

YEAR END REPORT January – December 2023

PEPTONIC medical AB (public) org nr 556776–3064

GROUP

2023 FOURTH QUARTER (October-December)

- Sales of products 6,786 (10,191) KSEK
- Adjusted gross profit: 3,709 (5,313) KSEK, 55% (52%) after comparison affecting items of -3,016 (-1,011) KSEK **
- Operating profit: -19,572 (-6,890) KSEK
- Adjusted operating profit: -11,885 (-5,289) KSEK after comparison affecting items of -7,687 (-1,011) KSEK *
- Earnings per share: -0.02 (-0.03) SEK

2023 FULL YEAR (January-December)

- Sales of products 37,118 (43,634) KSEK
- Adjusted gross profit: 19,311 (23,394) KSEK, 52% (54%) after comparison affecting items of -3,016 (-1,011) KSEK *
- Operating profit: -41,186 (-33,606) KSEK
- Adjusted operating profit: -33,499 (-33,606) KSEK after comparison affecting items of -7,687 (0) KSEK *
- Earnings per share: -0.04 (-0.15) SEK

() one-off items affecting comparability -7,687 KSEK consisting of personnel restructuring costs (-1,800 KSEK), write-down of receivable in the USA (-885 KSEK), write-down of oxytocin patent in menopause (-1,986 KSEK), and (**) adjustment of obsolescence (-3,016 KSEK).*

IMPORTANT EVENTS DURING THE PERIOD

Peptonic Medical AB announced the following:

- An exclusive agreement regarding VagiVital AL's self-test for detecting amniotic fluid leakage has been signed with Savyon Diagnostics for the Israeli market.
- A distribution agreement has been signed with Walmart to sell Peptonic's self-test for bacterial vaginosis. The test will be sold under Walmart's own brand.
- The company has received its first order from Windsor Pharmaceuticals for Peptonic's vaginal self-tests VagiVital AL Sense and VagiVital VS Sense Pro. The products will be sold in Central America under Windsor's own brand Amniotest.
- A non-exclusive agreement regarding VagiVital VS Pro has been signed with Al Fortune Medical Equipment for the United Arab Emirates.
- A positive outcome from the subscription of options of series T03. The successful subscription options of series T03, provided Peptonic Medical with approximately 7.6 MSEK before issuance costs.
- The Swedish Companies Registration Office has registered the merger between Peptonic Medical AB and Pharmiva AB (publ).
- The board of directors of Peptonic Medical AB convened an extraordinary general meeting on January 11, 2024.

IMPORTANT EVENTS AFTER THE PERIOD

Peptonic Medical AB announced the following:

- Launch of two new products (VagiVital Menopause FSH Test and VagiVital Urinary Tract Infection Self Test) in the domestic market of Sweden.
- The Board conducted a strategic restructuring of the company's management, appointing Anna Linton as the new CEO.
- An extraordinary general meeting was held where Kristina Ingvar was elected to the company's board.
- Subsidiary Lune Group Oy filed for bankruptcy due to increased competition and negative operating results.
- The company announced that CFO Albert Lindgren is leaving the company.
- An exclusive distribution agreement for VagiVital and Venriva was signed in the Benelux region.
- The subscription price for series T04 subscription options was set at 0.028 SEK.
- The Board decided, subject to approval from the shareholders' meeting, on a rights issue of units totaling approximately 61.4 MSEK.

LETTER FROM THE CEO

With boundless enthusiasm and genuine humility, I have stepped into the role of CEO. I eagerly anticipate, alongside our dedicated team and board, propelling Peptonic Medical to solidify its position as a leading player in intimate self-care. This endeavor transcends mere job responsibilities— it's a deep commitment to advancing women's health.

Being a part of Peptonic Medical's devoted work, empowering women to guard their intimate health, is meaningful. Our portfolio and offerings aren't just unique, they also redefine intimate self-care. It's not just about products; it's about allowing women to diagnose, treat, and prevent intimate medical conditions on their own independently and effectively. In our constant drive for innovation and addressing women's intimate health needs, we have expanded our portfolio with the recent additions of innovative products including an over-the-counter self-care treatment for bacterial vaginosis, a self-test for menopause and a self-test for urinary tract infection. By 2024, we anticipate the product portfolio to more than double.

Strategically important partner agreements signed during the quarter open up opportunities for expansive geographical presence. The USA remains our strategically most important market, and our efforts are laser-focused on bolstering our presence in this highly attractive market for intimate self-care. The agreement with Walmart to feature our self-test for bacterial vaginosis under their brand is a significant milestone. Concurrently, efforts to increase sales through CVS and Walgreens are ongoing as well as increasing sales under own brand. These endeavors underscore our unwavering focus and heightened ambition to accelerate growth in the USA, all while maintaining momentum in other strategically chosen markets.

During the quarter, Sweden exhibited robust growth of 91%, driven by both organic growth and a diversification of our product portfolio. The positive trajectory in the Swedish market, our reference market, unmistakably indicates a strong demand for our products. Revenue in our primary business area, Medical Consumer, shows a dip compared to the same quarter of the previous year, attributed to variations in the timing of incoming orders from partners. I anticipate these fluctuations will persist as our distribution agreement-based business model naturally entails volatile sales, however, as we increase our sales volume, we expect further consistency in orders. The decrease in sales within the Lifestyle Consumer business area follows a strategic streamlining of our product offerings and narrowed focus on key markets. However, cost reductions within Lifestyle Consumer have improved our operating results despite the lower sales. Increased costs for the group are attributed one-time merger costs with Pharmiva and one-time efficiency expenditures, such as organizational restructuring,

The merger with Pharmiva not only enriched our portfolio with a bacterial vaginosis treatment but also empowered the organization with expertise in sales, marketing, regulatory affairs, and quality. Our ongoing efforts to streamline operations include the integration of the companies' quality management systems. The phased-out transition of Pharmiva's quality management system aims to avoid duplicate audits from notified bodies* - a strategic decision made to reach expected sales targets for Vernivia while preventing additional strain on our resources.

Together with the organization, our board, and shareholders, I eagerly anticipate continuing to shape a new era in intimate self-care among women. Concurrently, we aim to position Peptonic Medical as an international, cash-flow-positive company. My outlook for 2024 brims with optimism and high expectations.

Anna Linton. CEO

**CE mark of medical devices is regulated within the EU by the medical device directive (MDD), a set of regulations which in 2021 was replaced with Medical Device Regulation (MDR). A notified body is accredited for MDD and or MDR and ensures compliance to the directive's requirements for CE mark.*

ABOUT THE COMPANY

Peptonic Medical AB is an innovative Swedish biomedical company engaged in research, development, and sales of clinically proven self-diagnostic rapid tests and self-care and preventive treatments within women's intimate health. The company's vision is to improve intimate health by providing women with the tools and opportunities to self-diagnose, treat, and prevent medical conditions in the genital area.

The business is divided into two areas, Medical Consumer and Lifestyle Consumer. Medical Consumer offers a unique over-the-counter portfolio of rapid tests and self-care products for the treatment and prevention of medical conditions such as vaginal atrophy, bacterial vaginosis, amniotic fluid leakage, and urinary tract infections. The product portfolio provides a unique comprehensive solution for women in intimate self-care and is sold under the brands VagiVital and Vernivia. The company's other business area, Lifestyle Consumer, focuses on a broader portfolio of sustainable period products sold under the Lunette brand.

Peptonic Medical continuously aims to broaden the company's product portfolio through acquisitions and development of innovative and competitive products in-house. The company's mousse-based drug-delivery technology, Venerol, and the gel base in VagiVital create favorable conditions for expanding the portfolio. Central to the growth strategy is the geographical expansion of VagiVital through collaboration with local partners, where the USA represents a key market. The goal is to position Peptonic Medical on the international stage and become a leading player in women's intimate self-care according to the concept of diagnose, treat, and prevent.

Share

Peptonic Medical has been listed on the Spotlight Stock Market since 2014 and trades under the ticker symbol: PMED. The share capital of the company amounts to 38,371,139.9 SEK divided into 1,534,845,596 outstanding shares with a nominal value of 0.025 SEK per share. The number of outstanding warrants amounts to 196,370,600. Upon full exercise of the warrants, the number of shares will increase by 196,370,600.

Organization

The group consists of the parent company Peptonic Medical AB (publ) headquartered in Stockholm, Sweden, and its subsidiaries Common Sense, USA, PMI, Israel, and Lune Group Oy, Finland.

At the end of the period, the number of employees in the group amounted to 38 (34), and for the parent company, it was 9 (3) at the end of the period. Of the total employees in the group and the parent company, 4 employees have come from the merger with Pharmiva. In a restructuring, 3 individuals have left the group, including 2 individuals from the parent company.

For further information: www.peptonicmedical.se

FINANCIAL INFORMATION – GROUP

During the fourth quarter of 2023, the merger with Pharmiva has been integrated into the parent company. Pharmiva's accumulated results before the merger date and most merger-related costs have been directly allocated to 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. Therefore, the figures for the fourth quarter and full year of 2023 are not directly comparable to 2022 due to the inclusion of the Pharmiva results post the completion of the merger.

Revenue – Revenue for the fourth quarter amounted to 7,159 (11,924) KSEK, of which sales of products accounted for 6,786 (10,191) KSEK. Sales within the Medical Consumer business area amounted to 4,577 (5,862) KSEK, a decrease compared to the same quarter in 2022, mainly explained by the shifting of the timing of orders from distributors, which may vary across quarters. During the fourth quarter of 2022 orders were received from key partners such as Primalabs, Paladin, and Exeltis. Corresponding orders did not materialize during the quarter of 2023 but were deferred to the first quarter of 2024, where they were received.

Sweden as a single market delivered strong growth during the quarter, with sales increasing by 91% compared to the same quarter last year, driven by good organic growth and a continuous expansion of the product portfolio. Sales within the Lifestyle Consumer business area amounted to 2,209 (4,329) KSEK, a decrease compared to the same period the previous year, following a streamlining of the portfolio and increased focus on core markets. However, we have rightsized the costs within the business resulting in improved operating results despite the lower sales.

For the full year 2023, revenues amounted to 38,265 (46,404) KSEK, of which sales of products accounted for 37,118 (43,634) KSEK. Sales within the Medical Consumer business area amounted to 24,596 (24,538) KSEK, and the Lifestyle Consumer business area contributed sales of 12,521 (19,096) KSEK. Also, for the full year, Sweden as a single market has shown strong growth, with turnover increasing by 61%.

Operating expenses – During the fourth quarter, the group's expenses amounted to -26,731 (-18,814) KSEK, where comparison-affecting items of non-recurring nature amounted to -7,687 KSEK. These items were driven by personnel restructuring costs (-1,800 KSEK), write-down of an old receivable in the USA (-885 KSEK), write-down of an oxytocin patent within menopause (-1,986 KSEK), and adjustment of obsolescence amounting to -3,016 KSEK regarding products acquired in connection with the Common Sense acquisition in 2021. Adjusted for comparison-affecting items, the cost of goods sold during the quarter amounted to -3,077 KSEK, resulting in an adjusted gross margin of 55%. Continuous efforts are underway to streamline operations and create synergies following the merger with Pharmiva.

For the full year, the group's expenses amounted to -79,451 (-80,010) KSEK, where comparison-affecting items of non-recurring nature amounted to -7,687 KSEK. Adjusted for comparison-affecting items, the year resulted in a gross margin of 52.0%, in line with the previous year.

Result – The group's result after financial net adjusted for comparison-affecting items amounted to -11,885 (-7,111) KSEK for the fourth quarter. For the full year, the corresponding adjusted result was -33,499 (-36,857) KSEK.

Financial position and liquidity – Cash and bank as of December 31, 2023, amounted to 15,134 (3,566) KSEK. The cash flow for the full year 2023 was positive and amounted to 11,568 KSEK. The cash flow from operating activities was negative at -33,808 KSEK. The positive cash flow is explained by the completed new share issue with subsequent subscription options totaling 72,829 KSEK.

Equity – The group's equity as of December 31, 2023, amounted to 75,323 (47,092) KSEK, resulting in a solvency ratio of 71% (55%).

Liabilities – The group's short-term liabilities amounted to 31,414 (38,660) KSEK as of December 31, 2023. Interest-bearing liabilities amount to 16,943 MSEK, of which 8,076 KSEK pertains to deferment with the Swedish Tax Agency and the remainder to a short-term loan. During the fourth quarter, the company obtained a short-term loan totaling just over 8 MSEK. The loan was acquired to provide the company the resources to continue to make necessary short-term investments to capitalize on attractive growth opportunities.

INCOME STATEMENT

Peptonic Group

| KSEK | Note | 3 mon oct-dec 2023 | 3 mon oct-dec 2022 | 12 mon jan-sep 2023 | 12 mon jan-sep 2022 |
|--|------|--------------------------|--------------------------|---------------------------|---------------------------|
| Operating income | | | | | |
| Sales of products | | 6 786 | 10 191 | 37 118 | 43 634 |
| Other operating income | | 372 | 1 733 | 1 147 | 2 770 |
| Total operating income | | 7 159 | 11 924 | 38 265 | 46 404 |
| Operating expenses | | | | | |
| Cost of goods | | -6 093 | -5 890 | -20 823 | -20 239 |
| Other external expenses | 1 | -9 218 | -7 405 | -28 839 | -34 186 |
| Personnel costs | 5 | -7 619 | -4 585 | -23 440 | -21 922 |
| Depreciation | 5 | -3 739 | -885 | -6 266 | -3 491 |
| Other operating costs | | -63 | -49 | -83 | -172 |
| Total operating expenses | | -26 731 | -18 814 | -79 451 | -80 010 |
| Operating loss | | -19 572 | -6 890 | -41 186 | -33 606 |
| <i>Items affecting comparability, operating result</i> | 5 | <i>-7 687</i> | | | |
| Adjusted operating loss | | -11 885 | | | |
| Net financial income | | 414 | 0 | 919 | 0 |
| Net financial expense | | -459 | -1 232 | -2 323 | -3 251 |
| Loss before taxes | | -19 617 | -8 122 | -42 589 | -36 857 |
| <i>Adjusted loss before tax excluding items affecting comparabilit</i> | | <i>-11 930</i> | <i>-7 111</i> | <i>-34 902</i> | <i>-36 857</i> |
| Taxes | | 0 | 0 | 0 | 0 |
| Net loss for the period | | -19 617 | -8 122 | -42 589 | -36 857 |

BALANCESHEET

Peptonic Group

| KSEK | Note | 31-dec 2023 | 31-dec 2022 |
|---|------|----------------|----------------|
| Assets | | | |
| Non-Current assets | | | |
| Intangible assets | 2 | 62 538 | 50 098 |
| Tangible assets | 3 | 3 783 | 4 299 |
| Financial assets | | 0 | 0 |
| Total non-current assets | | 66 321 | 54 398 |
| Current assets | | | |
| Stock | | 16 002 | 15 368 |
| On going fund raising | | 0 | 0 |
| Other receivbles | | 6 082 | 8 267 |
| Tax receivable | | 287 | 89 |
| Prepaid expenses and accrued income | | 2 910 | 4 064 |
| Liquid assets | | 15 134 | 3 566 |
| Total current assets | | 40 415 | 31 354 |
| Total assets | | 106 736 | 85 752 |
| Equity and liabilities | | | |
| Equity | | | |
| Ristricted equity | | | |
| Share capital | | 38 371 | 24 274 |
| Ongoing right issues | | 0 | 0 |
| Reserves | | 5 377 | 7 392 |
| Other contributed capital | | 333 041 | 273 613 |
| Profit or loss brought forward incl year result | | -301 466 | -258 187 |
| Total equity | | 75 323 | 47 092 |
| Current liabilities | | | |
| Liabilities interest bearing | | 7 556 | 4 180 |
| Trade payables | | 13 779 | 22 881 |
| Other payables | | 5 580 | 5 720 |
| Prepaid income and accrued expenses | | 4 498 | 5 879 |
| Total current liabilities | | 31 414 | 38 660 |
| Total equity and liabilities | | 106 736 | 85 752 |

STATEMENT OF CASH FLOW

Peptonic Group

| KSEK | Note | 12 mon jan-sep 2023 | 12 mon jan-dec 2022 |
|--|----------|------------------------------------|------------------------------------|
| CASH FLOW FROM OPERATIONS BEFORE CHANGES IN WORKING CAPITAL | | | |
| Operating profit/loss | - | 42 589 - | 36 857 |
| Non-cash flow items | | 7 054 | 3 491 |
| Paid tax | | - | - |
| NET CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL | - | 35 535 - | 33 366 |
| Increase (-) decrease (+) inventory | - | 634 - | 5 045 |
| Increase (-) decrease (+) receivables | | 5 176 - | 5 810 |
| Increase (-) decrease (+) liabilities | - | 2 815 - | 357 |
| NET CASH FLOW FROM OPERATING ACTIVITIES | - | 33 808 - | 44 579 |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Investment in immaterial assets, net | - | 1 285 - | 987 |
| Investment in material assest, incl subsidiaries | - | 646 | - |
| Investment in financial assets, net | - | 14 413 | - |
| Divestment / reduction of financial assets | - | 2 705 | 1 184 |
| NET CASH FLOW FROM INVESTING ACTIVITIES | - | 19 050 | 197 |
| CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Rights issue | | 87 243 | 33 704 |
| Issue expenses | - | 13 718 - | 3 444 |
| Bridgeloan | - | 9 101 | 7 534 |
| NET CASH FLOW FROM FINANCING ACTIVITIES | | 64 425 | 37 794 |
| TOTAL CASH FLOW FOR THE YEAR | | 11 568 - | 6 587 |
| Cash and cash equivalents at beginning of period | | 3 566 | 10 153 |
| CASH AND CASH EQUIVALENTS AT END OF THE PERIOD | | 15 134 | 3 566 |

CHANGES IN EQUITY

Peptonic Group

| | Share Capital | Develop- ment cost fund | Ongoing right issue | Share Premium reserve non- restricted | Accumul- ated losses | Total shareholders equity |
|--|------------------|-------------------------------|------------------------|---|-------------------------|---------------------------------|
| KSEK | | | | | | |
| Opening balance January 1, 2022 | 19 164 | 9 617 | 0 | 247 338 | -224 102 | 52 017 |
| Net loss for the year | | | | | -36 857 | -36 857 |
| Transferring fund | | -2 225 | | | 2 225 | 0 |
| Right issue | 5 110 | | 0 | 28 618 | | 33 728 |
| On going right issues | | | | | 547 | 547 |
| Issue expenses | | | | -3 444 | | -3 444 |
| Closing balance December 31, 2022 | 24 274 | 7 392 | 0 | 272 513 | -258 187 | 45 992 |
| Opening balance January 1, 2023 | 24 274 | 7 392 | 0 | 272 513 | -258 187 | 45 992 |
| Net loss for the year | | | | | -42 589 | -42 589 |
| Transferring fund | | -2 015 | | | 2 015 | 0 |
| Right issue | 14 097 | | | 26 667 | | 87 243 |
| On going right issues | | | 0 | | | 0 |
| Conversion difference | | | | | -2 705 | -2 705 |
| Issue expenses | | | | | | -13 718 |
| Closing balance December 31, 2023 | 38 371 | 5 377 | 0 | 299 180 | -301 466 | 74 223 |

FINANCIAL INFORMATION – PATRENT COMPANY Peptonic Medical AB

During the fourth quarter of 2023, the merger with Pharmiva was completed, and in Q1 2024, the subsidiary Lune Group Oy filed for bankruptcy in March, resulting in an additional write-down of 6,900 KSEK as of December 31, 2023, since the communication was published on February 23, 2024.

Pharmiva's accumulated results before the merger date and the majority of merger-related costs have been directly accounted for against 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 operating results and balance sheet. Consequently, the figures for the fourth quarter and the full year of 2023 are not directly comparable to 2022 due to changes in the company's structure.

Revenue – Sales of products amounted to 1,839 (1,167) KSEK in the fourth quarter. Other operating revenues for the quarter were 96 (0) KSEK. For the entire year, sales of products amounted to 6,593 (6,483) KSEK.

Operating expenses – During the fourth quarter, costs amounted to -25,371 (-56,953) KSEK. Costs of goods sold during the period were -1,023 (-277) KSEK. A write-down of -11,800 KSEK related to the subsidiary Lune Group Oy negatively impacted costs in the quarter, along with a write-down of -1,986 KSEK related to the oxytocin patent in menopause and restructuring costs of -1,800 KSEK. Total costs for the year were -44,613 (-77,716) KSEK.

Result – The company's result after financial items adjusted for extraordinary items for the fourth quarter amounted to -19,650 (-53,747) KSEK.

Financial position and liquidity– Cash and bank balances as of December 31 amounted to 10,610 (371) KSEK. The cash flow for the full year 2023 was positive, amounting to 10,239 KSEK. Cash flow from operating activities was negative at -36,653 KSEK. The positive cash flow is explained by a completed new share issue with subsequent subscription options totaling 72,829 KSEK..

Equity – The company's equity as of December 31, 2023, amounted to 89,273 (57,164) KSEK, resulting in a solvency ratio of 78 (64) percent. Utilization of subscription options of series TO3, which were carried out during the fourth quarter, resulted in an increase in the company's equity of approximately 7.3 MSEK.

Liabilities - The company's liabilities amounted to 25,015 (31,692) KSEK as of December 31, 2023, of which 16,943 are interest-bearing.

INCOME STATEMENT

Peptonic Medical AB

| KSEK | Note | 3 mon oct-dec 2023 | 3 mon oct-dec 2022 | 12 mon jan-sep 2023 | 12 mon jan-sep 2022 |
|---|------|--------------------------|--------------------------|---------------------------|---------------------------|
| Operating income | | | | | |
| Sales of products | | 1 839 | 1 167 | 6 593 | 6 483 |
| Intercompany sales | | 0 | 0 | 0 | 2 611 |
| Other operating income | | 96 | 0 | 96 | 0 |
| Total operating income | | 1 935 | 1 167 | 6 689 | 9 094 |
| Operating expenses | | | | | |
| Cost of goods | | -1 023 | -277 | -2 522 | -3 885 |
| Other external expenses | 1 | -5 044 | -2 637 | -13 962 | -12 388 |
| Personnel costs | | -4 008 | -2 554 | -10 740 | -7 742 |
| Depreciation | | -15 233 | -51 437 | -17 325 | -53 529 |
| Other operating costs | | -63 | -49 | -63 | -172 |
| Total operating expenses | | -25 371 | -56 953 | -44 613 | -77 716 |
| Operating loss | | -23 436 | -55 785 | -37 924 | -68 622 |
| <i>Items affecting comparability, operating result</i> | | <i>-3 786</i> | <i>-1 011</i> | <i>-3 786</i> | <i>0</i> |
| Adjusted operating loss | | -19 650 | -54 774 | -34 138 | -68 622 |
| Net financial income | | 63 | 1 047 | 921 | 0 |
| Net financial expense | | -2 618 | 0 | -4 412 | -789 |
| Loss before taxes | | -25 991 | -54 738 | -41 415 | -69 411 |
| <i>Adjusted loss before tax excluding items affecting comparability</i> | | <i>1</i> | <i>-53 727</i> | <i>-37 629</i> | <i>-69 411</i> |
| Taxes | | 0 | 0 | 0 | 0 |
| Net loss for the period | | -25 991 | -54 738 | -41 415 | -69 411 |

BALANCESHEET

Peptonic Medical AB

| KSEK | Note | 31-dec 2023 | 31-dec 2022 |
|-------------------------------------|------|----------------|----------------|
| Assets | | | |
| Non-Current assets | | | |
| Intangible assets | 2 | 62 488 | 49 703 |
| Tangible assets | 3 | 448 | 36 |
| Financial assets | 4 | 5 992 | 12 892 |
| Total non-current assets | | 68 928 | 62 632 |
| Current assets | | | |
| Stock | | 5 527 | 3 122 |
| On going fund raising | | 0 | 0 |
| Other receivables | | 1 864 | 831 |
| Group company receivables | | 25 713 | 19 432 |
| Tax receivable | | 0 | 0 |
| Prepaid expenses and accrued income | | 1 646 | 2 469 |
| Liquid assets | | 10 610 | 371 |
| Total current assets | | 45 360 | 26 224 |
| Total assets | | 114 288 | 88 856 |
| Equity and liabilities | | | |
| Equity | | | |
| Restricted equity | | | |
| Share capital | | 38 371 | 24 274 |
| Ongoing right issues | | 0 | 0 |
| Development Cost Fund | | 5 377 | 7 392 |
| Non- restricted equity | | | |
| Share premium reserv non-restricted | | 333 041 | 273 613 |
| Profit or loss brought forward | | -246 100 | -178 705 |
| Net loss for the period | | -41 415 | -69 411 |
| Total equity | | 89 273 | 57 164 |
| Current liabilities | | | |
| Liabilities interest bearing | | 3 341 | 2 515 |
| Trade payables | | 13 668 | 19 332 |
| Other payables | | 4 707 | 4 544 |
| Group company debts | | 0 | 0 |
| Prepaid income and accrued expenses | | 3 299 | 5 301 |
| Total current liabilities | | 25 015 | 31 692 |
| Total equity and liabilities | | 114 288 | 88 856 |

STATEMENT OF CASH FLOW
Peptonic Medical AB

| KSEK | Note | 12 mon jan-sep 2023 | 12 mon jan-sep 2022 |
|--|------|---------------------------|---------------------------|
| CASH FLOW FROM OPERATIONS BEFORE CHANGES IN WORKING CAPITAL | | | |
| Operating profit/loss | | -41 415 | -69 411 |
| Non-cash flow items | | 17 325 | 53 529 |
| Paid tax | | 0 | 0 |
| NET CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANG | | -24 089 | -15 882 |
| Increase (-) decrease (+) inventory | | -2 406 | -1 062 |
| Increase (-) decrease (+) receivables | | -6 491 | -13 199 |
| Increase (-) decrease (+) liabilities | | -3 667 | 4 216 |
| NET CASH FLOW FROM OPERATING ACTIVITIES | | -36 653 | -25 927 |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Investment in immaterial assets, net | | -1 266 | -987 |
| Investment in material assest, incl subsidiaries | | -4 883 | -10 157 |
| Investment in financial assets, net | | -406 | 0 |
| Divestment / reduction of financial assets | | 0 | 0 |
| NET CASH FLOW FROM INVESTING ACTIVITIES | | -6 555 | -11 144 |
| CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Rights issue | | 72 829 | 33 704 |
| Issue expenses | | -13 718 | -3 444 |
| Bridgeloan | | -5 664 | 4 332 |
| NET CASH FLOW FROM FINANCING ACTIVITIES | | 53 447 | 34 592 |
| TOTAL CASH FLOW FOR THE YEAR | | 10 239 | -2 478 |
| Cash and cash equivalents at beginning of period | | 371 | 2 849 |
| CASH AND CASH EQUIVALENTS AT END OF THE YEAR | | 10 610 | 371 |

CHANGES IN EQUITY
Peptonic Medical AB

| KSEK | Share Capital | Development cost fund | Share Premium reserve non-restricted | Accumul-ated losses | Total shareholders equity |
|--|----------------------|------------------------------|---|----------------------------|----------------------------------|
| Opening balance January 1, 2022 | 19 164 | 9 617 | 248 439 | -180 929 | 96 290 |
| Net loss for the year | | | | -69 411 | -69 411 |
| Transferring fund | | -2 225 | | 2 225 | 0 |
| Right issue | 5 110 | | 28 618 | | 33 729 |
| On going right issues | | | 0 | | 0 |
| Issue expenses | | | -3 444 | | -3 444 |
| Closing balance December 31, 2022 | 24 274 | 7 392 | 273 613 | -248 116 | 57 164 |
| Opening balance January 1, 2023 | 24 274 | 7 392 | 273 613 | -248 116 | 57 164 |
| Net loss for the year | | | | -41 415 | -41 415 |
| Transferring fund | | -2 015 | | -1 569 | 0 |
| Right issue | 14 097 | | 73 146 | | 87 242 |
| On going right issues | | | 0 | | 0 |
| Issue expenses | | | -13 718 | | -13 718 |
| Closing balance December 31, 2023 | 38 371 | 5 377 | 333 041 | -291 100 | 89 273 |

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 Group

| | 31-dec 2023 | 31-dec 2022 |
|---|------------------------|------------------------|
| Capitalized development costs | | |
| Accumulated acquisition value | | |
| Opening balance | 53 148 | 52 900 |
| Sold out and Other disposals | -2 154 | 0 |
| Capitalizations during the period | 323 | 248 |
| | <u>51 317</u> | <u>53 148</u> |
| Accumulated depreciation value | -10 772 | -7 980 |
| Depreciation of the year | -3 161 | -2 792 |
| | <u>-13 933</u> | <u>-10 772</u> |
| Net booked amount at end of period | <u>37 384</u> | <u>42 377</u> |
| Patents och licenses | | |
| Accumulated acquisition value | | |
| Opening balance | 9 177 | 8 438 |
| Sold out and Other disposals | -2 541 | 0 |
| Capitalizations during the period | 961 | 739 |
| | <u>7 597</u> | <u>9 177</u> |
| Depreciation | | |
| Accumulated depreciation value | -1 455 | -1 148 |
| Depreciation of the year | -531 | -307 |
| | <u>-1 986</u> | <u>-1 455</u> |
| Net booked amount at end of period | <u>5 611</u> | <u>7 722</u> |
| Group goodwill | | |
| Accumulated acquisition values | | |
| At the beginning of the period | 23 495 | 23 495 |
| Activations for the period | 5 821 | 0 |
| | <u>29 316</u> | <u>23 495</u> |
| Depreciation at the beginning of the period | -23 495 | -23 495 |
| This year's depreciations | -194 | 0 |
| Outgoing depreciation | <u>-23 689</u> | <u>-23 495</u> |
| Net booked amount at end of period | <u>5 627</u> | <u>0</u> |
| Total intangible assets | <u>48 622</u> | <u>50 098</u> |

Not 2

Moderbolaget - Peptonic Medical AB

| | 31-dec | 31-dec |
|--|----------------|---------------|
| | 2023 | 2022 |
| Balanserade utgifter för utvecklingsarbete | | |
| Akkumulerade anskaffningsvärden | | |
| Vid periodens början | 51 873 | 51 625 |
| Omklassificeringar | -2154 | 0 |
| Periodens aktiveringar | 323 | 248 |
| Fusion | 13 188 | |
| | 63 231 | 51 873 |
| Avskrivningar vid periodens början | -9 892 | -7 419 |
| Årets avskrivningar | -2 817 | -2 473 |
| Omklassificeringar | 470 | |
| Fusion | -4 104 | |
| Utgående ack avskrivning | -16 342 | -9 892 |
| Redovisat värde vid periodens slut | 46 888 | 41 981 |
| Patent och licenser | | |
| Akkumulerade anskaffningsvärden | | |
| Vid periodens början | 9 177 | 8 438 |
| Försäljningar/utrangeringar | -2 541 | 0 |
| Omklassificeringar | 2 154 | |
| Periodens aktiveringar | 961 | 739 |
| Fusion | 2 410 | |
| | 12 161 | 9 177 |
| Avskrivningar vid periodens början | -1455 | -1148 |
| Årets avskrivningar | -531 | -307 |
| Återförda avskrivningar på försäljningar resp. utrangeringar | 555 | |
| Omklassificeringar | -470 | |
| Fusion | -287 | |
| Utgående ack avskrivning | -2189 | -1455 |
| Redovisat värde vid periodens slut | 9 973 | 7 722 |
| Goodwill | | |
| Akkumulerade anskaffningsvärden | | |
| Vid periodens början | 0 | 0 |
| Försäljningar/utrangeringar | 0 | 0 |
| Periodens aktiveringar | 5 821 | 0 |
| | 5 821 | 0 |
| Avskrivningar vid periodens början | 0 | 0 |
| Årets avskrivningar | -194 | 0 |
| Utgående ack avskrivning | -194 | 0 |
| Redovisat värde vid periodens slut | 5 627 | 0 |
| Totala immateriella anläggningstillgångar | 62 488 | 49 703 |

**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 December 31, 2023, a total of SEK 5 992 thousand has been capitalized for the acquisition of subsidiaries.

Note 5 - Items Affecting Comparability

| Note 5 - Items Affecting Comparability | | 3 month | 3month | 12 month | 12 month |
|---|--|----------------|----------------|-----------------|-----------------|
| Group | | oct-dec | oct-dec | jan-dec | jan-dec |
| What | Where | 2023 | 2022 | 2023 | 2022 |
| Impairment of oxytocin patent in menopause | <i>Amortization of intangible assets</i> | 1986 | 0 | 1986 | 0 |
| Restructuring costs - personnel | <i>Personnel expenses</i> | 1 800 | 0 | 1 800 | 0 |
| Inventory write-down | <i>Cost of goods sold</i> | 3 518 | 0 | 3 518 | 0 |
| Impairment of receivable in US | <i>Other external costs</i> | 885 | 0 | 885 | 0 |
| Inventory adjustment Q4 2022 | <i>Cost of goods sold</i> | 0 | 1 011 | 0 | 0 |
| | | 8 189 | 1 011 | 8 189 | 0 |

| Note 5 - Items Affecting Comparability | | 3 month | 3month | 12 month | 12 month |
|---|--|----------------|----------------|-----------------|-----------------|
| Parent company | | oct-dec | oct-dec | jan-dec | jan-dec |
| What | Where | 2023 | 2022 | 2023 | 2022 |
| Impairment of oxytocin patent in menopause | <i>Amortization of intangible assets</i> | 1986 | 0 | 1986 | 0 |
| Restructuring costs - personnel | <i>Personnel expenses</i> | 1800 | 0 | 1800 | 0 |
| | | 3 786 | 0 | 3 786 | 0 |

KEY FIGURES

Peptonic Group

| | 12 mon | 12 mon | 12 mon |
|-----------------------------------|----------------------|--------------------|--------------------|
| | jan-sep | jan-dec | jan-dec |
| | 2023 | 2022 | 2021 |
| Sales goods, KSEK | 37 118 | 43 634 | 31 643 |
| Gross profit sales goods, KSEK | 16 295 | 23 394 | 19 070 |
| Gross margin, % | 44% | 54% | 60% |
| Operating profit, KSEK | -41 186 | -33 606 | -73 718 |
| Return on equity,% | Negativt | Negativt | Negativt |
| Equity ratio,% | 71 | 55 | 62 |
| Earnings per share, SEK | -0,04 | -0,15 | -0,38 |
| Liquidity per share, SEK | 0,01 | 0,01 | 0,05 |
| Equity per share, SEK | 0,06 | 0,19 | 0,27 |
| Share price per closing, SEK | 0,08 | 0,14 | 0,63 |
| Share price/Equity per share, SEK | 1,25 | 0,72 | 2,30 |
| Equity per share, SEK | 1 175 179 689 | 242 743 544 | 191 639 642 |

RISKS AND UNCERTAINTIES

The business risks, risk management, and financial risk management of the Group and the parent company are thoroughly described in the 2022 annual report submitted in April 2023, available on the company's website, www.peptonicmedical.se/financial-information/. During the year, geopolitical risks have increased, resulting in slightly longer lead times and higher freight costs. Otherwise, no events of significant importance to Peptonic have occurred that affect or change these descriptions of the Group's or parent company's risks and their management.

FINANCING

Efforts are being made to secure funding for the operations, which include intensified focus on sales and business development as well as exploring other alternatives. The board continuously evaluates the group's financial position, financing needs, and possible financing options to ensure continuity in operations. The company has outstanding subscription options of series TO4 with a subscription period from April 17 to May 1, 2024, and plans to initiate a capital raising to secure sufficient liquidity for the next twelve-month period. The board's assessment is that the company has good prospects to secure the necessary funding.

AUDIT

This year-end report has not been subject to be reviewed by the company's auditors.

PROPOSAL FOR ALLOCATION OF PROFIT

The board proposes that no dividends are paid for the financial year 2023.

ASSURANCE

The board and the managing director assure that the year-end report provides a fair overview of the company's operations, position and results.

FINANCIAL CALENDER

| | |
|------------------------|------------|
| Quarterly report, 1 | 2024-05-07 |
| 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 will be available on the Company's website, www.peptonicmedical.se, at least 3 weeks before the meeting and can also be requested from the Company via email at anna.linton@peptonicmedical.se.

Stockholm, February 23rd, 2023

| | |
|------------------------------------|--------------------------------|
| 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.