



**2020**

Year-end Report

January - December 2020

# Year-end Report 2020

January 1 – December 31, 2020

## The fourth quarter in figures

- Net sales amounted to TSEK 6,760 (5,069).
- Loss after taxes amounted to TSEK 24,952 (28,867).
- Earnings per share was SEK -1.1 (-1.6).
- Cash flow from current operations was TSEK -24,266 (-24,023).

## The full year in figures

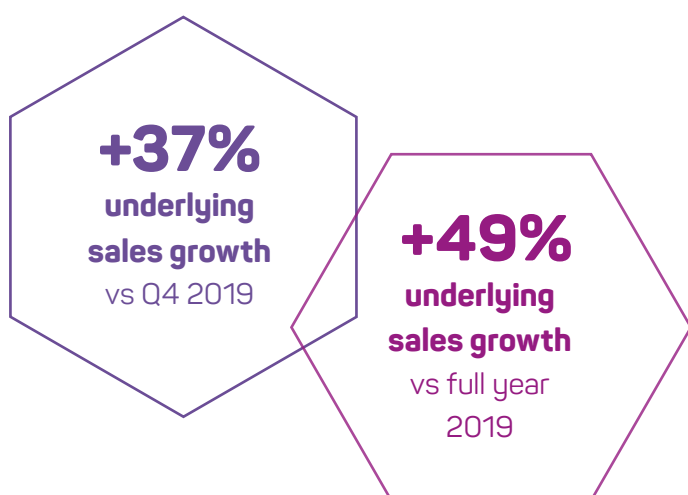
- Net sales amounted to TSEK 24,872 (16,873).
- Loss after taxes amounted to TSEK 84,590 (84,245).
- Earnings per share was SEK -4.4 (-5.5).
- Cash flow from current operations was TSEK -79,331 (-71,616).

## Important events during the fourth quarter

- OssDsign acquires Sirakoss Ltd and expands into the attractive Orthobiologics market.
- OssDsign raised 65 MSEK through a directed share issue.
- New publication in high-impact scientific journal PNAS confirms the bone regenerative potential of OssDsign's technology.

## Important events after the end of the fourth quarter

- New clinical data from 1,055 cranioplasty procedures with OssDsign Cranial PSI continue to show low complication rates well below market average.
- OssDsign completes expansion into new corporate headquarter and production facilities in Uppsala, Sweden.



## Financial overview

	2020	2019	2020	2019
<i>The group</i>	Oct 1 – Dec 31	Oct 1 – Dec 31	Jan 1 – Dec 31	Jan 1 – Dec 31
Net sales, TSEK	6 760	5 069	24 872	16 873
Operating profit, TSEK	-24 692	-28 641	-83 934	-83 526
Profit for the period, TSEK	-24 952	-28 867	-84 590	-84 245
Solidity, %	45%	88%	45%	88%
Earnings per share, SEK	-1.1	-1.6	-4.4	-5.5
Average number of employees	45.9	38.8	43.9	35.5



“ 2020 was a year during which we showed strength and resilience, as we continued to serve patients and hospitals with best-in-class cranial implants, while at the same time embarking on a journey towards transforming OssDsign into a broader orthopedic company with more scale. ”

## CEO Statement

# Solid performance while embarking on a transformative journey

The time has come to close out a very unusual year with an ongoing pandemic that has affected us profoundly, both as individuals and as an organization. From an OssDsign perspective, it was also a year during which we showed strength and resilience, as we continued to serve patients and hospitals with best-in-class cranial implants, while at the same time embarking on a journey towards transforming OssDsign into a broader orthopedic company with more scale.

### Continued growth and strong underlying demand

Sales in Q4 remained strong at SEK 6.8 million and 37% underlying growth year on year, despite a second wave of Covid-19 impacting many countries, leading to postponed elective surgeries and restrictions in hospital access in many markets. Sales for the full year 2020 ended at SEK 24.9 million, an increase of 49% compared to the previous year on a constant currency basis. In particular, we saw a great performance in some of our European markets, most notably in Germany. The very important US market witnessed a slight slowdown in Q4, as key regions were further impacted by the surge of Covid-19 cases. Looking at the full year, our US business still managed to grow by 39% and showed a remarkable capacity to recover quickly during periods when restrictions were eased. It is evident that the underlying demand for our products remains strong and that we have the sales infrastructure and operational capacity to turn this demand into sales, as shown by our strong recovery in Q3. Being able to maintain this level of growth while faced with the challenges of Covid-19, must be considered a tremendous success and testimony to the benefits our technology brings to patients as well as the service we provide to customers.

### Towards an exciting future

Throughout 2020 we have worked diligently on preparing the business for future scale and growth. One of the key milestones was the move into our new HQ in Uppsala. This new facility also includes modern and larger production facilities, which received approval from the regulatory authorities in December. This move will not only allow us to meet higher demand, but also accelerate our R&D efforts to further build our innovative position in the market.

Another strategically important milestone was the acquisition of Sirakoss in November, which marked the start of a transformative journey. I was particularly pleased to see the support we received from existing and new investors for this acquisition and the strategy it signaled. With access to the large and fast growing Orthobiologics segment, OssDsign will now enter a highly attractive space with high margins and scalability potential. This is the first step to broaden OssDsign's position in the orthopedic market and we look forward to leveraging the vast bone graft and commercial experience that exists within the combined OssDsign and Sirakoss organization, allowing us to reach many new customers whilst also leveraging the relationship with our existing neuro- and spinal surgeons and their institutions with this novel bone regeneration technology. The integration of Sirakoss is well underway and, as previously communicated, we expect first sales in the second half of 2021.

After we closed the year, we also published updated Post-Market Surveillance data covering 1,055 Cranial PSI implantations, which again reported a complication rate well below the market average. I am proud to see how we are now setting new industry standards for what should be expected by patients and surgeons in this vital segment of the market.

As we move into 2021, we therefore do so as a different company with a much stronger growth platform and even more robust clinical data. So, despite continued uncertainty due to the pandemic, it is with great confidence that we turn the page and look forward to accelerating the growth journey.

Morten Henneveld, CEO

# Statement of Operations

OssDsign AB is a Swedish medical technology company that develops and markets regenerative implant solutions for bone and tissue restoration.

## Overview

OssDsign designs, manufactures and sells patient-specific and off-the-shelf implants for the treatment of injuries and defects in the skull and face. Through the acquisition of Sirakoss in 2020, OssDsign now also provides a bone graft substitute for use in spinal surgery. OssDsign was founded in 2011 and currently employs approximately 50 employees located at the head office in Uppsala, Sweden as well as in Scotland, USA, Germany and the United Kingdom.

## CMF implants

The foundation of the Company is a patented calcium phosphate material with gradually transforms into bone during the healing process. Based on this bioceramic material the company has developed patient-specific cranial and facial implants and an off-the shelf product for burr hole closure and bone flap fixation. The products lead to an improved healing process with a low risk of complications, compared to published data for traditional technologies. The products are manufactured at the OssDsign site in Uppsala, Sweden. The company has regulatory approvals in the EU, US and Japan, and is now in an expansion phase with more than 1,000 surgeries having been performed with OssDsign's Cranial PSI implant. OssDsign initiated commercialization in the US, the world's largest medtech market during 2017 and has since seen strong growth making the US the largest market for OssDsign. The company continues to see significant growth opportunities in the US and intends to carry out significant market initiatives there in the coming years. In addition, OssDsign will invest in continued growth in Europe where OssDsign is now established in all key markets. First steps

have also been taken towards establishing a position in the Japanese market where a national business partner, Muranka Medical Instruments, was appointed during 2020. Mutual launch preparations have been delayed due to Covid-19 but are ongoing.

## Orthobiologics

In November 2020, OssDsign completed the acquisition of Sirakoss Ltd, taking the first transformative step to become a broader orthopedic player by expanding into the large and fast growing Orthobiologics segment. OssDsign's product portfolio is now broadened with a next-generation nanosynthetic bone graft substitute designed for treating skeletal defects. The acquisition allows OssDsign to leverage the strong commercial synergies with a broad customer and sales channel overlap as well as combined Sirakoss and OssDsign teams with a proven track record in the Orthobiologics business. Sirakoss received FDA clearance for the product in June 2020, and OssDsign expect to have first sales in the second half of 2021.

## Covid-19 Pandemic

OssDsign is continuously monitoring the impact of Covid-19 on short- and medium term basis. Q4 saw the resurgence of restrictions and postponed elective surgeries due to a second wave of Covid-19 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 with the current vaccination programs ongoing, OssDsign expects to see an improvement of the situation during 2021.



# Development of profit and financial position

## FOURTH QUARTER

### Net sales

Net sales for the fourth quarter of 2020 amounted to TSEK 6,760 (5,069), an increase of 29% which, adjusted for currency effects, is an increase of 37%. Sales were affected by the resurgence of the Covid-19 pandemic, yet revenue grew TSEK 280 or 4% vs Q3 2020. In Q4 increased restrictions due to the Covid-19 pandemic caused postponed elective surgeries and restricted access to hospitals with different timing spread in different markets, which in turn also caused geographic mix effects on sales and profitability. The shift from US towards Europe, predominantly Germany and France, continued in Q4 with maintained sales both in volume and value terms. Sales in the US amounted to TSEK 2,259 which is a significant increase compared to Q2 whilst somewhat lower than both Q3 2020 and Q4 2019. European sales during the fourth quarter showed 81% growth compared to the previous year, amounting to TSEK 4,345 with Germany and France being the main driver, but where Germany showed signs of a Covid-19 related slow-down in December.

### Operating profit/loss

Operating profit for the period October - December 2020 amounted to TSEK -24,692 (-28,641). Certain planned investments in the sales and marketing organizations have been postponed due to the restrictions following Covid-19 which has had a positive impact on operating profit. Conversely, increased amortization of intangible assets had a negative effect on the fourth quarter operating profit.

### Cash flow, investments and financial position

At the beginning of the period, cash and cash equivalents amounted to TSEK 54,093 and at the end of the period they were TSEK 49,403. Cash flow from operating activities amounted to TSEK -24,266 (-24,023). The total cash flow for the period was limited to TSEK -4,352 (-23,941) as a net result of the share issue and Sirakoss acquisition. Net investments in tangible fixed assets amounted to TSEK 744 (38) and mainly comprised investments linked to production and the new office in Uppsala. Investments in intangible assets for the period amounted to TSEK 0 (0). Acquisition of group companies amounted to TSEK 15,177 through the November acquisition of Sirakoss, combined with a loan repayment of TSEK 25,424 connected to the same transaction. Also coinciding with this was the new share issue of TSEK 65,169.

## THE FULL YEAR

### Net sales

Net sales for the full year of 2020 amounted to TSEK 24,872 (16,873), an increase of 49% adjusted for currency effects. Sales in the US amounted to TSEK 9,209 which is an increase from the previous year of TSEK 2,378 or 39% adjusted for currency effects. European sales showed considerable growth compared to the previous year amounting to TSEK 9,848 or 56% adjusted for currency effects. Germany and France were the main drivers of this performance with Germany showing exemplary growth of 126% adjusted for currency effects.

### Operating profit/loss

Operating profit for the full year 2020 amounted to TSEK -83,934 (-83,526). Investments earlier in the year in the sales and manufacturing organizations increased staff costs by MSEK 7.5. The improved sales of MSEK 8 contributed positively to the result compared with the previous year whereas the geographic market mix shift from US to Europe, as well as higher operating expenses, contributed negatively. Operating profit for the for the full year is also negatively affected by increased amortization of intangible assets.

### Cash flow, investments and financial position

At the beginning of the period, cash and cash equivalents amounted to TSEK 113,540 and at the end of the period they were TSEK 49,403. Cash flow from financing activities amounted to TSEK 33,412 and was primarily affected by the new share issue in conjunction with the Sirakoss acquisition, as well as the loan amortization connected to that same transaction. The total cash flow for the period was negative by TSEK -65,592 (99,396). Net investments in tangible fixed assets amounted to TSEK 2,496 (231) and mainly comprised investments linked to the ongoing expansion into new facilities in Uppsala providing a two-fold increase of the manufacturing capacity. Investments in intangible assets for the period amounted to TSEK 0 (95). Acquisition of group companies amounted to TSEK 15,177 through the November acquisition of Sirakoss, combined with a loan repayment of TSEK 25,424 connected to the same transaction. Also coinciding with this was the new share issue of TSEK 65,169.

## IMPORTANT EVENTS DURING THE FOURTH QUARTER

### **OssDsign acquires Sirakoss Ltd and expands into the attractive Orthobiologics market**

On November 3 OssDsign announced an agreement to acquire the privately held, Scottish bone graft specialist company Sirakoss Ltd. The acquisition broadens OssDsign's product portfolio with a next-generation 510(k) cleared nanosynthetic bone graft substitute designed for treating skeletal defects. OssDsign acquired all outstanding Sirakoss shares in an all-cash transaction. The purchase price of USD 11 million, not including agreed milestone and royalty payments, divided into three cash instalments, with the first USD 5 million payment financed by a directed share issue.

### **OssDsign raised 65 MSEK through a directed share issue**

On November 3 OssDsign carried out a directed share issue raising proceeds of approximately SEK 65 million. The directed share issue, which was heavily over-subscribed by a large number of Swedish and international investors, was used to finance the initial consideration of the company's acquisition of Sirakoss Ltd.

### **New publication in high-impact scientific journal PNAS confirms the bone regenerative potential of OssDsign's technology**

A scientific article titled "In situ bone regeneration of large cranial defects using synthetic ceramic implants with a tailored composition and design" was published during October in the scientific journal PNAS (Proceedings of the National Academy of Sciences of the United States of America). The research article reports a plurality of pre-clinical data from the use of OssDsign's implant concept in sheep. The findings are further corroborated through clinical data in the form of analysis of an implant that was explanted from a patient due to trauma 21 months post implantation. The published research describes the capacity of OssDsign's implant concept and proprietary ceramic material to regenerate and restore large cranial defects with mature bone, with a morphology, ultrastructure, and composition similar to those of native skull bone. These results are in line with previously published clinical data from the use of OssDsign's implant technology.

## IMPORTANT EVENTS AFTER THE END OF THE FOURTH QUARTER

### **New clinical data from 1,055 cranioplasty procedures with OssDsign Cranial PSI continue to show low complication rates.**

On January 20th, OssDsign announced updated outcome data on the use of OssDsign Cranial PSI in 1,055 cases of cranioplasty and cranial reconstructions. After a median follow-up time of 21 months, rate of infections leading to implant removal was 2.1%, which is consistent with the low levels previously presented. All data were collected as part of post-market surveillance of product performance in Europe, US and selected Asian markets in compliance with MEDDEV 2.7/1 rev.4 and MDR 2017/745. This latest update shows that OssDsign has consistently been able to present low levels of complications over several years in a growing cohort, can now safely say that this data sets the industry standard when it comes to implants for cranial reconstruction.

### **OssDsign completes expansion into new corporate headquarters in Uppsala, Sweden.**

In order to continue the OssDsign growth journey and prepare the business for future scale and growth, OssDsign decided in 2019 to expand and upgrade its facilities. The relocation to the new facilities, which are in close proximity to the previous Uppsala site, has been a significant undertaking during the past year. The modern and larger production facilities were approved by the regulatory authorities in December and first shipments were made in the beginning of January. This is a significant milestone in the development of OssDsign with the company now operating out of larger purpose-built facilities with an infrastructure that allows for scale in order to meet demand and an accelerated innovation of OssDsign's high-quality implants and bone regeneration solutions.

## OTHER DISCLOSURES

### Ownership structure

At the end of the fourth quarter, there were approximately 2,700 shareholders in OssDsign AB, of which the three largest shareholders owned 37.1% of the capital and voting rights. The total number of shares was 22,166,460. The largest shareholders, on December 31, 2020, were SEB Ventures, Karolinska Development AB and Fouriertransform 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 45 (40) employees, of whom 42% were women. This includes employees at the office and production plant in Uppsala, as well as sales representatives in Germany, the UK and USA.

### Financing

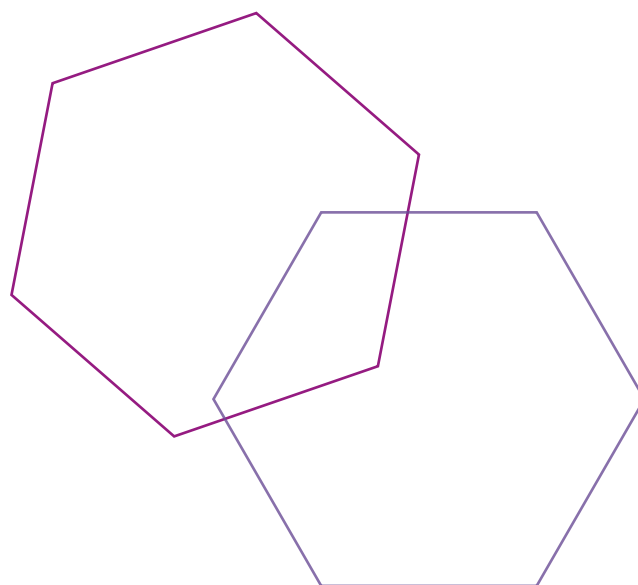
The Board regularly reviews the company's existing and forecasted cash flows to ensure that the company has the funds and resources required to conduct the business and the strategic direction decided by the Board. The company's long-term cash requirements are largely determined by how successful current and future products will be/are on the market. As of December 31st, 2020, the group's cash and cash equivalents amounted to SEK 49.4 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 being in a position to expand into the US spinal bone graft market during 2021. In order to continuously be able to realize the strategic opportunity of the Sirakoss acquisition the company has initiated plans for a new financing round which is expected to be completed during 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 1,745, a debt to OssDsign Ltd of TSEK 411 and a debt to Sirakoss Ltd of TSEK 60.

### 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 page 63-65 of the OssDsign Annual Report 2019.



## Consolidated summary income statement

SEK 000'	2020	2019	2020	2019
	Oct 1 – Dec 31	Oct 1 – Dec 31	Jan 1 – Dec 31	Jan 1 – Dec 31
Net sales	6 760	5 069	24 872	16 873
Other operating income/Other income	546	329	1 298	1 723
Work performed by the group/ parent company for its own use and capitalized	-	-	-	95
Raw materials and consumables/ Cost of material	-2 348	-2 492	-8 871	-7 205
Other external expenses	-11 808	-16 610	-38 839	-48 844
Personnel costs	-14 288	-13 415	-53 290	-44 901
Depreciation, amortization and impairment of tangible and intangible fixed assets/non-financial assets	-1 766	-1 035	-6 580	-4 099
Impairment losses on financial assets	-29	-38	368	-176
Other operating expenses/Other expenses	-1 759	-447	-2 892	-992
<b>Operating profit</b>	<b>-24 692</b>	<b>-28 641</b>	<b>-83 934</b>	<b>-83 526</b>
<i>Profit from financial items</i>				
Net interest income	-249	-48	-608	-226
<b>Profit after financial items</b>	<b>-24 941</b>	<b>-28 689</b>	<b>-84 542</b>	<b>-83 752</b>
Tax expense	-10	-178	-48	-493
<b>Profit for the period</b>	<b>-24 952</b>	<b>-28 867</b>	<b>-84 590</b>	<b>-84 245</b>
<b>Earnings per share</b>				
Basic earnings per share, SEK	-1.1	-1.6	-4.4	-5.5

## Consolidated summary of comprehensive income

SEK 000'	2020	2019	2020	2019
	Oct 1 – Dec 31	Oct 1 – Dec 31	Jan 1 – Dec 31	Jan 1 – Dec 31
<b>Profit/loss for the period</b>	<b>-24 952</b>	<b>-28 867</b>	<b>-84 590</b>	<b>-84 245</b>
<i>Other comprehensive income for the period</i>				
Items that will be reclassified subsequently to profit or loss	70	-2	-52	18
Income tax relating to items that will be reclassified	-	-	-	-
Other comprehensive income for the period	-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>-24 882</b>	<b>-28 868</b>	<b>-84 642</b>	<b>-84 228</b>



# Consolidated summary balance sheet

	<b>2020</b>	<b>2019</b>
<i>SEK 000'</i>	Dec 31	Dec 31
<b>ASSETS</b>		
<i>Fixed assets</i>		
Intangible fixed assets	165 786	26 431
Tangible fixed assets	18 016	3 608
Financial assets	2 366	-
<b>Total fixed assets</b>	<b>186 168</b>	<b>30 040</b>
<i>Current assets</i>		
Inventories	2 051	1 752
Current receivables	6 247	5 266
Other receivables	1 672	1 650
Prepaid expenses and other accrued income	1 109	1 020
Cash equivalents	49 403	113 540
<b>Total current assets</b>	<b>60 482</b>	<b>123 227</b>
<b>TOTAL ASSETS</b>	<b>246 650</b>	<b>153 267</b>
	<b>2020</b>	<b>2019</b>
<i>SEK 000'</i>	Dec 31	Dec 31
<b>SHAREHOLDER EQUITY AND LIABILITIES</b>		
Equity	112 068	135 275
<b>Total equity</b>	<b>112 068</b>	<b>135 275</b>
<i>Long-term liabilities</i>		
Liabilities to credit institutions	1 754	2 310
Lease liabilities	12 244	976
Other liabilities	51 614	0
<b>Total long-term liabilities</b>	<b>65 612</b>	<b>3 286</b>
<i>Current liabilities</i>		
Liabilities to credit institutions	873	513
Accounts payable	2 851	2 911
Lease liabilities	2 367	750
Current tax liability	-	356
Other liabilities	48 804	1 868
Accrued expenses and deferred income	14 075	8 308
<b>Total current liabilities</b>	<b>68 970</b>	<b>14 706</b>
<b>Total liabilities</b>	<b>134 582</b>	<b>17 992</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>246 650</b>	<b>153 267</b>

## Consolidated change in shareholder's equity in summary

SEK 000'	Share Capital	Subscribed Capital Unpaid	Other Capital Contributions	Reserves	Profit (loss) brought forward	Total Equity
<b>Opening balance 2019-01-01</b>	<b>348</b>	<b>330</b>	<b>122 886</b>	<b>17</b>	<b>-76 090</b>	<b>47 492</b>
Profit/loss for the period	-	-	-	-	-84 245	-84 245
Other comprehensive income	-	-	-	18	-	18
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18</b>	<b>-84 245</b>	<b>-84 228</b>
<i>Transactions with shareholders</i>						
Warrant program	-	-	1 479	-	-	1 479
New share issue	760	-330	183 416	-	-	183 846
Issue expenses	-	-	-13 315	-	-	-13 315
Total transactions with shareholders	760	-330	171 580	-	-	172 010
<b>CLOSING BALANCE 2019-12-31</b>	<b>1 108</b>	<b>-</b>	<b>294 467</b>	<b>35</b>	<b>-160 335</b>	<b>135 275</b>
<b>Opening balance 2020-01-01</b>	<b>1 108</b>	<b>-</b>	<b>294 467</b>	<b>35</b>	<b>-160 335</b>	<b>135 275</b>
Profit/loss for the period	-	-	-	-	-84 590	-84 590
Other comprehensive income	-	-	-	-52	-	-52
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-52</b>	<b>-84 590</b>	<b>-84 642</b>
<i>Transactions with shareholders</i>						
Warrant programmes	-	-	176	-	-	176
New share issue	277	-	64 892	-	-	65 169
Issue expenses	-	-	-3 910	-	-	-3 910
Total transactions with shareholders	277	-	61 158	-	-	61 435
<b>CLOSING BALANCE 2020-12-31</b>	<b>1 385</b>	<b>-</b>	<b>355 625</b>	<b>-17</b>	<b>-244 925</b>	<b>112 068</b>

# Consolidated summary statement of cash flows

	2020	2019	2020	2019
SEK 000'	Oct 1 – Dec 31	Oct 1 – Dec 31	Jan 1 – Dec 31	Jan 1 – Dec 31
<b>Operating activities</b>				
Profit after financial items	-24 941	-28 689	-84 541	-83 752
Non cash adjustments	1 247	670	4 022	2 752
Income tax paid	524	-128	-700	-685
	<b>-23 170</b>	<b>-28 147</b>	<b>-81 219</b>	<b>-81 685</b>
Change in inventory	673	-532	-470	411
Change in receivables	-2 094	1 150	-457	-20
Change in liabilities	326	3 506	3 049	-4 476
<b>Total change in working capital</b>	<b>-1 095</b>	<b>4 124</b>	<b>2 122</b>	<b>-4 908</b>
<b>Cash flow from operating activities</b>	<b>-24 265</b>	<b>-24 023</b>	<b>-79 097</b>	<b>-86 593</b>
<b>Investment activities</b>				
Acquisition of intangible fixed assets	-	-	-	-95
Acquisition of tangible fixed assets	-744	38	-2 496	-231
Acquisition of group companies	-15 177	-	-15 177	-
<b>Cash flow from investment activities</b>	<b>-15 921</b>	<b>-38</b>	<b>-17 673</b>	<b>-326</b>
<b>Financing activities</b>				
New share issue	65 169	-	65 169	199 057
Share issue costs	-3 910	-	-3 910	-13 315
Warrants	-	234	-	1 157
Other change in financial fixed assets	-	-	-2 314	-
Repayment of borrowing	-25 424	-114	-25 766	-584
<b>Cash flow from financing activities</b>	<b>35 835</b>	<b>120</b>	<b>33 178</b>	<b>186 315</b>
<b>Cash flow for the period</b>	<b>-4 351</b>	<b>-23 941</b>	<b>-63 592</b>	<b>99 396</b>
Cash equivalents at the beginning of the period	54 093	137 467	113 540	14 077
Exchange rate differences in cash equivalents	-339	14	-545	67
<b>CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>49 403</b>	<b>113 540</b>	<b>49 403</b>	<b>113 540</b>

## Summary income statement, parent company

	2020	2019	2020	2019
SEK 000'	Oct 1 – Dec 31	Oct 1 – Dec 31	Jan 1 – Dec 31	Jan 1 – Dec 31
Net sales	6 211	5 530	24 374	17 333
Other operating income/Other income	546	329	1 298	1 723
Raw materials and consumables/Cost of material	-2 251	-2 697	-8 842	-7 210
Other external expenses	-16 097	-22 744	-58 121	-62 465
Personnel costs	-9 906	-8 026	-36 263	-30 613
Depreciation, amortisation and impairment of tangible and intangible fixed assets/non-financial assets	-275	-165	-922	-657
Other operating expenses	-1 573	-447	-2 754	-992
<b>Operating profit</b>	<b>-23 345</b>	<b>-28 220</b>	<b>-81 230</b>	<b>-82 880</b>
<i>Profit from financial items</i>				
Net interest income	-140	-31	-386	-146
<b>Profit after financial items</b>	<b>-23 485</b>	<b>-28 251</b>	<b>-81 616</b>	<b>-83 026</b>
Tax expense	-	-	-26	-
<b>PROFIT FOR THE PERIOD</b>	<b>-23 485</b>	<b>-28 251</b>	<b>-81 642</b>	<b>-83 026</b>

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

# Summary balance sheet, parent company

	<b>2020</b>	<b>2019</b>
<i>SEK 000'</i>	Dec 31	Dec 31
<b>ASSETS</b>		
Subscribed capital unpaid	-	-
<i>Fixed assets</i>		
<b>Tangible fixed assets</b>	<b>3 386</b>	<b>1 811</b>
<i>Financial assets</i>		
Shares in group companies	137 687	-
Other long-term receivables	2 314	-
<b>Total financial fixed assets</b>	<b>-</b>	<b>-</b>
<b>Total fixed assets</b>	<b>143 387</b>	<b>1 811</b>
<i>Current assets</i>		
Inventories	1 773	1 479
Current receivables	2 333	3 729
Receivables from group companies	3 548	648
Current tax receivables	977	-
Other receivables	1 229	1 586
Prepaid expenses and other accrued income	957	1 062
Cash equivalents	48 093	112 091
<b>Total current assets</b>	<b>58 910</b>	<b>120 595</b>
<b>TOTAL ASSETS</b>	<b>202 297</b>	<b>122 406</b>

	<b>2020</b>	<b>2019</b>
<i>SEK 000'</i>	Dec 31	Dec 31
<b>SHAREHOLDER EQUITY AND LIABILITIES</b>		
<i>Equity</i>		
Restricted equity	1 385	1 108
Non-restricted equity	86 374	106 857
<b>Total equity</b>	<b>87 759</b>	<b>107 965</b>
<i>Provisions</i>		
Other provisions	94 162	-
<b>Total Provisions</b>	<b>94 162</b>	<b>-</b>
<i>Long-term liabilities</i>		
Liabilities to credit institutions	1 754	2 310
Other liabilities	-	-
<b>Total long-term liabilities</b>	<b>1 754</b>	<b>2 310</b>
<i>Current liabilities</i>		
Liabilities to credit institutions	513	513
Accounts payable	2 772	2 604
Liabilities to group companies	2 274	445
Current tax liabilities	-	356
Other current liabilities	824	950
Accrued expenses and deferred income	12 239	7 263
<b>Total current liabilities</b>	<b>18 622</b>	<b>12 131</b>
<b>Total liabilities</b>	<b>114 538</b>	<b>14 441</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>202 297</b>	<b>122 406</b>

# 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 2019.

## 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'	Oct – Dec		Jan – Dec	
	2020	2019	2020	2019
USA	2 259	2 490	9 209	6 832
Europe	4 345	2 494	15 199	9 848
Rest of World	156	85	464	192
<b>TOTAL</b>	<b>6 760</b>	<b>5 069</b>	<b>24 872</b>	<b>16 873</b>

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 and USA.

## 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 22,160,460 class A shares.

	2020	2019
	Jan 1 – Dec 31	Jan 1 – Dec 31
<b>Subscribed and paid shares</b>		
At the beginning of the period	17 733 168	348 007
Registration of new share issue decided 2018	-	330 333
Rights issue	-	5 586 233
Division of shares 16:1	-	11 468 595
Directed share issue	4 433 292	-
<b>Subscribed and paid shares</b>	<b>22 166 460</b>	<b>17 733 168</b>
Shares for share-based payments	-	-
<b>SUM AT THE END OF THE PERIOD</b>	<b>1 108 323</b>	<b>1 108 323</b>

The Company completed a directed share issue during the fourth quarter of 2020, which increased the number of shares by 4,433,292. The total number of shares subsequently amounted to 22,166,460 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 OssDsign'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 2019). 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.

## Scheduled financial reports

<b>Annual Report 2020</b>	April 16, 2021
<b>Interim Report Q1 2021</b>	May 12, 2021
<b>Interim Report Q2 2021</b>	August 18, 2021
<b>Interim Report Q3 2021</b>	November 17, 2021

**OSSDSIGN AB – UPPSALA FEBRUARY 11, 2021**

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**Simon Cartmell**  
Chairman of the Board

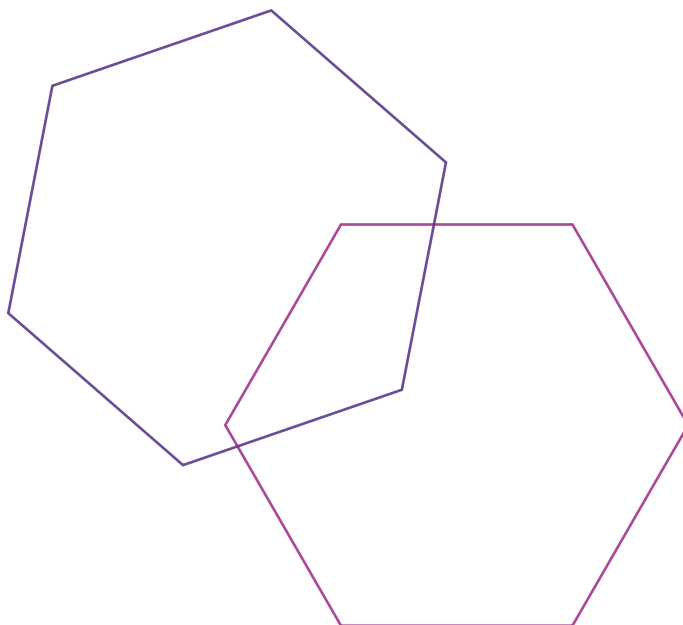
**Viktor Drvota**  
Board member

**Håkan Engqvist**  
Board member

**Newton Aguiar**  
Board member

**Anders Qvarnström**  
Board member

**Morten Henneveld**  
CEO



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