

**Infant Bacterial Therapeutics AB (publ)****Interim report January 1-June 30, 2023****Second quarter (Apr-Jun) 2023**

- Net sales KSEK 0 (0)
- Operating income KSEK -30 952\* (1 758)
- Earnings per share before and after dilution SEK -2.57 (0.15)

**Reporting period (Jan-Jun) 2023**

- Net sales KSEK 0 (0)
- Operating income KSEK -55 247\* (-17 305)
- Earnings per share before and after dilution SEK -4.57 (-1.56)

\* Operational income includes exchange rate effects on foreign currency deposits for the purpose of securing future outflows during the second quarter amounting to KSEK 8 412 (19 979) and during the reporting period amounting to KSEK 7 760 (26 231)

**Significant events during the second quarter (Apr-Jun)**

- On May 16, 2023, IBT decided on a rights issue and called for an extraordinary general meeting of shareholders.
- On June 9, 2023, the Extraordinary General Meeting resolved to approve the Board's decision to increase the share capital by issuing new shares with pre-emptive rights for the company's shareholders.
- On June 15, 2023 IBT announced that the European Patent Office has approved its patent application for *Lactobacillus reuteri*. The patent covers the drug candidate IBP-9414
- On June 21, 2023, it was announced that the Data Monitoring Committee (DMC) conducted a planned safety analysis, without objections. At the same time, a planned futility analysis was also conducted and was positive, which means that IBT is continuing the study as planned.

**Significant events during the reporting period (Jan-Jun)**

- On January 12, 2023, it was announced that IBT acquired a probiotic pharmaceutical platform that can prevent antibiotic-resistant hospital infections.
- In January 2023, IBT published new results in the British Journal of Gastroenterology validating Sustained Feeding Tolerance (SFT) as a relevant primary endpoint in "The Connection Study".
- In March 2023, IBT announced that the last cohort would open for recruitment. This third cohort will include infants with a birth weight between 1001 grams and 1500 grams.

**Significant events after the reporting period**

- On July 3, 2023, IBT announced that the product IBP-1016 for gastroschisis had been granted orphan drug status.
- On July 4, 2023, IBT announced the outcome of the rights issue. The issue provided IBT with approximately SEK 101 million before deduction of transaction costs. After the rights issue, the number of shares and votes in the company changed. The new number of shares now amounts to 13,471,420, of which 453,283 A-shares and 13,018,137 B-shares.

## Selected financial data

000's	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	2022 Jan-Dec
Net Sales	-	-	-	-	-
Other income	-	-	13	3	12
Operating profit / loss	-30 952	1 758	-55 247	-17 305	-65 808
Result after tax	-28 820	1 648	-51 288	-17 553	-65 451
Total assets	317 390	400 007	317 390	400 007	349 619
Cash flow for the period	-14 138	-28 182	-42 647	-39 007	-83 911
Cash flow per share for the period (SEK)	-1.26	-2.51	-3.80	-3.47	-7.47
Cash	300 953	373 976	300 953	373 976	335 840
Earnings per share before and after dilution (SEK)	-2.57	0.15	-4.57	-1.56	-5.83
Equity per share (SEK)	25.02	33.81	25.02	33.81	29.55
Equity ratio (%)	89%	95%	89%	95%	95%

## Message from the CEO

Our Phase-III study, the largest of its kind ever conducted, is progressing across 88 hospitals in ten countries. We have now recruited 85% of the patients (1824 out of the planned 2158), and with the current rate of approximately 75 patients per month, we anticipate completing the recruitment by the end of the year.

In June, the Data Monitoring Committee (DMC) concluded its scheduled safety analysis of data from the first 1400 recruited patients. The DMC's conclusion is that the study can proceed as planned without any reservations. The DMC also conducted a futility analysis to determine if the trial has the potential to achieve statistically significant results, and once again, the conclusion was that the clinical work can continue as scheduled. No further DMC reviews are planned, and we are now approaching the conclusion of our extensive study.

In the study, children are divided into two groups. In one group, the children receive a placebo, a treatment intended to have no effect on the patient. In the other group, the children receive IBP-9414. Both the effectiveness and safety-related observations are then compared between the two groups. IBT has, as is customary in pharmaceutical studies, reached agreements with both the FDA (the U.S. pharmaceutical authority) and the EMA (its European counterpart) that no comparisons should be made before the study is concluded. Therefore, the study has been intentionally designed so that, at this point, observations from the study cannot be attributed to a specific treatment group. However, what we can do in the present time is analyze data from a "total" perspective. During the spring, we have analyzed the amount of food the children receive. We have been able to identify several clinical factors that influence the amount of food the children receive. Our findings have been accepted for publication in the American Journal of Perinatology. One of the efficacy endpoints (one of two primary endpoints) examines how IBP-9414 improves Sustained Feeding Tolerance (SFT). The amount of food administered by the doctors to the children is one of three factors included in the SFT endpoint. The other two factors are whether the children receive intravenous feeding and how the children gain weight. The publication in the American Journal of Perinatology serves as confirmation that we have appropriately designed our Phase III study.

We are pleased that the European Patent Office has approved IBT's application covering *Lactobacillus reuteri*. This patent enhances IBT's exclusivity in the critical European market until 2036.

Our product portfolio initiatives continue to progress. IBT has been granted orphan drug status for our Gastroschisis program, IBT-1016. This marks the first instance in which a developmental program has received orphan drug designation for the treatment of Gastroschisis in the United States.

IBT decided at an extraordinary general meeting to conduct a rights issue to prepare for the launch of IBP-9414 and to initiate the development work of one or more of the other IBT portfolio projects. In July, IBT announced that the issuance was oversubscribed, raising approximately 100 million SEK before issuance costs, which is certainly gratifying.

Finally, I want to express my deep gratitude to IBT's colleagues for all contributions during the first half of the year. It is truly remarkable what you have achieved. Now, we have the goal within reach.

Stockholm, August 24th, 2023

Staffan Strömberg, CEO

**IBT in brief**

Infant Bacterial Therapeutics AB (“IBT”) is a public company domiciled in Stockholm. The company’s Class B shares are since September 10, 2018, listed on Nasdaq Stockholm (IBT B).

IBT is a pharmaceutical company whose purpose is to develop and market drugs targeting diseases affecting prematurely born infants or caused by antibiotic-resistant bacteria.

IBT’s main focus is on its drug candidate IBP-9414, whose development program is designed to demonstrate a reduced incidence of necrotizing enterocolitis (NEC) and whether prematurely born infants achieve improved sustained feeding tolerance (SFT) when treated with the active substance *Lactobacillus reuteri*, a bacterial strain naturally found in human breast milk. IBP-9414 is currently in an ongoing registration-enabling the pivotal Phase III study and is the company’s most advanced development project.

The portfolio also includes drug candidates, IBP-1016, IBP-1118, and IBP-1122. IBP-1016 is for the treatment of gastroschisis, a life-threatening and rare condition where the child is born with externalized abdominal organs. IBP-1118 aims to prevent ROP (retinopathy of prematurity), a leading cause of blindness in premature infants, while IBP-1122 aims to eliminate vancomycin-resistant enterococci (VRE), which cause antibiotic-resistant hospital acquired infections.

By developing these drugs, IBT has the opportunity to address medical needs where no available treatments currently exist.

**Description of IBT’s development project IBP-9414**

The development plan for IBP-9414 is to conduct a clinical program consisting of two clinical trials, the completed safety and tolerability study, followed by the ongoing pivotal phase III study, “The Connection Study”. The safety and tolerability study was concluded as planned during the fourth quarter of 2017. The following pivotal phase III study, The Connection Study, was initiated on July 4, 2019.

The first study was a multicenter, randomized, double blind, parallel-group, dose escalation placebo controlled study to investigate the safety and tolerability of IBP-9414 administered in preterm infants. This study included 120 preterm infants (prior to gestation week 32 with birth-weight ranging from 500 to 2 000 grams) randomized for treatment with IBP-9414 or placebo. The initial dose of the product was administered within 48 hours after birth and continued daily for a 14-day period and evaluated at intervals for up to six months post administration. The primary goal of this study was to evaluate safety and tolerability. The study was completed according to plan in the fourth quarter 2017 and demonstrated that IBP-9414 was safe and well tolerated by premature infants with birth-weight ranging from 500 to 2 000 grams, that they were well exposed to the study medicine, and that there were no indications of cross contamination of IBP-9414 in the preterm infants treated with placebo.

The ongoing pivotal Phase III study aims to demonstrate and document the effect of IBP-9414 compared to placebo with regard to two primary endpoints: prevention of NEC and improvement of sustained feeding tolerance (SFT) in preterm infants with birth weights of 1 500g or less. This study will also encompass safety evaluations.

Given the urgent need for an effective preventive treatment for NEC, IBT plans to utilize the accelerated procedures provided by the FDA and EMA to expedite the process of obtaining market authorization as quickly as possible.

### **Risks and uncertainties**

The value of the Company is largely dependent on success in the Company's development of IBP-9414, the successful completion of clinical trials and the grant of marketing authorization by the US Food and Drug Administration ("FDA") and/or the European Medicines Agency ("EMA"). IBT has not yet concluded any clinical development of any pharmaceutical and there is a risk that IBP-9414 will not demonstrate the required effect. If the development on IBP-9414 is unsuccessful, IBT may try to focus on other projects but there is a risk that such projects will not be successful.

### **Financial risk management**

A predominant share of IBT's development costs are commitments in foreign currencies. The currencies against which IBT has the greatest exposure are USD and EUR.

Currency risk is the risk that the value of assets and liabilities fluctuate due to changes in exchange rates. Should the SEK increase or depreciate versus the specific currency, it could have a significant impact on the Company's financial position and results. The company has deposits in foreign currencies and an increase in the SEK generates a negative currency effect (see Notes 1, 2 and 3).

Capital is deemed sufficient to conduct the planned pivotal phase III clinical study, and operational costs until application for market approval.

For further information on risks and uncertainties please refer to IBT's Annual Report 2022 and IBT's Rights Issue Prospectus dated June 13, 2023 on the Company's homepage [www.ibtherapeutics.com](http://www.ibtherapeutics.com).

### **Financial calendar**

Interim report January - September 2023	November 10, 2023, at 08:30
Year-end report January – December 2023	February 8, 2024, at 08:30
Interim report January – March 2024	May 7, 2024, at 04:00 p.m
Interim report January – June 2024	August 28, 2024, 08:30

The Annual General Meeting will be held May 8, 2024 at 04:00-06:00 p.m in Stockholm

### **Contact person**

Staffan Strömberg, CEO

Maria Ekdahl, CFO

### **Contact information**

Infant Bacterial Therapeutics AB (Reg. no. 556873-8586)

Bryggargatan 10

111 21 Stockholm, Sweden

Telephone: +46 76 219 37 38

[info@ibtherapeutics.com](mailto:info@ibtherapeutics.com)

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

### **Publication**

The Report was submitted for publication, by the CEO, at 08.30 on August 25, 2023.

### **Financial development – second quarter (Apr – Jun) 2023**

Amounts are reported in KSEK (SEK in thousands). Amounts in parenthesis refer to the period in the previous year unless stated otherwise.

#### **Costs**

Costs for the ongoing IBP-9414 clinical trial are reported net of exchange rate effects on foreign currency deposits. Exchange rate effects during the second quarter amounted to KSEK 8 412 (19 979). (Note 1,2).

Operational costs amounted to KSEK 39 364 (18 221) prior to exchange rate effects on foreign currency deposits and after exchange rate effects to KSEK 30 952 (-1 758).

Costs for the ongoing IBP-9414 clinical trial amounted to KSEK 31 308 (8 752) prior to exchange rate effects.

Personnel costs amounted to KSEK 5 829 (8 129). Personnel costs have increased during the reporting period compared to the previous quarter due to a bonus in connection with the introduction of a new incentive program.

Other external costs amounted to KSEK 2 227 (1 340).

#### **Result and financial position**

Operational result amounted to KSEK -30 952 (1 758) and result after financial items amounted to KSEK -28 820 (1 648).

Result after tax amounted to KSEK -28 820 (1 648)

Result per share prior to and after dilution amounted to SEK -2.57 (0.15).

Cash flow for the period amounted to KSEK -14 138 (-28 182). Cash flow per share amounted to SEK -1.26 (-2.51)

### **Financial development – reporting period (Jan - Jun) 2023**

#### **Costs**

Costs for the ongoing IBP-9414 clinical trial are reported net of exchange rate effects on foreign currency deposits. Exchange rate effects during the second quarter amounted to KSEK 7 760 (26 231). (Note 1, 2).

Operational costs amounted to KSEK 63 020 (43 539) prior exchange rate effects on foreign currency deposits, and after exchange rate effects to KSEK 55 260 (17 308).

Costs for the ongoing IBP-9414 clinical trial amounted to KSEK 49 734 (29 248) prior to exchange rate effects.

Personnel costs amounted to KSEK 9 339 (11 126).

Other external costs amounted to KSEK 3 948 (3 165).

#### **Result and financial position**

Operational result amounted to KSEK -55 247 (-17 305) and result after financial items amounted to KSEK -51 288 (-17 553).

Result after tax amounted to KSEK -51 288 (-17 553).

Result per share prior to and after dilution amounted to SEK -4.57 (-1.56).

Cash flow for the period amounted to KSEK -42 647 (-39 007). Cash flow per share amounted to SEK -3.80 (-3.47).

### **Others**

Prepaid expenses amounted to approximately KSEK 2 893 (10 890) and relates mainly to contractual prepayments to the company's CRO, rentals and insurance.

Accrued expenses amounted to approximately MSEK 17 858 (13 678) are mainly driven by research- and development cost, personnel, and consultant costs.

The company's cash balance on June 30, 2023, amounted to KSEK 300 953 compared to KSEK 335840 on December 31, 2022.

The company's shareholder's equity on June 30, 2023, amounted to KSEK 280 928 compared to KSEK 331 705 on December 31, 2022. Shareholder's equity per share on June 30, 2023, amounted to SEK 25.02 compared to 29.55 on December 31, 2022.

The company's equity ratio on June 30, 2023, amounted to 89% compared to 95% on December 31, 2022.

Operational costs in total prior to exchange rate gains increased during the reporting period compared to the previous year.

Costs for the ongoing clinical study increased during the reporting period compared to the previous year, while personnel costs decreased.

On a rolling twelve-month period, the company had 8 (8) fulltime equivalent employees, The company had 8 (8) employees on the balance date.

Other external costs slightly increased compared to the same period last year.

During 2017 and 2018, IBT has carried out new issues amounting to approximately MSEK 528 after transaction costs. The capital is considered sufficient for the ongoing Phase III study and the company's operations until the application for marketing approval, which is expected to take place in the first half of 2024. During June-July 2023, a rights issue was carried out amounting to approximately SEK 100 million before issue costs.

### **Tax position**

IBT has accumulated operational losses since the company was established in 2012 and until the year-end of 2022 amounting to approximately MSEK 371 (305). Deferred tax receivables are reported when it is likely that future taxable income will be available against which the temporary differences may be utilized. The company has not reported any temporary tax receivables in its statement of financial position.

### **Macroeconomic situation**

The general macroeconomic situation regarding inflation and cost increases contributes to some uncertainty and it cannot be excluded that IBT will be affected by this in the future. So far, IBT has

countered cost increases by buying USD and EUR in the past when the exchange rate was more favorable.

### Shares

On January 1, 2023, and June 30, 2023, respectively, the total number of shares amounted to 11,226,184 shares of which 377,736 class A-shares carried ten votes and 10,848,448 class B-shares carried one vote. After the rights issue that ended in July 2023, the total number of shares amounts to 13,471,420 of which 453,283 A shares with 10 votes and 13,018,137 B shares with 1 vote.

IBT's class B share was listed on Nasdaq Stockholm on September 10, 2018.

IBT's closing share price on June 30, 2023, amounted to SEK 49.

Analysts covering IBT:

SEB: Christopher W. Uhde, PhD, Carl Mellerby, Mattias Vadsten

### Ownership June 30, 2023\*

Name	Class		Class Share capital		Votes	
	A-shares	B-shares	%		%	
ANNWALL & ROTHSCHILD INVESTMENT AB	377 736	510 478	7.91		29.31	
SIX SIS AG W8IMY		1 210 161	10.78		8.27	
FJÄRDE AP-FONDEN		1 120 000	9.98		7.66	
NORTHERN TRUST COMPANY		697 696	6.21		4.77	
AMF AKTIEFOND		501 585	4.47		3.43	
TREDJE AP-FONDEN		501 579	4.47		3.43	
SEB AB, LONDON		347 673	3.10		2.38	
ÅLANDSBANKEN ABP		336 340	3.00		2.30	
UNIONEN		322 196	2.87		2.20	
DANGOOR, DAVID		306 421	2.73		2.10	
Summa 10 största aktieägarna	377 736	5 854 129	55.52		65.85	
Övriga aktieägare		4 994 319	44.48		34.15	
<b>Totalt</b>	<b>377 736</b>	<b>10 848 448</b>	<b>100</b>		<b>100</b>	

Source: Euroclear Sweden

\* After the rights issue that ended in July 2023, the ownership structure is different and the total number of shares is 13 471 420, of which 453 283 A-Shares and 13 018 137 B-Shares. For more information see IBT's website.

Nb: This is a translation of the Swedish interim report. If any discrepancies exist, the Swedish version shall prevail.



**Board's assurance**

The Board of Directors and CEO hereby certify that this report gives a true and fair presentation of the Company's operations, financial position, and result of operations, and describes material risks and uncertainties facing the Company.

Stockholm, August 25, 2023

Peter Rothschild  
Chairman

Anthon Jahreskog  
Director

Margareta Hagman  
Director

Eva Idén  
Director

Kristina Sjöblom Nygren  
Director

Staffan Strömberg  
CEO

This report has not been subject to review by the company's auditor.

**Income statement**

SEK 000	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	2022 Jan-Dec
Net Sales	-	-	-	-	-
Other income	-	-	13	3	12
Research-and development costs	-30 090	1 758	-51 620	-17 308	-65 820
Administration cost	-862	-	-3 640	-	-
<b>Operating result</b>	<b>-30 952</b>	<b>1 758</b>	<b>-55 247</b>	<b>-17 305</b>	<b>-65 808</b>
<b>Result from financial items</b>					
Interest income and similar profit/loss items	2 132	-	3 960	-	650
Interest expense and similar profit/loss items	-	-110	-	-248	-293
<b>Result after financial items</b>	<b>-28 820</b>	<b>1 648</b>	<b>-51 288</b>	<b>-17 553</b>	<b>-65 451</b>
<b>RESULT FOR THE PERIOD*</b>	<b>-28 820</b>	<b>1 648</b>	<b>-51 288</b>	<b>-17 553</b>	<b>-65 451</b>
*Result for the period equals total					
<b>Result per share</b>					
before and after dilution**	-2.57	0.15	-4.57	-1.56	-5.83
Number of shares, weighted average	11 226 184	11 226 184	11 226 184	11 226 184	11 226 184
Number of shares at end of period***	11 226 184	11 226 184	11 226 184	11 226 184	11 226 184
** No dilution effects exist					
*On June 30, 2023, allocation of emitted shares amounted to 377,736 A-shares carrying 10 votes per share and 10,848,448 B-Shares carrying 1 vote per share					

**Balance sheet**

SEK 000	Not	2023-06-30	2022-06-30	2022-12-31
<b>Assets</b>				
<b>Non-current assets</b>				
<i>Intangible non-current assets</i>				
Activated development costs		10 110	10 926	10 518
Shares in subsidiary		70	70	70
<b>Total non-current assets</b>		<b>10 180</b>	<b>10 996</b>	<b>10 588</b>
<b>Current assets</b>				
<i>Current receivables</i>				
Account receivable		-	3	-
Other receivable		3 364	4 142	1 474
Prepaid expenses and accrued income		2 893	10 890	1 716
<b>Total current assets</b>		<b>6 257</b>	<b>15 035</b>	<b>3 191</b>
Cash and cash equivalents	2,3	300 953	373 976	335 840
<b>Total current assets</b>		<b>307 210</b>	<b>389 011</b>	<b>339 031</b>
<b>TOTAL ASSETS</b>		<b>317 390</b>	<b>400 007</b>	<b>349 619</b>
<b>Equity and Liabilities</b>				
<b>Equity</b>				
<i>Restricted equity</i>				
Share capital		3 060	3 060	3 060
<i>Unrestricted equity</i>				
Share premium reserve		671 436	670 926	670 926
Accumulated losses		-342 280	-276 828	-276 829
Net loss for the year		-51 288	-17 553	-65 451
<b>Total equity</b>		<b>280 928</b>	<b>379 605</b>	<b>331 705</b>
<b>Liabilities</b>				
<i>Current liabilities</i>				
Accounts payable		18 324	6 535	8 746
Other current liabilities		280	189	500
Accrued expenses and prepaid income		17 858	13 678	8 667
<b>Total current liabilities</b>		<b>36 463</b>	<b>20 402</b>	<b>17 913</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>317 390</b>	<b>400 007</b>	<b>349 619</b>

**Statement of changes in equity**

SEK 000	Restricted equity		Unrestricted equity	
	Share capital	Share premium reserve	Accumulated losses inkl. loss for the period	Total equity
<b>Opening equity on Jan 1, 2022</b>	<b>3 060</b>	<b>669 022</b>	<b>-276 828</b>	<b>395 254</b>
Result for the period			-17 553	-17 553
<b>Total comprehensive income</b>			<b>-17 553</b>	<b>-17 553</b>
Warrants		1 904		1 904
<b>Closing equity on Jun 30, 2022</b>	<b>3 060</b>	<b>670 926</b>	<b>-294 381</b>	<b>379 605</b>
<b>Opening equity on Jan 1, 2022</b>	<b>3 060</b>	<b>669 022</b>	<b>-276 828</b>	<b>395 254</b>
Result for the period			-65 451	-65 451
<b>Total comprehensive income</b>			<b>-65 451</b>	<b>-65 451</b>
<b>Shareholder transactions</b>				
Warrants		1 904		1 904
<b>Closing equity on Dec 31, 2022</b>	<b>3 060</b>	<b>670 926</b>	<b>-342 279</b>	<b>331 705</b>
<b>Opening equity on Jan 1, 2023</b>	<b>3 060</b>	<b>670 926</b>	<b>-342 279</b>	<b>331 705</b>
Result for the period			-51 288	-51 288
<b>Total comprehensive income</b>			<b>-51 288</b>	<b>-51 288</b>
Warrants		510		510
<b>Closing equity on Jun 30, 2023</b>	<b>3 060</b>	<b>671 436</b>	<b>-393 567</b>	<b>280 928</b>

**Statement of cash flow**

SEK 000	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	2022 Jan-Dec
<b>Operating activities</b>					
Operating profit / loss	-30 952	1 758	-55 247	-17 305	-65 808
Interest income received	2 132	-	3 960	-	650
Paid interest cost	-	-110	-	-248	-293
Adjustment for non - cash flow affecting items:					
depreciation produktion process	204	204	408	408	816
Value variance currency accounts	-8 412	-19 979	-7 760	-26 231	-33 000
<b>Cash flow from operating activities before changes in working capital</b>	<b>-37 028</b>	<b>-18 127</b>	<b>-58 640</b>	<b>-43 376</b>	<b>-97 635</b>
<b>Cash flow from changes in working capital</b>					
Increase(-)/Decrease(+) in operating receivables	10 374	1 553	-3 067	-4 693	7 151
Increase(+)/Decrease(-) in operating liabilities	12 006	-13 512	18 549	7 178	4 689
<b>Cash flow from operating activities</b>	<b>-14 648</b>	<b>-30 086</b>	<b>-43 157</b>	<b>-40 891</b>	<b>-85 795</b>
<b>Investment activities</b>					
Acquisition of non-current assets	-	-	-	-20	-
<b>Financing activities</b>					
New issue	-	-	-	-	-
Shareholder contributions IBT Baby AB	-	-	-	-	-20
Warrants	510	1 904	510	1 904	1 904
<b>Cash flow from financing activities</b>	<b>510</b>	<b>1 904</b>	<b>510</b>	<b>1 884</b>	<b>1 884</b>
<b>Cash flow for the period</b>	<b>-14 138</b>	<b>-28 182</b>	<b>-42 647</b>	<b>-39 007</b>	<b>-83 911</b>
Unrealized exchange rate difference in cash	8 412	19 979	7 760	26 231	33 000
Cash and cash equivalents at the beginning of the period	306 680	382 179	335 840	386 752	386 752
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>300 953</b>	<b>373 976</b>	<b>300 953</b>	<b>373 976</b>	<b>335 840</b>

**Note 1 Accounting principles**

The interim report has been prepared in accordance with IAS 34 interim reporting, and the Annual Accounts act, Årsredovisningslagen. The company's reporting has been prepared in accordance with the Annual Accounts act, Årsredovisningslagen and as stipulated by RFR 2 Reporting for legal entities. Disclosures per IAS 34 are presented in Notes and in other sections in the interim report.

IBT has adopted the same accounting principles and calculation methods as those described in the 2022 annual report. New principles are not expected to impact the company's financial reports.

IBT has no transaction to report under other comprehensive income and thus presents information thereon under the income statement.

IBT has deposits in foreign currencies. The company's expenses are allocated to the functions Research and development and administration costs. The effects of changes in exchange rates are recognized in the company's financial statements at market value through the functions. (Notes 2 and 3)

Amounts are reported in KSEK (SEK in thousands). Amounts in parenthesis refer to the same period in the previous year unless stated otherwise.

**Note 2 Financial instruments**

Fair value of other receivables, cash, accounts payable and other liabilities are estimated to equal book value (accumulated cost) due to the short duration.

Financial assets and liabilities are valued at fair value hierarchy 1 in the income statement. Income effects are reported in the income statement item research-and-development costs and administration costs.

**Note 3 Liquidity**

The company's liquidity consists solely of cash deposits held at Danske Bank and SEB. Total liquidity on the balance sheet date on June 30, 2023 amounted to MSEK 300.9 (373.9) of which USD amounted to MSEK 158.8 (208.3) and EUR amounted to MSEK 33.6 (39.8).

**Note 4 Share based incentive programs**

IBT had on the balance sheet date, June 30, 2023, three outstanding warrant programs.

### Warrants 2020/2024

As below and as described in the 2022 annual report

Warrant holders 2020/2024	Number allotted 2023-06-30	Number issued 2023-06-30	Number allotted 2022-12-31	Number issued 2022-12-31
Staffan Strömberg, VD	50 000	50 000	50 000	50 000
Anders Kronström, COO	40 000	40 000	40 000	40 000
Other employees	154 073	154 073	154 073	154 073
<b>Total</b>	<b>244 073</b>	<b>244 073</b>	<b>244 073</b>	<b>244 073</b>

### Warrants 2022/2025

On May 4, 2022, the Annual General Meeting decided on an incentive program by designated issue of warrants to the subsidiary IBT Baby AB. The maximum number of warrants to be issued is 305 400.

In June 2022, 272 000 warrants were allotted at market terms at a price determined by calculating the market price at the time of issue using the Black & Scholes method of valuation.

The holder of warrants may during the period from June 1, 2025, through September 30, 2025, for each warrant subscribe for one point one (1) new class B share in the company at a subscription price per share amounting to SEK 129,56. On the balance sheet date, June 30, 2022, a total of 272 000 warrants had been allotted. The remaining 32 500 warrants have not been issued.

The warrants are subject to first right of refusal stipulating that the warrants shall be sold back to IBT Baby AB should the employee, from the date of signing, terminate employment within one year by 100%, within two years by 75 %, within three years by 50 %, and after three years the holder may keep the warrants.

Based on the existing number of shares the dilution resulting from the adopted incentive program, provided that all warrants are utilized for subscription of class B-shares, amounts to approximately 2.37 percent of shares, and 1.83 percent of votes.

The warrants carry no dividend rights. The warrants are issued at market value and have thus, have not resulted in any benefits which require accruals for social costs in the parent company. The subscription price per share exceeds the market price of IBT's share on the balance sheet date which means that the warrants do not cause any dilution when calculating result per share.

The total market price for the 272,000 allotted warrants during the second quarter of 2022 amounts to KSEK 1 904, which is reported directly as shareholders equity in IBT.

<b>Warrant holders 2022/2025</b>	<b>Number allotted 2023-06-30</b>	<b>Number issued 2023-06-30</b>	<b>Number allotted 2022-12-31</b>	<b>Number issued 2022-12-31</b>
Staffan Strömberg, VD	120 000	120 000	120 000	120 000
Anders Kronström, COO	75 000	75 000	75 000	75 000
Robert Molander, CCO	20 000	20 000	20 000	20 000
Other employees	57 000	57 000	57 000	57 000
<b>Total</b>	<b>272 000</b>	<b>272 000</b>	<b>272 000</b>	<b>272 000</b>

### **Warrants 2023/2026**

On May 8, 2023, the Annual General Meeting decided on an incentive program by designated issue of warrants to the subsidiary IBT Baby AB. The maximum number of warrants to be issued are 165 000.

In May 2023, 155 000 warrants were allotted at market terms at a price determined by calculating the market price at the time of issue using the Black & Scholes method of valuation.

The holder of warrants may during the period from June 1, 2026, through September 30, 2026, for each warrant subscribe for one point one (1) new class B share in the company at a subscription price per share amounting to SEK 100,66. On the balance sheet date, June 30, 2023 a total of 155 000 warrants had been allotted. The remaining 10 000 warrants have not been issued.

The warrants are subject to first right of refusal stipulating that the warrants shall be sold back to IBT Baby AB should the employee, from the date of signing, terminate employment within one year by 100%, within two years by 75 %, within three years by 50 %, and after three years the holder may keep the warrants.

The warrants carry no dividend rights. The warrants are issued at market value and have thus, have not resulted in any benefits which require accruals for social costs in the parent company. The subscription price per share exceeds the market price of IBT's share on the balance sheet date which means that the warrants do not cause any dilution when calculating result per share.

Total market price for the 155 000 allotted warrants during the second quarter 2023 amounts to KSEK 510, which is reported directly as shareholders equity in IBT.



	Number allotted 2023-06-30	Number issued 2023-06-30	Number allotted 2022-12-31	Number allotted 2022-12-31
<b>Warrant holders 2023/2026</b>				
Staffan Strömberg, VD	50 000	50 000	0	0
Anders Kronström, COO	25 000	25 000	0	0
Maria Ekdahl, CFO	25 000	25 000	0	0
Robert Molander, CCO	20 000	20 000	0	0
Övriga anställda	35 000	35 000	0	0
<b>Totalt</b>	<b>155 000</b>	<b>155 000</b>	<b>0</b>	<b>0</b>

IBT's three outstanding warrant programs in summary:

Issued Warrants, Year	Number allotted	Strikeprice	Value per allotted warrant	Volatilitet, % * %	Risk free interest, % * %	Value per share, weighted average	Expiry, year
2020 (2020/2024)	87 543	400	14,24	40	-0,3	170	2024
2020 (2020/2024)	97 484	400	4,86	40	-0,3	125	2024
2021 (2020/2024)	49 046	400	1,78	40	-0,3	105	2024
2021 (2020/2024)	10 000	400	0,29	40	-0,3	81	2024
2022 (2022/2025)	272 000	129,56	7	39	1,32	66,90	2025
2023 (2023/2026)	155 000	100,66	3,29	39	2,76	43,40	2026
<b>Totalt</b>	<b>671 073</b>	-	-	-	-	-	-

\*Expected future volatility is ascertained by comparison of historical average and median values for comparable listed companies in the same sector as IBT based on analysis in S&P Capital IQ.

### Note 5 Related party transactions

Compensations to the Board of Directors are paid in accordance with the annual general meeting. The Chairman of the Board, Mr Peter Rothschild, receives Board fees amounting to KSEK 312 per annum, and KSEK 400 annually as operational Chairman, and KSEK 20 for his work in the remuneration committee.

During the report period Mr Robert Molander has invoiced KSEK 1 200, as fees for his position as CCO at IBT.

Otherwise, there have been no material transactions with related parties.

### Note 6 Alternative key figures

The company presents some financial measures in the interim report that are not defined in accordance with IFRS. The company believes that these measures provide valuable supplementary information to investors and the company's management as they enable evaluation of the company's presentation. Since not all companies calculate financial measures in the same way, these are not always comparable to measures used by other companies. These financial measures should therefore not be seen as a substitute for measures defined in accordance with IFRS. The key ratios below are not defined in accordance with IFRS unless otherwise stated. For definitions and other reasons, refer to the Annual Report 2022.

### Deduction of certain key figures

	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	2022 Jan-Dec
<b>Cash flow per share</b>					
Cash flow for the period, 000's	-14 138	-28 182	-42 647	-39 007	-83 911
Average number of shares	11 226 184	11 226 185	11 226 184	11 226 185	11 226 186
<b>Cash flow per share (SEK)</b>	-1.26	-2.51	-3.80	-3.47	-7.47
<b>Equity per share</b>					
Equity, 000's	280 928	379 605	280 928	379 605	331 705
Number of shares at end of period	11 226 184	11 226 185	11 226 184	11 226 185	11 226 186
<b>Equity per share (SEK)</b>	25.02	33.81	25.02	33.81	29.55
<b>Equity ratio</b>					
Equity, 000's	280 928	379 605	280 928	379 605	331 705
Total equity and liabilities, 000's	317 390	400 007	317 390	400 007	349 619
<b>Equity ratio %</b>	89%	95%	89%	95%	95%