110	19 150
Equity as at 31 December 2021	540	98 927	-312	40 243	139 398

FINANCIAL REPORTS.

Condensed consolidated statement of cashflows.

TSEK	2021 Jan-Mar	2020 Jan-Mar	2021 Apr-Jun	2020 Apr-Jun	2021 Jul-Sept.	2020 Jul-Sept.	2021 Oct-Dec.	2020 Oct-Dec.	2021 Jan-Dec.	2020 Jan-Dec.
Operating profit/loss	784	186	1 226	3 049	1 991	1 095	1 284	12	5 285	4 526
Adjustments for depreciation, amortisation and other non-cash items:	-515	2 421	1 164	6 243	937	1 209	2 349	2 529	5 993	9 841
Changes in working capital	3 414	6 029	9 218	-13 824	-2 236	9 491	3 923	-4 817	12 413	-19 910
Net cash flow from operating activities	3 683	8 636	11 608	-4 532	693	11 795	7 557	-2 276	23 691	-5 544
Acquisition of subsidiary company, net of cash acquired	-	-	-16 203	-	-	-	518	-	-15 685	-
Payment of Acquisition of subsidiary company	-1 483	-	-1 478	-	-1 477	-	-1 447	-	-5 916	-5 904
Investments in assets	-1 369	-1 915	-1 078	-4 694	-6 956	-733	-4 411	799	-13 814	-12 400
Net cash flows from investing activities	-2 852	-1 915	-18 608	-4 694	-8 432	-733	-5 370	799	-35 414	-15 082
Debt incurred	-	-	-	28 206	-108	2 648	-991	-8 853	-1 099	26 034
Amortisation of bank loan	-	-7 268	-750	-300	-375	-	1 125	-	0	-1 125
Repayment to Shareholder	-	-	0	-16 000	-	-	0	-	0	0
Amortisation of leasing	-371	-379	-373	-441	-95	-1 165	1 531	1 290	693	-2 100
Change in bank overdraft	-2 568	316	-3 707	-3 269	328	-	-3 214	-	-9 161	0
Shareholders contribution	20 000	-	-	431	-	200	-850	-	19 150	646
Net cash flow from financing activities	17 061	-7 331	-4 829	8 627	-250	1 683	-2 399	-7 563	9 583	23 455
Net cash flow	17 892	-610	-11 829	-301	-7 990	12 704	-213	-9 041	-2 140	2 828
Cash and cash equivalents at beginning of period	6 122	3 294	24 014	2 684	12 185	2 387	4 195	15 092	6 122	3 294
Cash and cash equivalents at end of period	24 014	2 684	12 185	2 383	4 195	15 092	3 982	6 122	3 982	6 122

Parent company income statement.

TSEK	2021 Jan-Mar	2020 Jan-Mar	2021 Apr-Jun	2020 Apr-Jun	2021 Jul-Sept.	2020 Jul-Sept.	2021 Oct-Dec.	2020 Oct-Dec.	2021 Jan-Dec.	2020 Jan-Dec.
Net sales	-	-	-	-	-	-	-	-	-	1 186
Intercompany revenue	1 494	-	1 106	-	624	-	1 700	-	4 923	-
Other revenues	-	74	-	1 100	-	-	-	-	1 173	1 173
Total	1 494	74	1 106	1 100	624	0	1 700	0	4 923	2 359
Other external expenses	-1 814	-153	-1 103	-1 617	-586	-1 661	-52	-493	-3 554	-3 924
Personnel costs	-1	-1 153	-40	-5	-506	-10	-2 413	-35	-2 960	-1 203
Total Costs	-1 815	-1 306	-1 142	-1 622	-1 091	-1 671	-2 465	-528	-6 514	-5 127
Operating profit/loss	-320	-1 232	-37	-522	-468	-1 670	-765	-528	-1 591	-2 768
Net financial items	295	-8	-82	-4	10	5	25	-182	249	-375
Profit loss after financial items	-25	-1 240	-118	-526	-458	-1 666	-740	-710	-1 341	-3 143
Appropriations	-	-	-	-	-	-	2 166	3 033	2 166	3 033
Taxes for the period	5	0	24	0	94	0	-132	-	-8	-
Net profit/loss for the period	-20	-1 240	-94	-526	-363	-1 666	1 294	2 323	817	-110

FINANCIAL REPORTS.

Parent company balance sheet.

TSEK	2021 Jan.-Dec.	2020 Jan.-Dec.
ASSETS		
Non-current assets	80 346	44 647
Other receivables	39 272	45 636
Prepaid expenses	763	33
Cash and cash equivalents	837	-
TOTAL ASSETS	121 218	90 316
EQUITY AND LIABILITIES		
Equity		
Restricted equity	540	500
Unrestricted equity	91 292	71 366
Total equity	91 832	71 866
Non-current liabilities	13 011	-
Current liabilities	16 375	18 451
TOTAL EQUITY AND LIABILITIES	121 218	90 316



FINANCIAL NOTES.

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 for the period 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 Annual report 2020.

note 3

TRANSACTIONS WITH RELATED PARTIES

The financial reports include no related cost to the following transactions between Magle Chemoswed and related parties, since no exists for the period.

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	2021 Jan-Mar	2020 Jan-Mar	2021 Apr-Jun	2020 Apr-Jun	2021 Jul-Sept.	2020 Jul-Sept.	2021 Oct-Dec.	2020 Oct-Dec.	2021 Jan-Dec.	2020 Jan-Dec.
TSEK										
Manufacturing revenue	10 469	16 852	9 829	15 669	6 136	10 630	9 168	12 155	35 582	55 306
Contract Manufacturing rev.	3 891	3 348	10 933	3 430	9 191	8 791	7 233	8 975	31 248	24 544
Contract Service revenues	5 791	4 342	9 628	6 839	8 060	3 947	11 585	11 598	35 064	26 725
DSM License revenues	9 296	13 135	2 471	6 335	2 457	5 411	2 470	6 076	16 694	30 957
DSM	982	1 116	675	1 991	8 583	-	5 536	1 699	15 776	4 805
Intercompany sales*	-	-	-	-	-2 167	-	-	-	-2 167	-
Total	30 429	38 793	33 535	34 263	32 240	28 779	35 992	35 614	132 197	142 337

*part of manufacturing of DSM

By country	2021 Jan-Mar	2020 Jan-Mar	2021 Apr-Jun	2020 Apr-Jun	2021 Jul-Sept.	2020 Jul-Sept.	2021 Oct-Dec.	2020 Oct-Dec.	2021 Jan-Dec.	2020 Jan-Dec.
TSEK										
Sweden	6 463	2 107	1 954	1 105	3 916	2 880	10 984	10 361	39 008	23 960
Europe excluding Sweden	16 061	12 323	12 468	13 111	12 240	8 943	11 343	7 877	14 473	37 717
Other territories	7 905	24 363	19 113	20 047	16 084	16 956	13 666	17 376	80 883	80 660
Intercompany sales	-	-	-	-	2 167	-	-	-	-2 167	-
Total	30 429	38 793	33 535	34 263	32 240	28 779	35 992	35 614	132 197	142 337

By company	2021 Jan-Mar	2020 Jan-Mar	2021 Apr-Jun	2020 Apr-Jun	2021 Jul-Sept.	2020 Jul-Sept.	2021 Oct-Dec.	2020 Oct-Dec.	2021 Jan-Dec.	2020 Jan-Dec.
TSEK										
Magle Chemoswed AB	29 513	37 300	33 039	33 385	25 665	28 023	30 917	34 289	119 134	137 849
Magle Chemoswed Holding AB	-	-	-	-	-	-	-	-	-	-
Adroit Science AB	916	1 493	496	878	315	756	766	1 325	2 493	4 488
PharmaCept GmbH	-	-	-	-	6 261	-	4 309	-	10 570	-
Total	30 429	38 793	33 535	34 263	32 240	28 779	35 992	35 614	132 197	142 337

FINANCIAL NOTES.

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

Share split was made on 27th of March 2020, share issue on 4th of January 2021.

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 8

ACQUISITION

As of June 1, 2021, Magle Chemoswed Holding acquired 100% of the share captial in PharmaCept GmbH in Berlin, Germany. PharmaCept is included in the consolidated accounts from September 2021. The purchase consideration consisted of a cash payment of 16.2 million SEK at closing. Further payments will be made quarterly over three years of 20,1 million SEK for the Trademark and Technology. Magle Chemoswed Holding has had a close collaboration with PharmaCept GmbH since 2009. In 2020 PharmaCept GmbH had a turnover of approximately EUR 1,9 million (SEK 19,3 million), EBITDA of approximately -264,4 TEUR (-2.6 MSEK) and a EBITDA-margin of -13,7%. The total number of employees is 5.

The acquisition establishes Magle Chemoswed Holding AB's position as a stakeholder within DSM and DSM-products. In addition, it enables bringing new products to the market with an established sales team. PharmaCept GmbH has a strong network and distribution both within Europe but across the world as well. As a result of the acquisition, joint revenue is expected to grow faster than on a stand-alone basis.

Accordingly, the preliminary acquisition analysis of goodwill of SEK 40,4 million is valued upon acquisition, mainly attributable to synergies, future customers, future technology, trademark, market position and workforce at PharmaCept GmbH. The estimated useful lifetime for customer relations are 10 years and the splitt on Trademark (19,2MSEK), customer relations (4,2 MSEK), and goodwill (16,8 MSEK) will be reported in Q4 2021.The assets and liabilities included in this report period is the preliminary acquisition analysis as follows:

Fair value of net assets	PharmaCept GmbH	Preliminary Purchase Price Allocation consideration	PharmaCept GmbH
TSEK		TSEK	
ASSETS		Allocation of purchase consideration	
Intangible assets		Purchase consideration, cash	16 203
Tangible assets		Consideration, debt	19 261
- Leased assets	610	Total consideration	35 463
- other assets	205	Fair value of acquired net assets	-4 902
Total non-current assets	815	Goodwill	40 365
Inventories	857	Investing activities	
Trade receivables	2 190	Purchase consideration	16 203
Other operating receivables	2 210	Cash and cash equivalents in acquired subsidiaries	-328
Cash and cash equivalents	328	Effects of acquisitions on cash and cash equivalents	-373
Total current assets	5 585	Contribution for acquired companies to consolidated sales and profit	
TOTAL ASSETS	6 401	Net sales	10 507
Liabilities to credit institutions	-	Loss after tax for the period	461
Liabilities leasing agreement	610		
Deferred tax liability	-		
Total non-current liabilities	610		
Short-term liabilities to credit institutions	1 218		
Short-term liabilities to parent company	4 000		
Trade payables	4 812		
Other operating liabilities	663		
Total current liabilities	10 693		
TOTAL LIABILITIES	11 303		
TOTAL ACQUIRED NET ASSETS	-4 902		

BOARD AND CEO STATEMENT.



Hans Henrik Lidgard
Founder & Chairman
Chairman since 2016.



Justin Pierce
CEO
CEO since 2016.



Sven-Christer Nilsson
Board member
Board member since 2016.



Mats Pettersson
Board member
Board member since 2016.



Malin Malmsjö
Board member
Board member since 2016.



Martin Lidgard
Board member
Board member since 2021.



Joel Eklund
Board member
Board member since 2020.



Claudia Lindwall
Staff representative
Board member since 2021.



Ingela Fritzon
Staff representative
Board member 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. The Company's auditors have reviewed this Year-End Report.

FORTHCOMING DISCLOSURES OF INFORMATION

FINANCIAL CALENDAR	DATE
Annual Report 2021	14th April, 2022
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

CONTACT INFORMATION

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