

# DIGNITANA

*Clinically superior scalp cooling*

AUGUST 18 • 2022



## Q2 22

**Strategic growth  
aligned with clear vision**  
Strong growth continues at 30 percent

QUARTERLY REPORT



## Strong growth continues at 30 percent

### Financial highlights Q2 2022

- Net sales amounted to 18,3 MSEK (14,0), an increase of 30 percent over the same period in 2021.
- Operating result amounted to 0.1 MSEK (-9,4).
- Net result after financial items amounted to -0,2 MSEK (-9,7).
- Earnings per share were 0,00 SEK (-0,15).
- Cash Balance amounted to 7,3 MSEK (36,3).
- Average Daily Treatment Revenue (ADTR)\* was 201 TSEK (163), an increase of 23 percent over the same period in 2021.

### Significant events during the period

- The Annual Report for 2021 was published 28 April 2022.
- The Annual General Meeting was held on 19 May 2022.
- Catarina Mård Löwenadler became Chief Executive Officer of Dignitana on 19 May 2022.
- The company appointed Ulf Jönsson as Chief Financial Officer beginning 1 July 2022.
- Dignitana AB secured a line of credit in the amount of SEK 10 million from the company's largest shareholder, Agarth AB, to support the strategic growth of the company.

### Business highlights during the period

- The American Medical Association reaffirmed their policy supporting scalp cooling and reimbursement for the treatment.



### Key Figures

DIGNITANA GROUP	Q2 2022	Q2 2021	Q1-Q2 2022	Q1-Q2 2021	Full year 2021
Net sales, TSEK	18 284	14 038	34 148	27 203	57 073
Total revenues, TSEK	24 067	17 174	40 777	31 331	62 376
Net profit after financial items, TSEK	-232	-9 660	-6 740	-17 324	-43 076
Cash and bank balances, TSEK	7 312	36 333	7 312	36 333	14 501
Earnings per share before and after dilution, SEK	0,00	-0,15	-0,10	-0,28	-0,66
Average Daily Treatment revenue,* TSEK	201	163	190	146	147

\* ADTR includes pay-per-treatment revenue from patients and facilities in the U.S. Does not include lease revenue or disposable sales.

DIGNITANA AB IS A SWEDISH MEDICAL TECHNOLOGY COMPANY THAT PRODUCES AND MARKETS THE DIGNICAP SCALP COOLING SYSTEM TO MINIMIZE HAIR LOSS DURING CHEMOTHERAPY AND IMPROVE WELL-BEING AND QUALITY OF LIFE FOR CANCER PATIENTS.

## Strategic growth aligned with clear vision

I have now had the pleasure to be part of the Dignitana team for three months. In that time, I have been impressed by the passion and dedication to serving our patients and customers, and by the knowledge and experience of our team. With the vision to give more patients access to our superior scalp cooling, we are now scaling up in an efficient manner and are accelerating multiple initiatives to serve the untapped market needs.

### Robust performance

Net sales in the period showed solid growth with a 30 percent improvement over Q2 2021 and a 23 percent improvement in Average Daily Treatment Number (ADTR) versus the same period one year ago. The second quarter of 2022 also brings an important milestone – the Company is positive in EBIT for the first time. Although this result is impacted by favorable exchange rates with the U.S. Dollar, it is a milestone that we are pleased to reach.

### Utilization drives success

One factor behind the increase in ADTR and improved profitability is our commitment to improving device utilization rates rather than simply placing more devices. This effort is led by our experienced clinical support team to retrain staff, help customers improve workflows, and introduce marketing to increase awareness. In the process we are advancing the expertise of our clinical users and reinforcing optimal patient outcomes. This personalized approach is showing notable progress with many customers.

### Investments in customer centered infrastructure

We have invested in understanding the patient journey and in listening to the needs of our patients and health care providers. This investment drives ongoing improvement along each step of the continuum of care. The pandemic brought us all challenges and changes, but we have used the time wisely to develop digital platforms for resources and training to address the specific needs of patients, health care providers and distributors. Additionally, we have launched the reimbursement hub to support patients filing claims, invested in enhancements to Quality Affairs, and streamlined operational processes. With these improvements in infrastructure the Company is stronger than ever before and better equipped to scale up and take advantage of growth opportunities.

### Strategic and sustainable growth

The U.S. is our primary market where less than three percent of the addressable market are currently using scalp cooling. This number is increasing as we make progress with reimbursement and establishing scalp cooling as standard of care. To that end, we appreciate the recent support for scalp cooling insurance coverage from the American Medical Association and are continuing to work on initiatives with health care providers and payers to standardize reimbursement.

In line with our overall strategic growth plan to maximize resources and maintain operational efficiencies, U.S. growth activities are in targeted regions where we have the ability to grow profitable and provide superior clinical outcomes. Outside the U.S. we are applying similar strategies for profitable and sustainable growth, working to convert current customers to DigniCap Delta and evaluating distributor partnerships in countries with high growth potential.

### Looking ahead

There is no doubt of the growth potential for Dignitana and scalp cooling therapy. There is a strong desire from patients for standardized access to scalp cooling, and the opportunity for continued and accelerated growth and increased market share is significant. We are well on our way, and I am confident in both the product and the people that will drive us to our objectives. Working together as a team, we are customer centered and committed to long term growth. To make this statement is not something we take lightly. Putting the customer at the heart of everything we do and taking deliberate actions with each step allows us to help more patients, and it allows us to advance as quickly as possible toward profitable growth. None of this would be possible without the continued support of our shareholders and I sincerely thank you for your shared belief in our vision and opportunity.

Catarina Löwenadler, CEO  
Dignitana AB



# The Company

Dignitana AB is a medical technology company based in Lund, and publicly traded on Nasdaq First North Growth Market in Sweden. Company headquarters are in Lund, Sweden and U.S. operations are based in Dallas, Texas. Company subsidiaries are Dignitana, Inc. in the United States and Dignitana S.r.l. in Italy. Redeye AB is Certified Adviser.

The Company produces The DigniCap Scalp Cooling System, a patented medical cooling device that offers cancer patients the ability to minimize hair loss during chemotherapy to improve well-being and quality of life. The DigniCap Scalp Cooling System was invented in 1999 by a Swedish oncology nurse.

DigniCap has been on the market in Europe since 2001 and has had FDA clearance since 2015 to provide continuous scalp cooling with high efficacy, safety, and acceptable patient comfort. In 2017 Dignitana received expanded clearance from the FDA allowing DigniCap to be used by patients receiving chemotherapy to treat other solid

tumors in addition to the original indication for use by patients with breast cancer. In 2019 Dignitana introduced the next generation DigniCap Delta. The technologically advanced DigniCap Delta model received CE Marking and FDA clearance that year, as well as regulatory approvals in Australia and Israel.

Scalp cooling is recognized as standard of care by numerous organizations around the world. European Society for Medical Oncology (ESMO) added scalp cooling as a Category IIB treatment recommendation in 2020 and Cancer Australia added scalp cooling to its Fall 2020 update providing guidance for the management of early breast cancer patients. In the United States clinical recommendations introduced in 2019 and 2020 by the National Comprehensive Cancer Network® and a policy reaffirmation by the American Medical Association in 2022 all contribute to a solid foundation for scalp cooling to become standard of care in the United States.

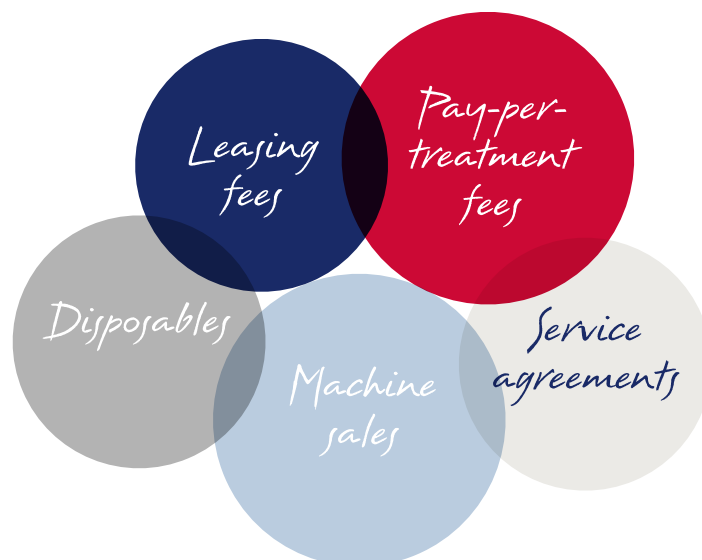
## Business model

Dignitana has two business models that each include an ongoing revenue stream from the sale of consumables.

In the United States devices are leased to providers and the Company utilizes a pay-per-treatment model. The availability of scalp cooling continues to expand as we work toward scalp cooling becoming standard of care providing access to more patients. Recently Dignitana introduced a buy and bill model that supports reimbursement initiatives and is now being piloted at select DigniCap locations. As reimbursement and coverage become more predictable, we

anticipate a transition to this widely accepted healthcare business model.

Outside the U.S. devices are sold to medical facilities and the company also receives revenue from service and maintenance agreements. For global markets that do not have a pay-per-treatment model, the focus is on creating a more sustainable recurring revenue stream from unit sales, lease agreements, service and maintenance fees, and sales of product disposables and supplies.





# Reimbursement

Dignitana is committed to ensuring scalp cooling is available to every cancer patient and reimbursement is a critical factor in patient access and affordability. Health care providers are key partners in our efforts to increase accessibility to improve quality of life for as many cancer patients as possible. Dignitana recognizes that providers allocate a range of resources to scalp cooling therapy and their clinical expertise, direct patient care, and skilled operation of the DigniCap device by trained personnel ensure that DigniCap patients have the most successful clinical outcomes possible. The buy and bill model Dignitana has introduced facilitates a pathway for providers to be reimbursed for the specialized service they are providing to patients.

Dignitana has led the way in reimbursement efforts for scalp cooling in the U.S., including work supporting the 2021 introduction of CPT® codes for scalp cooling and a rate assignment from the Centers for Medicare & Medicaid Services (CMS) that was introduced in 2022. Dignitana continues to work with healthcare providers and payers to advance reimbursement of scalp cooling, and the Company has a Reimbursement Hub for patients to receive direct support and guidance in filing claims for reimbursement.

*Dignitana is committed to ensuring scalp cooling is available to every cancer patient and reimbursement is a critical factor in patient access and affordability.*







# The market

## The market

DigniCap minimizes chemotherapy-induced hair loss for cancer patients with solid tumors.

Globally there are over 18 million incidences of cancer diagnosed annually, with more than 1.9 million diagnoses occurring in the U.S. each year, and by 2040 the global cancer burden is projected to reach 28 million new incidences solely due to growth and aging of the population. In the U.S. it is estimated that 39 out of 100 women and 40 out of 100 men will develop cancer during their lifetime.

Scalp cooling is primarily used today during the treatment of breast cancer, the most common type of cancer in the world. Globally 2.3 million cases of breast cancer are diagnosed annually, with 291,000 of those in the United States. Scalp cooling is also used by patients with other solid tumors such as ovarian, uterine, endometrial, cervical, and prostate cancers. Non-breast solid tumors represent nearly one million patients in the U.S annually.

Dignitana estimates that up to 60 percent of all cancer patients are on regimens that are compatible with DigniCap. Additionally published studies have found that 8-10% of female patients refuse chemotherapy due to concern over hair loss, and 96% of potential patients surveyed were interested in scalp cooling.

## Market development

The DigniCap Scalp Cooling System is clinically proven to reduce hair loss in cancer patients undergoing chemotherapy for solid tumors. The DigniCap Scalp Cooling System has been marketed worldwide since 2009 and received FDA clearance for the U.S. market in 2015. DigniCap was the first scalp cooling system to receive FDA clearance, with only two other systems now on the market that received clearance more recently. The DigniCap Delta model was introduced in 2019 and is a smaller, single-patient device providing optimal outcomes and improved ease of use for clinicians and patients. In 2019 DigniCap Delta received CE Marking for Europe and FDA clearance for the U.S., followed by TGA clearance for Australia.

To increase awareness and utilization of scalp cooling, Dignitana works with patient advocacy organizations and interest groups in the cancer care community. Dignitana's ongoing sponsorship of Susan G. Komen, the largest breast cancer advocacy group in the world, is an example of this, in addition to numerous partnerships with foundations across the United States.

In most of the world scalp cooling is not a standard option for cancer care. The acceptance, market penetration and utilization of this treatment vary widely, providing significant opportunities for Dignitana all over the world.

Dignitana is committed to advancing the science of scalp cooling by supporting clinical trials and research initiatives among DigniCap users. The Company has initiated several studies that could expand usage to new user groups and show improvements with existing regimens that have exhibited inferior results with scalp cooling previously.

# Financial information and comments

## DIGNITANA GROUP

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### Revenues

Group revenues are generated by direct sales of systems, leasing of systems to health care providers, pay-per treatment fees, service and maintenance agreements, sales of individual caps and kit accessories. For the second quarter 2022 net sales amounted to 18 284 TSEK (14 038), an increase over the same period 2021 by 4 246 TSEK representing 30 percent growth.

Dignitana operates by two business models: in the U.S. market DigniCap Delta systems are leased to health care providers and the Company generates revenues from the leasing contracts through monthly leasing fees as well as payment for treatments and sales of products related to patient treatments. Outside the U.S, revenues are generated by sales of DigniCap Delta systems, frequently combined with service and maintenance agreements, as well as the sale of patient-related products and consumables.

The U.S. market is still the driver in placing DigniCap Delta on the market using the leasing business model. During the first half of 2022 the Company has focused on reallocating lower utilized machines in some facilities to higher usage facilities with increasing demand. This enables the Company to reach more patients and improve patient outcomes and thereby achieve higher growth. Reallocation of devices to optimize utilization will continue as part of normal business operations as the market develops.

Dignitana's revenue and costs comprise of different currencies such as USD, EUR, and SEK. Operational exchange rate balance effects are recognized in the income statement under other operating income and in other operating expenses. In the second quarter 2022 net exchange rate effects amounted to 5 708 TSEK (-595).

### Operating Expenses and Operating Result

Operating expenses decreased during the quarter compared to the same period last year by 3 966 TSEK and amounted to -14 948 TSEK (-18 914). The lower cost level in 2022 is primarily due to increased operational efficiency and normalized activities in Quality and Regulatory Affairs.

As the effects from COVID-19 continue to subside we are increasing activities supporting sales growth and consequently travel and marketing costs are expected to increase.

Depreciation and amortization in the Group amounted to -3 333 TSEK (-2 972) and remains largely unchanged.

The operating result after depreciation for the Group was for the second quarter 77 TSEK (-9 412).

### Financial net

The financial net was -309 TSEK (-248), consisting mainly of debt-related interest.

### Employees

At the close of the period the Company had 24 (28) employees.

### Cash Flow and Financial Position

Consolidated cash flow from operating activities during the quarter was -3 061 TSEK (-8 857), representing a significant improvement from previous quarters. Total cash flow for the period was -4 448 TSEK (-8 708), including utilization of 5 MSEK in loan facility from Agarthia out of 10 MSEK in total credit line. Cash and cash equivalents at the end of the quarter amounted to 7 312 TSEK (36 333).

Board and Management are continuously monitoring the financial position of the Company and are of the opinion that current business plans combined with unutilized credit facilities are sufficient financial resources to cover working capital needs for the coming 12-month period.

### CAPEX

Capex amounted to 255 TSEK (2 807) in the quarter.

## DIGNITANA PARENT COMPANY

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### Revenues

Total revenues in the second quarter were 9 085 TSEK (9 656), of that other income was 5 774 TSEK (8) and is mainly attributable to exchange rate effects.

### Operating Expenses and Operating Result

Operating expenses decreased during the quarter compared to the same period last year by 3 631 TSEK and amounted to -5 623 TSEK (-9 254).

The operating result was 1 369 TSEK (-4 138) and net result for the period was 1 543 TSEK (-4 177).

The Parent company expenses, as well as revenues, are highly influenced by the timing of intercompany charges without effects on the group level.

# The share

Dignitana has been listed on First North Growth Market since November 2011 after having been listed on Spotlight Market in Stockholm since June 2009.

## Dignitana AB

TICKER	DIGN
Market Cap June 30	423 MSEK
Number of shareholders, approximately	2 543
Share price June 30	6,2
Number of shares traded during the quarter	643 647
Number of shares outstanding June 30	65 059 155
Registered share capital	6 505 916 SEK
Par value	0,1 SEK
Certified Adviser	Redeye

Dignitana has only one category of shares, where each share carries one vote and equal rights to the Company's assets and profits. The Company has over time issued new shares and stock option programs and in February 2020 an extraordinary general meeting was held where a decision was taken to issue a maximum of 2 500 000 employee warrants to key employees of the Company. The period for exercising the employee stock warrants will run from 1 March 2023 to 31 March 2023. The employee warrants were granted gratuitously and yearly costs of 960 TSEK are booked continuously.

## Largest Shareholders

30 JUNE 2022	HOLDINGS	PERCENT
AGARTHA AB	17 000 000	26,13%
SWEDBANK ROBUR MICROCAP	5 000 000	7,69%
AVANZA PENSION	4 590 094	7,06%
CBLDN-UBS FINANCIAL SERVICES INC.	4 189 739	6,44%
HANDELSBANKEN MICROCAP SVERIGE	3 000 000	4,61%
FÖRSÄKRINGSAKTIEBOLAGET SKANDIA	2 612 835	4,02%
FE SMÅBOLAG SVERIGE	1 800 000	2,77%
TECHNOVOBIS AB	1 790 593	2,75%
POURSAMAD, AMIR	1 505 349	2,31%
RÜLF, SEMMY	1 015 058	1,56%
<b>TOTAL</b>	<b>42 503 668</b>	<b>65,33%</b>
OTHER SHAREHOLDERS	22 555 487	34,67%
<b>TOTAL</b>	<b>65 059 155</b>	<b>100,00%</b>

Source: Euroclear



## Risk factors

An investment in securities is associated with risk. Dignitana's activities are affected, and may be affected, by several factors which cannot be completely controlled by the Company. There are risks both in terms of circumstances attributable to Dignitana and those which have no specific connection with the Company.

The non-definitive list of the Company's risks pertains, but is not limited, to: patents, key personnel, growth management, restructuring, management, development costs, competitors, dependence on individual customers, customers, authorization and registration, chemotherapy without side effects, alternative cancer treatment methods, distributors and manufacturers, profitability and future capital requirements, political risk, geopolitical risks, pandemic risks, regulatory or change of laws, disputes and currency risks.

### *Risks related to COVID-19*

The outbreak of COVID-19 in the spring of 2020 has affected the Company's opportunities to reach customers but also customers' ability to offer scalp cooling as a form of treatment. The Company has therefore been impacted financially, although it is not possible to make a full assessment.

### *Risks related to the Russian invasion of Ukraine*

The company's assessment is that the ongoing military conflict in Ukraine, should not have any immediate significant effect on the operations. Indirect effects such as increases in energy costs and transportation, increased lead time of components and general cost increases could have some impact on the operations but are deemed as manageable. If the conflict spreads to more territories, this assessment could change. USA is the group's primary market from a sales and supply perspective.

The Board is ultimately responsible for managing and monitoring these risks. Ongoing management is delegated to the CEO, who in turn reports to the Board.

For a detailed explanation of these risk factors view the 2021 Annual Report posted at <https://dignitana.com/investor-relations/financial-reports/>

## Other information

### *Forward-looking statements*

This report may contain statements, estimates or projections that constitute "forward-looking statements". Generally, the words "believe", "expect", "intend", "estimate", "anticipate", "project", "will" and similar expressions identify forward-looking statements, which generally are not historical in nature. Forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from the Dignitana historical experience or future projects.

### *Accounting principles*

The consolidated financial statements comprise of Dignitana AB and its subsidiaries Dignitana Inc. and Dignitana S.r.l.

This interim report is prepared in accordance with Swedish GAAP, BFNR 2012:1 (K3). The accounting policies remain unchanged compared with the preceding year and are the same principles that were applied for the Annual Report 2021.

Financial statements are presented in SEK, the functional currency of Dignitana AB. Assets and liabilities are translated and presented at the closing rate and the Income statement is translated and presented at period average exchange rates.

For a detailed explanation of these risk factors view the 2021 Annual Report posted at <https://dignitana.com/investor-relations/financial-reports/>

This Interim Report has not been reviewed by the Group's Auditors.

# Board assurance

The Board of Directors and Chief Executive Officer declare that this Interim Report provides a fair view of the Company's operations, financial position and results, and describes material risks and uncertainties facing the Company.

## **Dignitana AB**

Corporate Registration Number: 556730-5346

Lund, 18 August 2022

## **Dignitana AB (publ) Board of Directors**

Klas Arildsson  
Chairman of the Board

William Cronin  
Deputy Chairman of the Board

Richard Dilorio  
Board member

Lina Karlsson  
Board member

Christian Lindgren  
Board member

Ljubo Mrnjavac  
Board member



## Income Statement – Dignitana Group, TSEK

DIGNITANA GROUP	Q2 2022	Q2 2021	Q1-Q2 2022	Q1-Q2 2021	Full year 2021
<b>Operating Income</b>					
Net sales	18 284	14 038	34 148	27 203	57 073
Other operating income	5 783	3 136	6 629	4 128	5 303
<b>Total Operating Income</b>	<b>24 067</b>	<b>17 174</b>	<b>40 777</b>	<b>31 331</b>	<b>62 376</b>
<b>Operating expense</b>					
Goods for Resale	-5 709	-4 700	-11 535	-9 961	-20 711
Operating expense	-7 213	-10 335	-14 147	-16 378	-30 053
Personnel expense	-7 498	-7 946	-14 130	-14 551	-30 386
Depreciation and amortization of tangible and intangible assets	-3 333	-2 972	-6 618	-6 278	-12 737
Other operating expenses	-237	-633	-411	-707	-10 043
	<b>-23 990</b>	<b>-26 586</b>	<b>-46 841</b>	<b>-47 875</b>	<b>-103 930</b>
<b>Operating profit (loss) (EBIT)</b>	<b>77</b>	<b>-9 412</b>	<b>-6 064</b>	<b>-16 544</b>	<b>-41 554</b>
<b>Result from financial investments</b>					
Other Interest income and similar items	186	23	256	79	118
Interest expenses and similar items	-495	-271	-932	-859	-1 640
	<b>-309</b>	<b>-248</b>	<b>-676</b>	<b>-780</b>	<b>-1 522</b>
<b>Profit after financial items</b>	<b>-232</b>	<b>-9 660</b>	<b>-6 740</b>	<b>-17 324</b>	<b>-43 076</b>
<b>Profit before tax</b>	<b>-232</b>	<b>-9 660</b>	<b>-6 740</b>	<b>-17 324</b>	<b>-43 076</b>
Tax on profit for the period	0	0	0	0	-10
<b>Results for the Period</b>	<b>-232</b>	<b>-9 660</b>	<b>-6 740</b>	<b>-17 324</b>	<b>-43 086</b>
Average number of shares before and after dilution	65 059 155	65 059 155	65 059 155	62 812 113	65 059 155
Earnings per share before and after dilution, SEK	0,00	-0,15	-0,10	-0,28	-0,66

## Balance Sheet – Dignitana Group, TSEK

DIGNITANA GROUP	2021-06-30 2022	2020-06-30 2021	2020-12-31 2021
<b>ASSETS</b>			
<b>FIXED ASSETS</b>			
<b>Intangible assets</b>			
Capitalized expenses for development	8 956	13 537	11 189
	<b>8 956</b>	<b>13 537</b>	<b>11 189</b>
<b>Tangible assets</b>			
Equipment, tools and installations	219	217	187
Machinery and other technical facilities	28 875	28 619	30 104
	<b>29 094</b>	<b>28 836</b>	<b>30 291</b>
<b>Total Fixed Assets</b>	<b>38 050</b>	<b>42 373</b>	<b>41 480</b>
<b>CURRENT ASSETS</b>			
<b>Inventories and similar</b>			
Finished goods and goods for resale	6 994	6 695	7 120
	<b>6 994</b>	<b>6 695</b>	<b>7 120</b>
<b>Current Receivables</b>			
Accounts Receivable	8 787	5 826	5 103
Current Tax Assets	89	87	66
Other Current Receivables	1 045	917	862
Prepaid expenses and accrued income	2 460	1 680	2 222
	<b>12 381</b>	<b>8 510</b>	<b>8 253</b>
<b>Cash and Bank Balances</b>	<b>7 312</b>	<b>36 333</b>	<b>14 501</b>
<b>Total Current Assets</b>	<b>26 687</b>	<b>51 538</b>	<b>29 874</b>
<b>Total Assets</b>	<b>64 737</b>	<b>93 911</b>	<b>71 354</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share Capital	6 506	6 506	6 506
Unregistered share capital	0	0	0
Ongoing new issue	0	0	0
Other contributed capital	223 070	222 692	222 692
Other equity including profit for the year	-210 698	-169 687	-198 012
<b>Total Equity</b>	<b>18 878</b>	<b>59 511</b>	<b>31 186</b>
<b>Provisions</b>			
Other provisions	6	18	69
	<b>6</b>	<b>18</b>	<b>69</b>
<b>Long Term Liabilities</b>			
Other long term liabilities	13 248	11 834	15 828
<b>Total Long Term Liabilities</b>	<b>13 248</b>	<b>11 834</b>	<b>15 828</b>
<b>Current Liabilities</b>			
Liabilities to credit institutions	9 105	4 473	7 762
Accounts payable	6 636	7 997	6 234
Other current liabilities	6 481	967	761
Accrued expenses and deferred income	10 383	9 111	9 514
<b>Total current liabilities</b>	<b>32 605</b>	<b>22 548</b>	<b>24 271</b>
<b>Total liabilities</b>	<b>45 853</b>	<b>34 382</b>	<b>40 099</b>
<b>Total Equity and Liabilities</b>	<b>64 737</b>	<b>93 911</b>	<b>71 354</b>



## Consolidated Statement of Changes in Equity

– Dignitana Group, TSEK

DIGNITANA GROUP	Sharecapital	Other contributed capital	Retained earnings, incl. net loss for the year	Total equity
<b>Opening equity on 1/1/2021</b>	<b>6 506</b>	<b>222 692</b>	<b>-151 562</b>	<b>77 636</b>
Net loss for the year			-43 086	-43 086
Option program 2021			960	960
"Change in translation difference relating to subsidiaries"			-4 324	-4 324
<b>Closing equity on 12/31/2021</b>	<b>6 506</b>	<b>222 692</b>	<b>-198 012</b>	<b>31 186</b>
Net loss for the period			-6 740	-6 740
Share warrants		378		378
Option program 2022			480	480
"Change in translation difference relating to subsidiaries"			-6 426	-6 426
<b>Closing equity on 6/30/2022</b>	<b>6 506</b>	<b>223 070</b>	<b>-210 698</b>	<b>18 878</b>

## Statement of Cash Flows – Dignitana Group, TSEK

DIGNITANA GROUP	Q2 2022	Q2 2021	Q1-Q2 2022	Q1-Q2 2021	Full year 2021
<b>Operating activities</b>					
Profit after financial investments	-232	-9 660	-6 740	-17 324	-43 076
Adjustments for items not affecting cash flows, etc	-2 813	883	763	3 980	12 288
Tax paid	-16	-80	-24	-90	-80
<b>Cash flow from operating activities before changes in working capital</b>	<b>-3 061</b>	<b>-8 857</b>	<b>-6 001</b>	<b>-13 434</b>	<b>-30 868</b>
<b>Cash flow from changes in working capital</b>					
Change in inventories	456	-138	346	709	-467
Change in other current receivables	-3 489	162	-3 329	-176	422
Change in other current liabilities	-1 150	-5 575	397	-10 204	-12 960
<b>Cash flows from operating activities</b>	<b>-7 244</b>	<b>-14 408</b>	<b>-8 587</b>	<b>-23 105</b>	<b>-43 873</b>
<b>Investing activities</b>					
Investments in intangible assets	0	0	0	0	0
Proceeds from sale of intangible assets	0	0	0	0	0
Investments in tangible assets	-255	-2 807	-472	-4 907	-10 556
<b>Cash flows from investing activities</b>	<b>-255</b>	<b>-2 807</b>	<b>-472</b>	<b>-4 907</b>	<b>-10 556</b>
<b>Financing activities</b>					
New share issue	0	0	0	0	0
Issue expenses	0	0	0	0	0
Options issued	378	0	378	0	0
New loans	5 000	0	5 000	0	0
Repaid loans	0	0	0	-20 000	-20 000
Changes in long and short term liabilities to credit institutions	-2 327	8 507	-4 039	6 227	12 679
<b>Cash flow from financial activities</b>	<b>3 051</b>	<b>8 507</b>	<b>1 339</b>	<b>-13 773</b>	<b>-7 321</b>
<b>Cash flow for the period</b>	<b>-4 448</b>	<b>-8 708</b>	<b>-7 720</b>	<b>-41 785</b>	<b>-61 750</b>
<b>Cash and cash equivalents at beginning of period</b>					
Cash and cash equivalents at beginning of period	11 311	44 366	14 501	78 770	78 770
<b>Exchange rate differences in cash and cash equivalents</b>					
Exchange rate differences in cash and cash equivalents	449	675	531	-651	-2 519
<b>Cash and cash equivalents at end of period</b>	<b>7 312</b>	<b>36 333</b>	<b>7 312</b>	<b>36 333</b>	<b>14 501</b>



## Income Statement – Dignitana AB, TSEK

DIGNITANA AB, PARENT COMPANY	Q2 2022	Q2 2021	Q1-Q2 2022	Q1-Q2 2021	Full year 2021
<b>Operating Income</b>					
Net sales	3 311	9 648	5 814	18 660	37 743
Other operating income	5 774	8	6 391	988	1 940
<b>Total Operating Income</b>	<b>9 085</b>	<b>9 656</b>	<b>12 205</b>	<b>19 648</b>	<b>39 683</b>
<b>Operating expense</b>					
Goods for Resale	-962	-1 620	-2 196	-4 412	-7 179
Operating expense	-3 790	-4 589	-6 309	-7 114	-41 512
Personnel expense	-1 787	-4 070	-3 141	-7 636	-5 367
Depreciation and amortization of tangible and intangible assets	-1 131	-2 920	-4 385	-6 168	-12 517
Other operating expenses	-46	-595	-175	-595	-3 430
	<b>-7 716</b>	<b>-13 794</b>	<b>-16 206</b>	<b>-25 925</b>	<b>-70 005</b>
<b>Operating profit (loss)</b>	<b>1 369</b>	<b>-4 138</b>	<b>-4 001</b>	<b>-6 277</b>	<b>-30 322</b>
<b>Result from financial investments</b>					
Other Interest income and similar items	186	23	256	79	118
Interest expenses and similar items	-12	-62	-56	-424	-473
	<b>174</b>	<b>-39</b>	<b>200</b>	<b>-345</b>	<b>-355</b>
<b>Profit after financial items</b>	<b>1 543</b>	<b>-4 177</b>	<b>-3 801</b>	<b>-6 622</b>	<b>-30 677</b>
<b>Profit before tax</b>	<b>1 543</b>	<b>-4 177</b>	<b>-3 801</b>	<b>-6 622</b>	<b>-30 677</b>
Tax on profit for the period	0	0	0	0	0
<b>Results for the Period</b>	<b>1 543</b>	<b>-4 177</b>	<b>-3 801</b>	<b>-6 622</b>	<b>-30 677</b>

## Balance Sheet – Dignitana AB, TSEK

DIGNITANA AB, PARENT COMPANY	2022-06-30	2021-06-30	2021-12-31
<b>ASSETS</b>			
<b>FIXED ASSETS</b>			
<b>Intangible assets</b>			
Capitalized expenses for development	8 932	13 512	11 165
	<b>8 932</b>	<b>13 512</b>	<b>11 165</b>
<b>Tangible assets</b>			
Equipment, tools and installations	0	0	0
Machinery and other technical facilities	141	28 619	30 104
	<b>141</b>	<b>28 619</b>	<b>30 104</b>
<b>Financial assets</b>			
Participations in group companies	522	522	522
Receivable from group companies	6 643	425	452
	<b>7 165</b>	<b>947</b>	<b>974</b>
<b>Total Fixed Assets</b>	<b>16 238</b>	<b>43 078</b>	<b>42 243</b>
<b>CURRENT ASSETS</b>			
<b>Inventories and similar</b>			
Finished goods and goods for resale	5 045	5 022	5 289
	<b>5 045</b>	<b>5 022</b>	<b>5 289</b>
<b>Current Receivables</b>			
Accounts Receivable	1 438	1 264	1 927
Receivables from group companies	62 769	30 567	26 992
Current Tax Assets	89	87	117
Other Current Receivables	960	761	772
Prepaid expenses and accrued income	487	864	854
	<b>65 743</b>	<b>33 543</b>	<b>30 662</b>
<b>Cash and Bank Balances</b>	<b>2 780</b>	<b>30 488</b>	<b>9 239</b>
<b>Total Current Assets</b>	<b>73 568</b>	<b>69 053</b>	<b>45 190</b>
<b>Total Assets</b>	<b>89 806</b>	<b>112 131</b>	<b>87 433</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Restricted equity</b>			
Share Capital	6 506	6 506	6 506
Unregistered share capital	0	0	0
Fund for development expenses	8 932	13 398	11 165
	<b>15 438</b>	<b>19 904</b>	<b>17 671</b>
<b>Non-restricted equity</b>			
Share premium reserves	223 070	222 692	222 692
Other non-restricted equity	-157 886	-131 676	-129 442
Results for the period	-3 801	-6 622	-30 677
	<b>61 383</b>	<b>84 394</b>	<b>62 573</b>
<b>Total Equity</b>	<b>76 821</b>	<b>104 298</b>	<b>80 244</b>
<b>Current Liabilities</b>			
Accounts payable	1 647	3 078	2 124
Current payable to group company	397	0	0
Other current liabilities	5 810	121	129
Accrued expenses and deferred income	5 131	4 634	4 936
<b>Total current liabilities</b>	<b>12 985</b>	<b>7 833</b>	<b>7 189</b>
<b>Total liabilities</b>	<b>12 985</b>	<b>7 833</b>	<b>7 189</b>
<b>Total Equity and Liabilities</b>	<b>89 806</b>	<b>112 131</b>	<b>87 433</b>

## Financial calendar

<b>17 November 2022</b>	Q3 report
<b>16 February 2023</b>	2022 Year End Report
<b>25 May 2023</b>	Q1 Report
<b>25 May 2023</b>	Annual General Meeting
<b>17 August 2023</b>	Q2 Report
<b>16 November 2023</b>	Q3 Report
<b>15 February 2024</b>	2023 Year End Report

All financial reports are available at  
[www.dignitana.com/investor-relations/financial-reports/](http://www.dignitana.com/investor-relations/financial-reports/)

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