



2021

Interim Report
for the third quarter

January – September 2021

Interim Report for the third quarter of 2021

January 1 – September 30, 2021

The third quarter in figures

- Net sales amounted to TSEK 8,922 (6,481).
- Loss after taxes amounted to TSEK 16,531 (18,740).
- Earnings per share was SEK -0.3 (-1.1).
- Cash flow from current operations was TSEK -34,670 (-17,103).

The first nine months in figures

- Net sales amounted to TSEK 22,552 (18,112).
- Loss after taxes amounted to TSEK 65,192 (59,638).
- Earnings per share was SEK -1.5 (-3.4).
- Cash flow from current operations was TSEK -69,173 (-55,064).

Important events during the third quarter

- OssDsign's Management and Board of Directors increase their long-term commitment through acquisition of warrants corresponding to a total amount of approximately SEK 1.3 million.
- OssDsign enters into an agreement with Premier Inc., a leading group purchasing organization in the U.S., giving access to a network of 4,100 hospitals.
- OssDsign is selected to exhibit OssDsign Cranial PSI at Vizient Innovative Technology Exchange in the U.S.
- OssDsign partners with Red One Medical and enters into DAPA agreement to provide reconstructive cranial solutions and synthetic bone grafts to U.S. veterans and active military members.



- OssDsign Catalyst launched in the U.S.
- First patient included in OssDsign's clinical study (TOP FUSION) of the synthetic bone graft OssDsign Catalyst.
- OssDsign appoints new Senior Vice President International Sales & Global Marketing.

Important events after the end of the third quarter

- OssDsign receives expanded FDA market clearance for OssDsign Cranial PSI.
- First patients treated with OssDsign Catalyst in the U.S.

Financial overview

	2021	2020	2021	2020	2020
	Jul 1 – Sep 30	Jul 1 – Sep 30	Jan 1 – Sep 30	Jan 1 – Sep 30	Jan 1 – Dec 31
<i>The group</i>					
Net sales, TSEK	8 922	6 481	22 552	18 112	24 872
Operating profit, TSEK	-16 453	-18 494	-64 926	-59 242	-83 934
Profit for the period, TSEK	-16 531	-18 740	-65 192	-59 638	-84 590
Solidity, %	74%	70%	74%	70%	45%
Earnings per share, SEK	-0.3	-1.1	-1.5	-3.4	-4.4
Average number of employees	42.9	40.3	43.4	40.2	43.9



“ The first patients have now been treated with OssDsign Catalyst in the U.S. and our strategic partnerships, distributors and well-connected sales force creates a strong foundation for the future. Work now begins to ensure that our innovative product becomes the preferred choice of synthetic bone graft for surgeons performing spinal surgeries. ”

Continued growth and focus on establishing OssDsign Catalyst as the preferred product for spinal surgeries

In the third quarter, OssDsign again delivered record revenues, mainly driven by sales in the U.S. and Germany. During this intense period, we entered new strategic partnerships for future growth, and successfully launched OssDsign Catalyst on the U.S. market. The launch marks the start of our long-term goal to establish OssDsign Catalyst as the preferred product for achieving fusion in spinal surgeries.

All-time high in sales and strategic partnerships for future growth

With a total revenue of SEK 8.9 million in the third quarter we exceeded last quarter's sales record and achieved our best ever quarterly sales figure. The growth rate was 39% (at constant exchange rates) compared to the corresponding period last year, and year-to-date sales increased by 33% (at constant exchange rates) to SEK 22.3 million. Even though the Covid-19 pandemic still creates near-term uncertainties, we are starting to see results from our systematic dialogues with key healthcare providers in both Europe and the U.S. The two strategic partnerships that we entered during the summer with Premier Inc. and Red One Medical/DAPA lay the foundation for our continued growth in the U.S. market. Through these agreements, we now have access to Premier Inc.'s network, covering about 4,100 hospitals, and our products will be made available to active military personnel as well as U.S. Veterans via Red One Medical/DAPA.

The expanded FDA market clearance for OssDsign Cranial PSI that we received in early October strengthens our position as an innovative leader in the orthopedic market. The clearance highlights the osteoconductive properties of OssDsign's patented calcium phosphate composition – meaning that the ceramic component of OssDsign Cranial PSI is resorbed and replaced with bone during the healing process. There is a growing body of scientific evidence that links active bone metabolism to lower complication rates, and we are proud to be at the forefront of this development.

Time to raise expectations on clinical outcomes in spinal surgeries

Following the launch in the U.S. market in August, our aim is to establish OssDsign Catalyst as the preferred product for achieving fusion in spinal surgeries. While we recognize the work and time needed to reach this bold goal, the fact that one in five patients undergoing spinal surgery today experience poor clinical outcomes emphasizes the need for new innovative and more effective products. Based on the unique properties and capabilities of OssDsign Catalyst, we see a clear potential for OssDsign to become the global provider to solve this unmet clinical need. Similar to the body's own bone mineral architecture, the patented nanocrystalline structure of OssDsign Catalyst provides a favourable bone biology environment for rapid and reliable bone formation. This differs from traditional synthetics which are similar to bone on a macro level, rather than on a nano level, leading to a less profound bone biology response.

The first patients have now been treated with OssDsign Catalyst in the U.S. and our strategic partnerships, distributors and well-connected sales force creates a strong foundation for the future. Work now begins to ensure that our innovative product is seen as the preferred choice of synthetic bone graft for surgeons performing spinal surgeries.

To this end, clinical data and collaborations with key opinion leaders will be important. We are therefore pleased to work closely with Dr Péter Pál Varga and Dr Áron Lazary, two of the world's foremost experts in spinal surgery, who are leading the TOP FUSION study in Hungary to investigate the long-term safety and efficacy of OssDsign Catalyst in patients undergoing spinal surgery. In September, the first patient was included, and the study will run over 24 months.

Building global awareness of our innovative bone replacement products

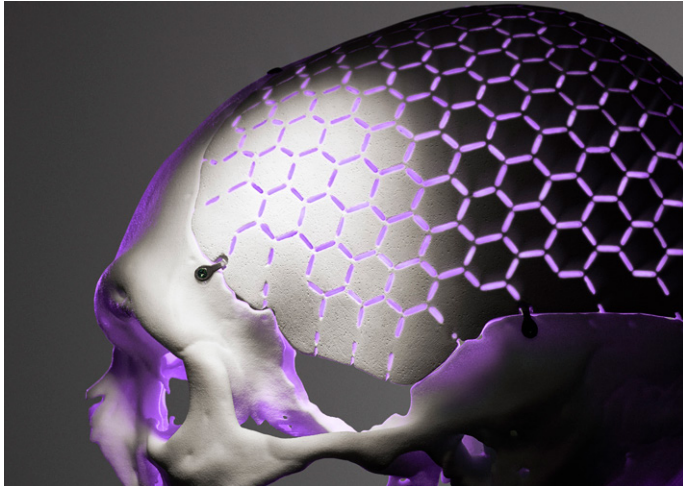
Spinal and cranial surgeries are among the most challenging procedures when it comes to achieving successful bone formation. The high complication and failure rates speak for themselves. Based on our cutting-edge knowledge within material sciences, we have developed products that utilize the body's own healing process and thereby have the potential to improve quality of life for millions of patients. The recent appointment of Stéphane Corp as Senior Vice President, International Sales & Global Marketing, will be a great contribution to that mission. Stéphane has more than 20 years of experience in the medical device industry and has extensive knowledge of sales and marketing in the neurosurgery, spine surgery and bone graft segments.

With another record-breaking quarter, a successful market entrance into the highly attractive U.S. bone graft market, and the addition of more leadership talent to our world-class team, I look forward to fully commercializing OssDsign's groundbreaking innovations to improve the outcome of orthopedic procedures for patients worldwide.

Morten Henneveld, CEO

Statement of Operations

Based on cutting edge material science, OssDsign develops bone replacement products that support the body's own healing capabilities and thereby improve clinical outcome in a wide range of orthopedic areas with high unmet medical needs.



Next generation bone replacement products

Current bone replacements fail to heal a wide range of skeletal defects, leading to poor clinical outcome. OssDsign is focused on two particularly challenging areas where the success rate is far from acceptable today: cranial and spinal surgeries.

OssDsign Cranial PSI – patient specific implants for cranial surgeries

OssDsign Cranial PSI is an implant used for patients who have lost a large part of the cranium. The implant is constructed from 3D printed medical-grade titanium covered by a regenerative calcium phosphate composition. While the titanium skeleton reinforces the implant and makes it possible to create larger implants that can resist physical and mechanical stress, the unique calcium phosphate composition provides healing and regenerative properties, enabling regrowth of the patient's own bone. So far, OssDsign has post marketing surveillance data from over 1,000 patients who have had Cranial PSI units implanted, showing an exceptional performance. Many cranial implant technologies are associated with high rates of costly complications and patient suffering. Multiple studies report infection rates above 10%, leading to the removal of many implants. In contrast, the observed rate of explantations due to infections in patients who received OssDsign Cranial PSI was only 2% at a median follow-up time of 21 months.

The global market for cranial implants is estimated to USD 2,500 million with an expected CAGR of 7% between 2021–2025, whereof the addressable market for OssDsign's implant products is estimated to USD 350 million. OssDsign Cranial PSI has regulatory approval in Europe, the US and Japan.

OssDsign Catalyst – an off-the-shelf synthetic bone graft

Nearly 80% of Americans experience low back pain at some point in their lives and more than 1.5 million undergo spinal surgery each year. Approximately 20% of these surgeries are unsuccessful due to the lack of proper fusion between the implant and the spine. When surgeons perform the procedure, they use a combination of hardware to fixate the vertebrae and bone replacement material to stimulate bone growth. OssDsign Catalyst is an innovative synthetic bone graft composed of a proprietary nanocrystalline structure of calcium phosphate. Similar to the body's own bone mineral architecture, OssDsign Catalyst provides a favorable bone biology environment for rapid and reliable bone formation.

OssDsign Catalyst is a higher margin and scalable product with a large potential in the market for standard procedures, enabling extensive growth. OssDsign Catalyst received FDA clearance in 2020 and was launched in the U.S. in August 2021. The U.S. market for synthetic bone grafts in spinal surgeries is valued at USD 1.8 billion and the global market at USD 2.6 billion, with an expected CAGR of 7% during 2021-2025.

COVID-19 pandemic

OssDsign is continuously monitoring the impact of Covid-19 on its operations. During the third quarter there was still a resurgence of restrictions and postponed elective surgeries across many markets. A higher level of uncertainty in the company's outlook therefore remains. The underlying demand for OssDsign products in the long-term, however, remains intact and OssDsign expects to see an improvement and stabilization of the situation during 2022.

A Swedish-based global company

OssDsign is headquartered in Uppsala, Sweden, and has a strong commercial presence in the U.S., Europe and selected Asian countries. The company employs 47 people and is listed on Nasdaq First North Growth Market in Stockholm.

Development of profit and financial position

THIRD QUARTER

Net sales

Net sales for the third quarter of 2021 amounted to an all-time-high of TSEK 8,922 (6,481) for the group, which corresponds to a growth of 39% in constant currency terms, as compared to Q3 2020. It is also a 17% increase over the previous quarter 2021.

Main contributors to the sales achievement are U.S. and Germany, with U.S. posting an all-time-high and substantial growth. Other growth markets are France, Sweden and the UK.

Operating profit/loss

Operating profit for the period July – September 2021 amounted to TSEK -16,453 (-18,494). Operating expenses have come down from the higher level in previous quarters, primarily due to lower personnel costs, but are still up vs last year, partly as a result of the added run rate from Sirakoss operations and partly as an effect of restructuring activities. In addition, the amortization of Sirakoss patents create a higher cost this year which impacts negatively on the third quarter operating profit.

Cash flow, investments and financial position

At the beginning of the period, cash and cash equivalents amounted to TSEK 257,972 and at the end of the period they were TSEK 197,961. Cash flow from operating activities amounted to TSEK -34,670 (-17,103). The total cash flow for the period was TSEK -60,034 (-17,465), negatively driven by a Sirakoss related deferred cash payment of TSEK -26,003. No other investments were made in the period (TSEK 320).

FIRST NINE MONTHS

Net sales

Net sales for the first nine months of 2021 amounted to TSEK 22,552 (18,112), which corresponds to an increase of 33% in constant currency terms, as compared to the first nine months of 2020.

Sales in the first nine months of 2021 is fuelled by the same forces as for Q3, ie U.S. leading the charge, followed by Germany, with France, UK and Sweden also posting good numbers.

Operating profit/loss

Operating profit for the period January – September 2021 amounted to TSEK -64,926 (-59,242). Operating expenses have increased vs previous year as a result of the added run rate from Sirakoss operations and the restructuring activities that commenced in the second half of 2020 and now come into full effect. In addition, the amortization of Sirakoss patents create a higher cost this year which impacts negatively on the year-to-date operating profit.

Cash flow, investments and financial position

At the beginning of the period, cash and cash equivalents amounted to TSEK 49,403 and at the end of the period they were TSEK 197,961. Cash flow from operating activities amounted to TSEK -69,173 (-55,064). The total cash flow for the period was TSEK 148,474 (-59,240), positively driven by the new share issue. Investments in tangible fixed assets amounted to only TSEK 57 (1,753). Investments in intangible assets amounted to TSEK 26,003 (TSEK 0) and consisted entirely of a deferred cash payment related to the Sirakoss acquisition.

IMPORTANT EVENTS DURING THE THIRD QUARTER

OssDsign's Management and Board of Directors increase their long-term commitment through acquisition of warrants for a total amount of approximately SEK 1.3 million.

July 1st OssDsign announced that its Management and Board of Directors had acquired 3.8 million warrants under the 2021/2024 long-term incentive programme for a total amount of approximately SEK 1.3 million.

OssDsign enters into agreement with Premier Inc., a leading group purchasing organisation in the U.S. giving access to a network of 4,100 hospitals.

On July 5th, OssDsign announced that the company had been awarded a group purchasing agreement for 3D Medical Printing Products and Accessories with Premier Inc. The new agreement allows Premier members, at their discretion, to take advantage of special pricing and terms pre-negotiated by Premier for OssDsign's cranial reconstructive solutions. Premier is a leading group purchasing organisation (GPO) serving approximately 4,100 U.S. hospitals and health systems and more than 200,000 other providers and organisations.

OssDsign selected to exhibit OssDsign Cranial PSI at Vizient Innovative Technology Exchange in the U.S.

On July 8th, OssDsign announced the company had been selected to exhibit OssDsign Cranial PSI, a patient-specific 3D-printed implant using OssDsign's personalised bone replacement technology, at the Vizient Innovative Technology Exchange on September 20–21. Vizient Inc. is a group purchasing organisation (GPO) serving more than half of the healthcare organisations across the U.S. Participation at the Technology Exchange is a first step to getting a contract to supply to the Vizient alliance which includes 97% of the nation's academic medical centers.

OssDsign partners with Red One Medical and enters into DAPA agreement to provide reconstructive cranial solutions and synthetic bone grafts to U.S. veterans and active military members.

OssDsign announced in August the partnership with Red One Medical, a private sector scout of medical innovation for the Department of Veterans Affairs (VA) and Department of Defense (DoD) in the U.S. Through the Distribution and Pricing Agreement (DAPA), American veterans and warfighters will have access to OssDsign's products for the treatment of patients who have suffered from cranial or spinal bone defects.

OssDsign Catalyst launched in the U.S.

In August, OssDsign Catalyst was launched in the U.S. OssDsign Catalyst has market clearance on the U.S. market and is now available for use in spinal surgery, a market valued at USD 2.6 billion.

First patient included in OssDsign's clinical study (TOP FUSION) of the synthetic bone graft OssDsign Catalyst.

On September 8, OssDsign announced that the first patient had been included in the company's clinical study TOP FUSION to investigate the long-term safety and efficacy of OssDsign Catalyst in patients undergoing spinal surgery. The study will be conducted at the National Center for Spinal Disorders in Hungary under the leadership of Dr Péter Pál Varga and Dr Áron Lazary.

OssDsign appoints new Senior Vice President International Sales & Global Marketing.

On September 20, OssDsign announced that Stéphane Corp has been appointed Senior Vice President, International Sales & Global Marketing. Stéphane Corp will be part of OssDsign's senior management team and will have the responsibility for the company's international sales activities and global marketing. He assumes his position on October 4, 2021.

IMPORTANT EVENTS AFTER THE END OF THE THIRD QUARTER

OssDsign receives expanded FDA market clearance for OssDsign Cranial PSI.

On October 4, OssDsign announced that it has received expanded market clearance from the U.S. Food and Drug Administration (FDA) for OssDsign Cranial PSI – a patient-specific cranial implant. The clearance highlights the osteoconductive properties of OssDsign's patented calcium phosphate composition to be resorbed and replaced with bone tissue.

First patients treated with OssDsign Catalyst in U.S.

In early October the first patients in the U.S. were treated with OssDsign Catalyst – a synthetic bone graft composed from a patented nanocrystalline solution that stimulates the formation of healthy bone tissue after spinal fusion surgery. OssDsign Catalyst received market clearance from the Food and Drug Administration (FDA) in 2020 and was launched on the American market in August 2021. The addressable market for synthetic bone grafts after spinal fusion surgeries is valued at USD 2.6 billion and has a CAGR of approximately 7% during the period 2021–2025.

OTHER DISCLOSURES

Ownership structure

At the end of the third quarter there were 2,499 shareholders in OssDsign AB, of which the seven largest shareholders all owned more than 5.0% each and together more than 50.0% of the capital and voting rights. The total number of shares was 57,074,504. The largest shareholders on September 30, 2021 were SEB Ventures and Karolinska Development AB.

Group structure

OssDsign AB is the parent company of the Group which, in addition to OssDsign AB, consists of the wholly owned subsidiaries OssDsign Ltd with its registered office in England, OssDsign USA Inc. with its registered office in Maryland, USA, and Sirakoss Ltd with its registered office in Scotland. OssDsign's operations are mainly conducted through the parent company OssDsign AB, based in Uppsala.

Employees

At the end of the period, there were a total of 47 (41) employees, of whom 45% were women. This includes employees at the office and production plant in Uppsala, as well as sales representatives in Germany, the U.K. and the U.S.

Financing

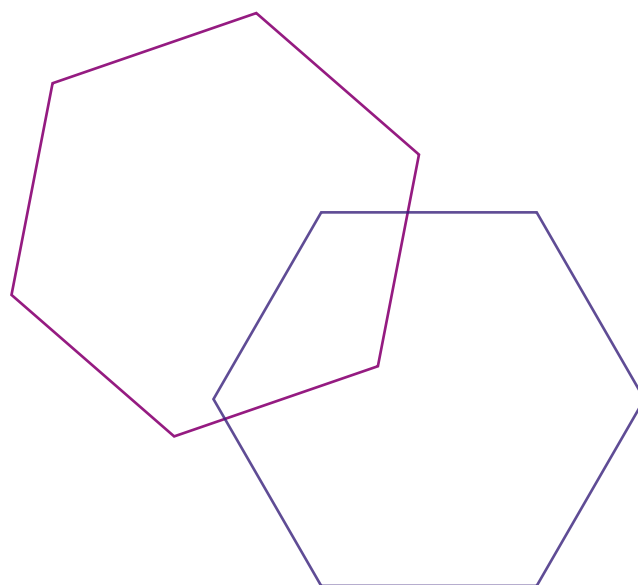
The Board regularly reviews the company's existing and forecasted cash flows to ensure that the company has the funds and resources required to conduct the business and the strategic direction decided by the Board. The company's long-term cash requirements are largely determined by how successful current and future products will be on the market. As of September 30, 2021, the group's cash and cash equivalents amounted to SEK 198.0 Million. Based on the sales development of the company's current products, which continue to show strong growth despite COVID-19 impact, the board has confidence in the company's ability to become profitable and cash flow positive in the medium term. In addition, the recent acquisition of Sirakoss Ltd presents additional significant growth opportunities with the company having started to expand into the U.S. spinal bone graft market during the third quarter of 2021.

Transactions with related parties

The subsidiaries OssDsign USA Inc. and OssDsign Ltd invoice their costs to the parent company in accordance with transfer pricing agreements. As of the closing date, the Parent Company has a claim on OssDsign USA Inc. of TSEK 4,201, a claim on OssDsign Ltd of TSEK 248 and a claim on Sirakoss Ltd of TSEK 95.

Risks and uncertainties

OssDsign risks and uncertainties include, but are not limited to, financial risks such as future financing, foreign exchange and credit risks. In addition to market risks, there are risks related to OssDsign operations, such as obtaining the necessary government licenses, product development, patents and intellectually property rights, product liability and forward-looking information that may affect the Company. Further information regarding the Company's risk exposure can be found on pages 40 and 79-82 of the OssDsign Annual Report 2020.



Consolidated summary income statement

SEK 000'	2021	2020	2021	2020	2020
	Jul 1 – Sep 30	Jul 1 – Sep 30	Jan 1 – Sep 30	Jan 1 – Sep 30	Jan 1 – Dec 31
Net sales	8 922	6 481	22 552	18 112	24 872
Other operating income/Other income	1 740	261	2 476	752	1 298
Work performed by the group/ parent company for its own use and capitalised	-	-	-	-	-
Raw materials and consumables/Cost of material	-1 882	-1 736	-6 999	-6 523	-8 871
Other external expenses	-10 148	-8 476	-31 923	-27 031	-38 839
Personnel costs	-12 046	-13 134	-42 450	-39 002	-53 290
Depreciation, amortisation and impairment of tangible and intangible fixed assets/ non-financial assets	-2 435	-1 792	-7 347	-4 814	-6 580
Impairment losses on financial assets	-6	79	3	397	368
Other operating expenses/Other expenses	-599	-177	-1 239	-1 133	-2 892
Operating profit	-16 454	-18 494	-64 927	-59 242	-83 934
<i>Profit from financial items</i>					
Net interest income	-239	-209	-540	-359	-608
Profit after financial items	-16 693	-18 702	-65 467	-59 601	-84 542
Tax expense	162	-38	275	-38	-48
Profit for the period	-16 531	-18 740	-65 192	-59 638	-84 590
<i>Earnings per share</i>					
Basic earnings per share, SEK	-0.3	-1.1	-1.5	-3.4	-4.4

Consolidated summary of comprehensive income

SEK 000'	2021	2020	2021	2020	2020
	Jul 1 – Sep 30	Jul 1 – Sep 30	Jan 1 – Sep 30	Jan 1 – Sep 30	Jan 1 – Dec 31
Profit/loss for the period	-16 531	-18 740	-65 192	-59 638	-84 590
<i>Other comprehensive income for the period</i>					
Items that will be reclassified subsequently to profit or loss	101	-87	197	-121	-52
Income tax relating to items that will be reclassified	-	-	-	-	-
Other comprehensive income for the period	101	-87	197	-121	-52
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-16 430	-18 827	-64 995	-59 759	-84 642

Consolidated summary balance sheet

	2021	2020	2020
SEK 000'	Sep 30	Sep 30	Dec 31
ASSETS			
<i>Fixed assets</i>			
Intangible fixed assets	161 316	23 969	165 786
Tangible fixed assets	15 234	17 471	18 016
Financial assets	2 369	2 370	2 366
Total fixed assets	178 919	43 811	186 168
<i>Current assets</i>			
Inventories	2 669	2 228	2 051
Current receivables	8 978	4 970	6 247
Other receivables	1 324	3 107	1 672
Prepaid expenses and other accrued income	1 635	34	1 109
Cash equivalents	197 961	54 093	49 403
Total current assets	212 567	64 432	60 482
TOTAL ASSETS	391 486	108 243	246 650

	2021	2020	2020
SEK 000'	Sep 30	Sep 30	Dec 31
SHAREHOLDER EQUITY AND LIABILITIES			
Equity	291 312	75 648	112 068
Total equity	291 312	75 648	112 068
<i>Long-term liabilities</i>			
Liabilities to credit institutions	1 369	1 968	1 754
Lease liabilities	10 535	12 569	12 244
Other liabilities	51 219	-	51 614
Total long-term liabilities	63 123	14 537	65 612
<i>Current liabilities</i>			
Liabilities to credit institutions	974	513	873
Accounts payable	2 630	3 451	2 851
Lease liabilities	2 271	1 905	2 367
Current tax liability	-	-	-
Other liabilities	22 257	1 188	48 804
Accrued expenses and deferred income	8 919	11 001	14 075
Total current liabilities	37 051	18 059	68 970
Total liabilities	100 174	32 596	134 582
TOTAL EQUITY AND LIABILITIES	391 486	108 243	246 650

Consolidated change in shareholder's equity in summary

<i>SEK 000'</i>	Share Capital	Subscribed Capital Unpaid	Other Capital Contributions	Reserves	Profit (loss) brought forward	Total Equity
Opening balance 2020-01-01	1 108	-	294 467	35	-160 335	135 275
Profit/loss for the period	-	-	-	-	-59 638	-59 638
Other comprehensive income	-	-	-	-121	-	-121
Total comprehensive income	-	-	-	-121	-59 638	-59 759
<i>Transactions with shareholders</i>						
Warrant program	-	-	132	-	-	132
New share issue	-	-	-	-	-	-
Issue expenses	-	-	-	-	-	-
Total transactions with shareholders	-	-	132	-	-	132
CLOSING BALANCE 2020-09-30	1 108	-	294 599	-86	-219 973	75 648
Opening balance 2021-01-01	1 385	-	355 625	-17	-244 925	112 068
Profit/loss for the period	-	-	-	-	-65 192	-65 192
Other comprehensive income	-	-	-	197	-	197
Total comprehensive income	-	-	-	197	-65 192	-64 995
<i>Transactions with shareholders</i>						
Warrant programmes	-	-	1 159	-	-	1 159
New share issue	2 182	-	268 355	-	-	270 537
Issue expenses	-	-	-27 457	-	-	-27 457
Total transactions with shareholders	2 182	-	242 057	-	-	244 239
CLOSING BALANCE 2021-09-30	3 567	-	597 682	180	-310 117	291 312

Consolidated summary statement of cash flows

	2021	2020	2021	2020	2020
SEK 000'	Jul 1 – Sep 30	Jul 1 – Sep 30	1 Jan – Sep 30	1 Jan – Sep 30	1 Jan – 31 Dec
Operating activities					
Profit after financial items	-16 686	-18 702	-65 440	-59 600	-84 542
Non cash adjustments	1 828	980	5 537	2 775	4 022
Income tax paid	424	-185	-279	-1 223	-700
	-14 434	-17 906	-60 185	-58 047	-81 220
Change in inventory	-217	-564	-541	-1 144	-470
Change in receivables	44	-892	-2 160	1 404	-457
Change in liabilities	-20 063	2 260	-6 287	2 723	3 049
Total change in working capital	-20 236	804	-8 988	2 983	2 122
Cash flow from operating activities	-34 670	-17 103	-69 173	-55 064	-79 097
Investment activities					
Acquisition of intangible fixed assets	-	-	-	-	-
Acquisition of tangible fixed assets	-	-320	-57	-1 753	-2 496
Acquisition of group companies	-26 004	-	-26 004	-	-15 177
Cash flow from investment activities	-26 004	-320	-26 061	-1 753	-17 673
Financing activities					
New share issue	-	-	270 537	234	65 169
Share issue costs	-310	-	-27 457	-	-3 910
Warrants	1 089	-	1 089	-	-
Other change in financial fixed assets	32	-	158	-2 314	-2 314
Repayment of borrowing	-171	-42	-620	-342	-25 766
Cash flow from financing activities	640	-42	243 067	-2 423	33 178
Cash flow for the period	-60 034	-17 465	148 473	-59 240	-63 592
Cash equivalents at the beginning of the period	257 972	71 685	49 403	113 540	113 540
Exchange rate differences in cash equivalents	23	-126	85	-207	-545
CASH EQUIVALENTS AT THE END OF THE PERIOD	197 961	54 093	197 961	54 093	49 403

Summary income statement, parent company

SEK 000'	2021	2020	2021	2020	2020
	Jul 1 – Sep 30	Jul 1 – Sep 30	Jan 1 – Sept 300	Jan 1 – Sept 30	Jan 1 – Dec 31
Net sales	8 418	6 385	22 432	18 163	24 374
Other operating income/Other income	2 103	261	2 517	752	609
Raw materials and consumables/ Cost of material	-1 902	-1 749	-5 281	-6 591	-10 580
Other external expenses	-15 114	-13 460	-51 069	-42 024	-58 497
Personnel costs	-8 185	-8 966	-28 332	-26 357	-35 887
Depreciation, amortisation and impairment of tangible and intangible fixed assets/non- financial assets	-287	-289	-865	-647	-922
Other operating expenses	-585	-225	-997	-1 181	-340
Operating profit	15 552	-18 042	-61 595	-57 885	-81 244
<i>Profit from financial items</i>					
Net interest income	-141	-128	-231	-246	-371
Profit after financial items	-15 693	-18 170	-61 826	-58 131	-81 616
Tax expense	-	-26	-	-26	-26
PROFIT FOR THE PERIOD	-15 693	-18 196	-61 826	-58 157	-81 642

* Other comprehensive income in the Parent Company is in line with the profit for the period.

Summary balance sheet, parent company

	2021	2020	2020
SEK 000'	Sep 30	Sep 30	Dec 31
ASSETS			
Subscribed capital unpaid	-	-	
<i>Fixed assets</i>			
Tangible fixed assets	2 577	2 916	3 386
<i>Financial assets</i>			
Shares in group companies	137 687	-	137 687
Other long-term receivables	2 315	2 314	2 314
Total financial fixed assets	140 002	-	140 001
Total fixed assets	142 579	5 231	143 387
<i>Current assets</i>			
Inventories	2 423	2 485	1 773
Current receivables	3 014	2 303	2 333
Receivables from group companies	7 186	4 693	3 548
Current tax receivables	442	829	977
Other receivables	809	965	1 229
Prepaid expenses and other accrued income	1 606	114	957
Cash equivalents	195 194	53 546	48 093
Total current assets	210 674	64 936	58 910
TOTAL ASSETS	353 253	70 166	202 297

	2021	2020	2020
SEK 000'	Sep 30	Sep 30	Dec 31
SHAREHOLDER EQUITY AND LIABILITIES			
<i>Equity</i>			
Restricted equity	3 567	1 108	1 385
Non-restricted equity	266 578	48 788	86 374
Total equity	270 145	49 897	87 759
<i>Provisions</i>			
Other provisions	68 004	-	94 162
Total Provisions	68 004	-	94 162
<i>Long-term liabilities</i>			
Liabilities to credit institutions	1 369	1 968	1 754
Other liabilities	-	-	-
Total long-term liabilities	1 369	1 968	1 754
<i>Current liabilities</i>			
Liabilities to credit institutions	513	513	513
Accounts payable	2 466	3 440	2 772
Liabilities to group companies	2 642	-	2 274
Current tax liabilities	-	3 369	-
Other current liabilities	518	1 097	824
Accrued expenses and deferred income	7 596	99 883	12 239
Total current liabilities	13 735	18 302	18 622
Total liabilities	83 108	20 270	114 538
TOTAL EQUITY AND LIABILITIES	353 253	70 166	202 297

Notes

Note 1 | Accounting Principles

This summary interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable regulations in the Swedish Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act chapter 9, Interim Financial Reporting. The same accounting and valuation policies have been applied for the Group and the Parent Company as in the latest Annual Report. Disclosures in accordance with IAS 34.16A occur in the financial reports and the accompanying notes, and also in other parts of the interim report.

Note 2 | Estimates and assessments

Estimates and assessments are evaluated on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are considered reasonable under prevailing conditions. There has been no change in the estimates and judgments made in the Annual Report for 2020.

Note 3 | Information regarding operating segments

The Group's operations are divided into operating segments based on the parts of the business the Company's highest executive decision-maker follows up, so called "management approach". The Group's internal reporting is based on the Group management following up the operation as a whole. Based on its internal reporting, the Group has identified that the Group has only one segment.

NET SALES BY GEOGRAPHIC MARKET

SEK 000'	Jul – Sep		Jan – Sep		Jan – Dec
	2021	2020	2021	2020	2020
USA	4 414	2 443	9 461	6 951	9 209
Europe	4 508	3 998	12 850	10 854	15 199
Rest of World	0	40	241	307	464
TOTAL	8 922	6 481	22 552	18 112	24 872

Income from external customers has been attributed to individual countries from which the sales has taken place.

The Group's fixed assets are located to Sweden, the U.K. and the U.S.

Note 4 | Equity

The share capital of the Parent Company consists only of fully paid ordinary shares with a nominal (quota value) value of SEK 0.0625 / share. The company has 57,074,504 class A shares.

	2021	2020
	Jan 1 – Sep 30	Jan 1 – Sep 30
Subscribed and paid shares		
At the beginning of the period	22 166 460	17 733 168
Rights issue	34 908 044	-
Subscribed and paid shares	57 074 504	17 733 168
Shares for share-based payments	-	-
SUM AT THE END OF THE PERIOD	57 074 504	17 733 168

The Company completed a directed rights issue and over-allotment during the second quarter of 2021, which increased the number of shares by 34,908,044. The total number of shares subsequently amounted to 57,074,504 and with a quota value SEK 0.0625. The Group's issued shares have the same right to distribute and repay invested capital and represent a vote at OssDesign's Annual General Meeting.

Resolved shares that have not yet been issued have been approved solely for use in the Group's options program (for more information see note 7 in the Annual Report 2020). Amounts received for issued shares in addition to the nominal value during the year (premium) are included in the item "Other contributed capital", after deduction for registration and other similar fees and after deduction for attributable tax benefits.

Signatures

The Board of Directors and the CEO provide their assurance that this interim report provides an accurate view of the operations, position and earning of the Group and the Parent Company, and that it also describes the principal risks and uncertainties faced by the Parent Company and the companies included within the Group.

This report has been prepared in both a Swedish and an English version. In the event of any discrepancy between the two, the Swedish version shall apply. This report has not been audited.

Financial calendar

Year-end Report 2021

February 22, 2022

OSSDSIGN AB – UPPSALA NOVEMBER 17TH, 2021

Simon Cartmell

Chairman of the Board

Viktor Drvota

Board member

Håkan Engqvist

Board member

Newton Aguiar

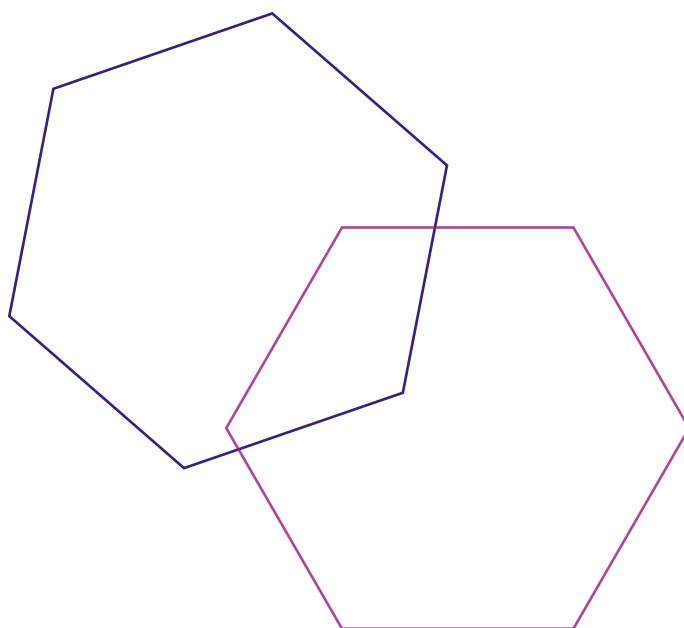
Board member

Anders Qvarnström

Board member

Morten Henneveld

CEO



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