

QUARTERLY REPORT Q1 2024

January – March 2023

PEPTONIC medical AB (public) org nr 556776-3064

GROUP

2024 FIRST QUARTER (January-March)

- Sales of products 10,808 (8,874) KSEK
- Gross profit 5,894 (4,869) KSEK, 55% (55%)
- Operating profit –10,548 (-6,654) KSEK
- Earnings per share 0.01 (-0.01) SEK

IMPORTANT EVENTS DURING THE PERIOD

- Extraordinary general meeting where Kristina Ingvar was elected to the company's board.
- Peptonic Medical expands its partnership with Farmasiet and launches the entire VagVitals product portfolio in Norway.
- Two new products were launched in February on the Swedish market: VagiVital Menopause self-care test and VagiVital self-care test for urinary tract infection.
- On February 6, the board appointed Anna Linton as the new CEO.
- Peptonic Medical announced in March that its subsidiary, Lune Group Oy, is filing for bankruptcy due to increased competition and negative operating results.

IMPORTANT EVENTS AFTER THE PERIOD

- In April, an exclusive distribution agreement was signed for VagiVital and Vernivia for the Benelux region.
- Patents granted in the USA for treating and preventing fungal infections in women.
- On April 16, the board decided, subject to approval from the general meeting, on a rights issue of units of approximately SEK 61.4 million.
- On April 17, the Company called for the annual general meeting on May 21, 2024.



LETTER FROM THE CEO

The first quarter has been marked by good growth, exhibiting positive development compared to both the same period of the previous year and the previous quarter. It's gratifying to see that our efforts are yielding results, and despite the loss of revenues from Lune, we managed to break the downward trend. Particularly in the Nordic region, we have witnessed significant growth, with sales increasing by 165% compared to the same quarter of the previous year. Vernivia has now begun to contribute positively to our results. In other markets, we have succeeded in maintaining sales at the same level as the previous year.

On the cost side, we continue to face an additional burden due to the merger with Pharmiva. Furthermore, we have strengthened our organization with key competencies to support continued growth and expansion.

The standout products in our portfolio from a sales perspective are VagiVital AktivGel, VagiVital Moisturizing Intimate Wash, and Vernivia. These three products constitute the cornerstones of the company's volume production, complemented by our self-care test for bacterial vaginosis. I have previously emphasized the importance of focusing our efforts on growth within our existing product portfolio. This strategic decision has led to a reduction in the number of new launches during the year. We see significant sales opportunities within these intimate self-care products and will now intensify our focus on them during the upcoming period.

In the American market, where we have strategically prioritized our sales focus, we continue to prepare for our own launch of company intimate self-care products. At the same time, our dialogue with the leading retail chains CVS and Walgreens continues to expand the range of our products sold under their own brands. We are also in ongoing discussions with Walmart. We are aware that the internal processes within these retail chains can be slow. Nevertheless, we see the opportunity for a quick positive impact on our sales if our products are approved, especially as they will be widely distributed in stores and sold under each chain's brand. By combining our own efforts with key partnerships, we are building a robust platform for growth and reaching a broader group of women in the market.

Our second significant focus for geographic expansion is Europe. However, I believe that our presence in the European market is not extensive enough. For this reason, we plan to intensify our efforts by strategically targeting three to four selected European markets. By focusing on these markets, we will secure distribution partnerships and accelerate our growth pace on the European stage.

The first quarter has been promising; despite the loss of revenues from Lune, we have managed to reverse a downward trend. We have a driven and competent organization and are focused on driving the growth of our key products. Our progress in the American market is promising, as well as our plans for expansion in Europe. Through strategic partnerships and focused efforts, we look forward to continuing our successful growth journey.

Anna Linton, VD



ABOUT THE COMPANY

Peptonic Medical AB is a Swedish biomedical company engaged in the development and sale of clinically proven self-care products and self-diagnostic tests within women's intimate health. The portfolio is sold under the brands VagiVital and Vernivia.

The company aspires to a future where intimate health seamlessly integrates into women's self-care routines. Through a holistic approach, Peptonic empower women by offering solutions that enable them to autonomously diagnose, treat, and prevent intimate medical conditions. The vision is for women to feel empowered and confident in managing their intimate health, cultivating a profound sense of control and well-being.

Central to the growth strategy is the geographic expansion of VagiVital and Verniva through local partners, with Europe and the USA being prioritized markets. The company's business model is to operate the Nordic business in-house and primarily work with partners in other geographical markets. Peptonic Medical intends to continuously broaden the company's product portfolio through acquisitions and the development of innovative and competitive products in-house. The company's mousse-based drug-delivery technology, Venerol, and the gel base in VagiVital provide a solid foundation for expanding the portfolio.

Share

Peptonic Medical has been listed on the Spotlight Stock Market since 2014 and trades under the ticker symbol: PMED. The share capital at the end of the reporting period amounted to SEK 38,371,139.9, divided into 1,534,845,596 outstanding shares with a par value of SEK 0.025 per share. The number of outstanding warrants amounted to 196,370,600.

Organization

The group consists of the parent company Peptonic Medical AB (publ) headquartered in Stockholm, Sweden, along with its subsidiaries Common Sense Marketing Inc, USA, and Peptonic Medical Ltd in Israel. At the end of the period, the number of employees in the group was 28 (34), and for the parent company, it was 8 (3).

For further information, visit www.peptonicmedical.se.



FINANCIAL INFORMATION - GROUP

The merger with Pharmiva was integrated into the parent company during the fourth quarter of 2023. Pharmiva's accumulated results before the merger date and most of the merger-related costs were directly booked against the parent company's equity and do not affect the income statement. Starting from the merger date on November 21, Pharmiva is included in the group's operating results and balance sheet. During the first quarter of 2024, only Lune Group Oy is included in the results until March 12. It's important to note that the figures for the first quarter of 2024 are not directly comparable to the previous year due to changes in the group structure.

Revenue – Revenue for the first quarter amounted to 11,148 (9,067) KSEK, of which sales of goods accounted for 10,808 (8,874) KSEK. Sales of Vagivital, Vernivia, and partner-owned brands amounted to 9,105 (6,745) KSEK, an increase of 35% compared to the same period last year. Continued growth of 2,137 KSEK (165%) was seen in the Nordic region. The increase is partly due to Vernivia, which was added in connection with the merger from Pharmiva. Other regions maintained the same sales levels as the same period last year.

Operating expenses – During the first quarter, the group's expenses amounted to -21,546 (-15,721) KSEK. The change is mainly related to the merger with Pharmiva and restructuring in the organization. The cost of goods sold during the quarter was -4,914 (-4,005) KSEK, resulting in a gross margin of 55% (55%). Of these costs, depreciation amounted to -1,574 (-840) KSEK. Continuous work is being done to restructure and streamline the organization after the merger with Pharmiva.

Result – The group's result after financial items adjusted for comparison items amounted to -10,658 (-7,998) KSEK for the first quarter.

Financial position and liquidity – Cash and bank balances amounted to 3,192 (15,307) KSEK as of March 31, 2024. The cash flow for the first quarter of 2024 was negative at -11,942 KSEK. The cash flow from operating activities was negative at -10,983 KSEK. The Board has decided, subject to the approval of the shareholders' meeting, to carry out a preferential rights issue during the spring of 2024, followed by subscription options of series T05 later in the fall. The preferential rights issue is covered by 70% of subscription commitments and guarantee commitments. There is a possible risk that the group's liquidity over the next 12 months may prove insufficient, depending on the outcome of these issuances. However, the Board believes that the prospects for securing capital are favorable.

Equity – The group's equity as of March 31, 2024, amounted to 64,353 (82,737) KSEK, resulting in a solidity of 71% (86%).

Liabilities – The group's short-term liabilities amounted to 26,352 (13,198) KSEK as of March 31, 2024. Interest-bearing liabilities amount to 16,945 KSEK, of which 8,076 KSEK relates to deferral at the Swedish Tax Agency and the remainder to a short-term loan.



-42 589

-7 998

-10 658

INCOME STATEMENT

Peptonic Group				
		3 mon	3 mon	12 mon
		Jan-Mar	Jan-Mar	Jan-Dar
KSEK	Note	2024	2023	2023
Operating income				
Sales of products		10 808	8 874	37 118
Other operating income		340	193	1 147
Total operating income		11 148	9 067	38 265
Operating expenses				
Cost of goods		-4 914	-4 005	-20 823
Other external expenses		-8 607	-6 085	-28 839
Personnel costs		-6 436	-4 791	-23 440
Depreciation		-1 574	-840	-6 266
Other operating costs		-15	0	-83
Total operating expensses	_	-21 546	-15 721	-79 451
Operating loss				
Net financial income		1	316	919
Net financial expense		-261	-1 660	-2 323
Loss before taxes		-10 658	-7 998	-42 589
Taxes		0	0	0

BALANCE SHEET Peptonic Group

Net loss for the period

Peptonic Group				
		31-mar	31-mar	31-dec
KSEK	Note	2024	2023	2023
Assets				
Non-Current assets				
Intangeble assets	2	61 500	49 773	62 538
Tangeble assets	3	3 025	4 336	3 783
Financial assets		-	-	-
Total non-current assets		64 525	54 109	66 321
Current assets				
Stock		12 999	17 518	16 002
Other receivbles		6 710	7 420	6 082
Tax receivable		-	90	287
Prepaid expenses and accrued income		3 278	1 489	2 910
Liquid assets		3 192	15 307	15 134
Total current assets		26 180	41 825	40 415
Total assets		90 705	95 934	106 736
Equity and liabilites				
Equity				
Ristricted equity		20.274	25 706	20.274
Share capital		38 371	25 706	38 371
Ongoing right issues			7 202	
Reserves		5 377	7 392	5 377
Other contributed capital		332 891	316 645	333 041
Profit or loss brought forward incl year result		- 312 286	- 267 007	- 301 466
Total equity		64 353	82 737	75 323
Current liabilites				
Liabilities interest bearing		4 187	2 333	7 556
Trade payables		16 945	6 041	13 779
Other payables		1 768	1 968	5 580
Prepaid income and accrued expenses		3 452	2 855	4 498
Total current liabilities		26 352	13 198	31 414
Total equity and liabilities		90 705	95 934	106 736



STATMENT OF CASH FLOW

Peptonic Medical Group		3month Jan-Ma	-	3month Jan-Ma	_	12months
KSEK	Note	202	4	202	3	2023
CASH FLOW FROM OPERATIONS		40.650		7.000		42.500
Operating profit/loss	-	-0 000	-	7 998	-	42 589
Non-cash flow items		1 540		840		7 054
NET CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL	-	9 118	-	7 158	-	35 535
Increase (-) decrease (+) inventory		1 072	-	2 150	-	634
Increase (-) decrease (+) receivables	-	1 509		3 420		5 176
Increase (-) decrease (+) liabilities	-	1 278	-	8 623	-	2 815
NET CASH FLOW FROM OPERATING ACTIVITIES	-	10 833	-	7 353	-	33 808
CASH FLOW FROM INVESTING ACTIVITIES						
Investment in immaterial assets, net	-	394	-	451	-	1 285
Investment in material assest, incl subsidaries	-	96	-	101	-	646
Aquisition of business		-	-		-	14 413
Impact Lune Group Oy	-	322	-		-	0
Group adjustments asset value cuurency impact	-	147	-	819	-	2 705
NET CASH FLOW FROM INVESTING ACTIVITIES	-	959	-	1 371	-	19 050
CASH FLOW FROM FINANCING ACTIVITIES						
Rights issue		-		54 983		87 243
Issue expenses	-	150	-	10 520	-	13 718
Bridgeloan		-	-	16 840	-	9 101
NET CASH FLOW FROM FINANCING ACTIVITIES	-	150		27 623		64 425
TOTAL CASH FLOW FOR THE YEAR	-	11 942		11 741		11 568
Cash and cash equivalents at beginning of period		15 134		3 566		3 566
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		3 192		15 307		15 134

FINANCIAL INFORMATION - PATRENT COMPANY Peptonic Medical AB

The merger with Pharmiva was integrated into the parent company during the fourth quarter of 2023. Pharmiva's accumulated results before the merger date and most merger-related costs were accounted for directly against the equity in the parent company and do not affect the income statement. Starting from the merger date on November 21, Pharmiva is included in the group's operating results and balance sheet. During the first quarter of 2024, only Lune Group Oy is included in the results until March 12. It is important to note that the figures for the first quarter of 2024 are not directly comparable to the previous year due to changes in the group structure.

Revenue – 3,458 (1,331) KSEK during the first quarter. Other operating revenues for the quarter were 15 (0) KSEK. Compared to the same period last year, the increased sales can be attributed in part to the introduction of new products such as Vernivia, a self-test for urinary tract infection, and a self-test for menopause.

Operating expenses – Expenses for the first quarter amounted to -11,951 (-5,868) KSEK. The increase is primarily due to personnel costs and other external costs, mainly related to restructuring costs associated with the merger of Pharmiva and increased headcount. Cost of goods sold during the period was -1,076 (-



456) KSEK, resulting in a gross margin of 69% (66%). A write-down due to Lune Group Oy negatively impacted the result by 740 KSEK in the quarter. Continuous efforts are being made to restructure and streamline the organization after the merger of Pharmiva.

Result - The company's result after financial items for the first quarter amounted to -7,416 (-6,024) KSEK.

Financial position and liquidity– Cash and bank balances as of December 31 amounted to 1,216 (10,610) KSEK as of March 31. The cash flow for the quarter was negative, amounting to -9,394 KSEK. The cash flow from operating activities was negative at -9,000 KSEK. The board has, subject to approval at the shareholders' meeting, decided to carry out a rights issue in spring 2024, followed by subscription options of series TO5 later in the autumn. The rights issue is covered to 70% by subscription commitments and guarantee commitments. There is a possible risk that the group's liquidity over the next 12 months may prove to be insufficient, depending on the outcome of these issuances. However, the board believes that the prospects for securing capital are good.

Equity – The company's equity as of March 31, 2024, amounted to 81,707 (89,273) KSEK, resulting in a solvency ratio of 78 (78) percent.

Liabilities - The company's liabilities amounted to 23,585 (25,015) KSEK as of March 31, 2024, of which 16,945 KSEK are interest-bearing.

INCOME STATEMENT

Peptonic Medical - Parent copany				
		3 mon	3 mon	12 mon
		Jan-Mar	Jan-Mar	Jan-Dar
KSEK	Note	2024	2023	2023
One washing in some				
Operating income Sales of products		3 458	1 331	6 593
Internal sales		3 438 0		0 593
		15	0	96
Other operating income	 -		0	
Total operating income		3 473	1 331	6 689
Operating expenses				
Cost of goods		-1 076	-456	-2 522
Other external expenses		-4 508	-2 978	-13 962
Personnel costs		-4 198	-1 736	-10 740
Depreciation		-1 415	-698	-17 325
Other operating costs		-754	0	-63
Total operating expensses		-11 951	-5 868	-44 613
Operating loss		-8 479	-4 537	-37 924
Net financial income		1 324	140	921
Net financial expense		-261	-1 627	-4 412
Loss before taxes		-7 416	-6 024	-41 415
LOSS Delore taxes		-/ 416	-6 024	-41 415
Taxes		0	0	0
Net loss for the period		-7 416	-6 024	-41 415



BALANCE SHEET

Peptonic Medical AB		31-mar	31-dec
VCEV		2024	2023
KSEK	Note		
Assets			
Non-Current assets	2	61.475	62.400
Intangible assets		61 475	62 488
Tangible assets	3 4	441	448
Financial assets	4 -	5 992	5 992
Total non-current assets		67 908	68 928
		0	0
Current assets		0	0
Stock		5 251	5 527
Other receivables		2 299	1 864
Group company receivables		27 434	25 713
Prepaid expenses and accrued income		1 184	1 646
Liquid assets	-	1 216	10 610
Total current assets		37 384	45 360
Total assets		105 292	114 288
Equity and liabilities			
Equity			
Restricted equity			
Share capital		38 371	38 371
Development Cost Fund		5 377	5 377
Non- restricted equity		0	0
Share premium reserve non-restricted		332 891	333 041
Profit or loss brought forward		-287 516	-246 100
Net loss for the period		-7 416	-41 415
Total equity		81 707	89 273
O constitutives			
Current liabilities		2.750	2 2 4 4
Trade payables		2 750	3 341
Other payables		16 945	13 668
Group company debts		578	4 707
Prepaid income and accrued expenses	-	3 312	3 299
Total current liabilities		23 585	25 015
Total equity and liabilities		105 292	114 288



STATMENT OF CASH FLOW

Peptonic Medical Group

		3montl Jan-Ma	ar	3months Jan-Mar		12months Jan-Dec
KSEK		202	24	2023		2023
CASH FLOW FROM OPERATIONS						
Operating profit/loss	_	7 416	_	6 024	_	41 415
Non-cash flow items		1 414		696		17 325
NET CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL	-	6 002	-	5 328	-	24 089
Increase (-) decrease (+) inventory		278	-	729	-	2 406
Increase (-) decrease (+) receivables	-	1 694	-	3 795	-	6 491
Increase (-) decrease (+) liabilities	-	1 432	-	8 817	-	3 667
NET CASH FLOW FROM OPERATING ACTIVITIES	-	8 850	-	18 669	-	36 653
CASH FLOW FROM INVESTING ACTIVITIES		394		331		1 266
Investment in immaterial assets, net Investment in material assest, incl subsidaries	-	394	-	331	-	4 883
Aguisition of business		-	_		-	4 003
Group adjustments asset value cuurency impact		-	_		-	-
NET CASH FLOW FROM INVESTING ACTIVITIES	-	394	-	331	-	6 555
CASH FLOW FROM FINANCING ACTIVITIES						
Rights issue		-		54 983		72 829
Issue expenses	-	150	-	10 520	-	13 718
Bridgeloan		-	-	14 531	-	5 664
NET CASH FLOW FROM FINANCING ACTIVITIES	-	150		29 932		53 447
TOTAL CASH FLOW FOR THE YEAR	_	9 394		10 932		10 239
Cash and cash equivalents at beginning of period		10 610		371		371
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		1 216		11 303		10 610

NOTES

Accounting principles

This interim report has been prepared in accordance with the Annual Accounts Act (Chapter 9. Interim Report) and the Swedish Accounting Standards Board's general advice, BFNAR 2012:1 Annual Report and consolidated (K3-rules). The accounting principles are unchanged compared to the previous year.

Note 1 - Transactions with Related Parties

Group/Parent Company

During the period, no companies represented by board members have been engaged on a consultancy basis.

Note 2 - Intangible Fixed Assets

Group/Parent Company

Patent and development costs are capitalized and depreciated over 20 years from the time the first revenue is generated for the group, with depreciation commencing from the full year 2019. Capitalized patent and development costs are expected to generate future revenues for the group. In the balance sheet, patent and development costs are recorded at cost, reduced by accumulated depreciation.



Note 2 Peptonic Medical AB	31-mar	31-mar
Capitalized development costs	2024	2023
Accumulated acquisition value		
Opening balance	63 231	51 873
Reclassification	-	-
Capitalizations during the period	-	-
Fusion		-
	63 231	51 873
Accumulated depreciation value	-16 343	-9 892
Deprecation of the year	-955	-618
Reclassification	-	-
Fusion	-	-
Outgoing accumulated depreciation	-17 298	-10 510
Net booked amount at end of period	45 933	41 363
Patents and licenses		
Accumulated acquisition value		
Opening balance	12 161	9 177
Sold out and other disposals	-	-
Reclassification	-	-
Capitalizations during the period Fusion	394	332
rusion	12 555	9 509
Depreciation	12 555	9 309
Opening accumulated depreciation value	-2189	-1455
Deprecation of the year	-161	-77
Sold out and other disposals	-	-
Reclassification	-	-
Fusion		-
Outgoing accumulated depreciation	-2350	-1532
Net booked amount at end of period	10 206	7 977
Goodwill		
Accumulated acquisition value		
Opening balance	5 821	23 495
Sold out and Other disposals	-	-
Capitalizations during the period	- 5 821	
	3 021	
Depreciation at the beginning of the period	-194	-23 495
Sales/disposals	-	-
Depreciation for the period	-291	-
Accumulated depreciation at the end	-485	-23 495
Net booked amount at end of period	5 336	0
Total internalible access	C1 475	40.240
Total intangible assets	61 475	49 340

Note 3 – Tangible fixed assets

Group/Parent Company

In the group, there are activated tools for the production of products.

Note 4 – Financial fixed assets

Parent Company

As of March 31, 2024, the holding of shares in wholly-owned subsidiaries amounts to a total of 5,992 (12,892) KSEK.



RISKS AND UNCERTAINTIES

The business risks, risk management of the group and parent company, as well as the management of financial risks, are extensively described in the annual report for 2023, submitted in May 2024, available on the company's website: www.peptonicmedical.se/financial-information/

FINANCING

Efforts are being made to secure the financing of the operations, including intensified focus on sales and business development, as well as exploring other alternatives. The Board of Directors continuously evaluates the group's financial position, funding needs, and possible financing alternatives to ensure continuity in operations. With the approval of the shareholders' meeting, the Board plans to carry out a capital raise to secure sufficient liquidity for the next twelve-month period. The Board's assessment is that the company has good prospects for securing the necessary financing.

AUDIT

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

ASSURANCE

The Board of Directors and the Chief Executive Officer certify that the quarterly report provides a fair overview of the company's operations, position, and results.

FINANCIAL CALENDER

Annual general meeting	2024-05-21
Quarterly report, 2	2024-08-13
Quarterly report, 3	2024-11-06
Year-end report, 2024	2025-02-21

The Annual General Meeting will be held on May 21, 2024, in Stockholm. The annual report is available on the Company's website, www.peptonicmedical.se.

Stockholm, May 7th, 2024

Anders Blom, Chairman of the board Daniel Rudeklint, Board member

Anders Norling, Board member Tarek Shoeb, Board member

Kristina Ingvar, Board member Anna Linton, CEO

For further information, please contact: Anna Linton, CEO of PEPTONIC Medical AB. Tel: +46 70 244 92 07.

Note: This document contains certain information about the external environment and the future. These details should be considered solely as reflecting the current perception. No guarantees can be given that this information is accurate.