

Acarix Year-End report January-December 2020



A strong ending of an eventful year

Fourth quarter 2020 compared with same period 2019

- During the fourth quarter, 22 CADScor®System (10, of which 4 to clinical trials) and 1,420 (1,500, of which 840 to clinical trials) disposable patches were sold to end-users and distributors.
- Revenue amounted to SEK 966 thousand (774), with gross profit of SEK 713 thousand (607) and a gross margin of 74 percent (78).
- Operational costs amounted to SEK 12,100 thousand (10,591).
- Result before tax amounted to SEK -11,411 thousand (-9,987).
- Net cash flow from operating activities amounted to SEK -12,546 thousand (-8,122). Net cash flow for the period amounted to SEK -12,034 thousand (26,037).
- Basic earnings per share amounted to -0.08 SEK (-0.31). No dilution arose.

Financial year 2020 compared with same period 2019

- During the year a total of 51 (23, including 5 sold to clinical trials) CADScor®System and 3,540 patches (4,326, including 2,040 sold to clinical trials) were sold. In total for the year, revenues of SEK 2,170 thousand (1,857) were generated with a gross profit of SEK 1,594 thousand (1,430), corresponding to a gross margin of 73 percent (77).
- Operating costs amounted to SEK 43,025 thousand (47,873).
- Result before tax amounted to SEK -41,496 thousand (-46,434).
- Net cash flow from operating activities amounted to SEK -36,686 thousand (-44,533). Including the issue proceeds received, the period's net cash flow amounted to SEK 10,663 thousand (-11,500).
- Cash position amounted to SEK 64,113 thousand (53,747)
- Basic earnings per share amounted to -0.51 SEK (-1.83). No dilution arose.

Events in the fourth quarter, 2020

- On October 15 the company has entered into an agreement with Redeye AB regarding the position as Certified Adviser. Redeye AB has taken over as Certified Adviser on October 19, 2020.
- On November 18 Acarix announced that the company's real-life data analysis, made in co-operation with clinics in Germany and Austria, was published as a poster presentation and abstract at ISPOR, the leading European conference for health economics and outcomes research, which was held virtually November 16-19, 2020. The use in real world has demonstrated that neither patient demographics nor test results differ relevantly from the trial setting and that real-life data thus could be used for further economic modeling".
- On November 25 Acarix announced that the US Food and Drug Administration (FDA) approved the company's De Novo application for marketing approval of the CADScor®System in the US. "This is a major achievement and a significant recognition of our technology and how it can improve the diagnosis of patients with potential Coronary Artery Disease". said Per Persson, CEO of Acarix".
- On December 9 Acarix announced the last patient enrolled in Dan-NICAD II study. The Dan-NICAD II, including 1726 patients, was initiated in January 2018 to further establish the diagnostic accuracy of the CADScor®System compared to other stratification alternatives commonly used today in parallel with securing more validated clinical data for further sophistication of the CADScor® Algorithm. The study also includes patients below the age of 40 which provides the opportunity of a possible significant expansion of the currently identified patient group, thus enable the CADScor®System to be used on patients down to 30 years of age.

The total amount in tables and statements might not always summarize as there are rounding differences. The aim is to have each line item corresponding to the source and it might therefore be rounding differences in the total.

Events after December 31, 2020

- On January 13 Acarix announced positive preliminary data from the exploratory SEISMO study, using its modified CADScor®System on a potential heart failure application. The SEISMO trial was initiated in June 2018 to evaluate the possibility of developing an algorithm that can differentiate patients referred with suspicion of heart failure. The study, with in total 199 patients at two sites in Denmark, included the last patient in 2020. “Completing the inclusion to the exploratory heart failure study was a great milestone for all involved. The new data looks promising for early heart failure rule out and will be important for all affected patients today waiting all too long for a final diagnosis. The data could warrant a follow-up study to consolidate findings and bring more data for algorithm development,” said Professor Peter Søgaard, MD and primary investigator. The results from the final analysis of the study data is expected to be submitted for publication in Q2 2021.

CEO Message

The fourth quarter contributed strongly to our overall performance in 2020, with the market approval for CADScor® from the US Food and Drug Administration (FDA) as the outstanding achievement.

The following highlights contributed to a successful year:

- FDA market approval for CADScor® in the US through a De Novo application. In addition, the FDA also established a new technology classification, based on the unique features of CADScor®.
- During the fourth quarter, we maintained commercial momentum in Germany, where 19 systems were delivered, which is three times more than during the same period the previous year. All in all, we now have over 50 customers using CADScor® in Germany and 70 in the DACH region (Germany, Switzerland and Austria).
- Excluding income generated from clinical trials in 2019, our income increased in the fourth quarter significantly and on an annual basis by 106 percent.
- We completed the enrollment of patients to the Dan-NICAD II study (1,726 patients). The study generates significant volume of data for further enhancements of the algorithms and extends the intended use to also include individuals from the age of 30.
- Earlier in the year, the inclusion of patients in the investigative clinical study SEISMO was completed according to schedule and laid the foundation for an initial evaluation of the possibility of developing an algorithm for early detection of heart failure, in parallel with our main focus on coronary heart disease. The study includes 199 patients at two centers in Denmark.
- To further accelerate the sales development, the commercial team was strengthened over the year, adding further cardiovascular and MedTech experience and capabilities to the company.
- We have been through a successful digital transformation and are now meeting customers and potential commercial partners in new ways, via digital platforms.

US approval based on strong patient enrollment in Europe

An important, contributing factor to the market approval in the US is our European studies. The fact that we received a US market approval with neither an equivalent product on the market at the time of the regulatory approval nor clinical studies in the US is a strong indication that there is a significant clinical need and a good commercial potential in the US market. It really is a strong message that motivates our focus on as well as our continued investment in sustainable clinical evidence.

We see that our innovative technology fits very well in the US healthcare system and are looking forward to commercial progress in the largest MedTech market in the world.

Positive interactions in Germany

In September, the German Ministry of Health stated that phonocardiography for ruling out stable CAD has the potential



for general use in Germany. In our ongoing compensation process with them, the German authorities have chosen to treat the CADScor® technology in a similar way as the FDA, which means focusing on the uniqueness of our technology.

The German Federal Joint Committee (G-BA) outlined basic elements of a study to be conducted by an independent scientific institution. G-BA has also outlined the basis for a possible study that could be conducted by an independent scientific institution. The announcement is based on technical and clinical input from Acarix, which again not only confirms the value and relevance of the CADScor® technology but also should be seen as a great recognition of our ability to make progress from our clinical platform. The ongoing Covid-19 pandemic has created natural delays in the process, but we expect new feedback in late February.

Enrollment to SEISMO study completed

Despite the slowdown caused by Covid-19, we were able to close the enrollment of the exploratory SEISMO study on the application of CADScor® for diagnosing heart failure. Based on the collected data, internal analysis will follow to assess the opportunities with a possible use of CADScor® in heart failure patients. This first data analysis then lays the foundation for the necessary next steps with this exciting project. This project potentially expands our technology platform and gives us the opportunity to further develop the technology and see how CAD diagnostics could provide additional new commercial opportunities for Acarix.

I would like to end by thanking all investors for the confidence in our company and technology, as well as the support in the rights issue conducted in August/September. We raised SEK 47 million net in an oversubscribed share issue and are very satisfied with the outcome. We feel encouraged and stimulated by the trust from our shareholders. The share issue puts us in a strong position, and we are prepared for a very exciting 2021.

Per Persson
Chief Executive Officer

Financial Report

Revenues and gross margin

Fourth quarter

During the last quarter of the year, a total of 22 CADScor®-Systems were sold, compared with 14 systems in the previous quarter and 10 systems (of which 4 systems for clinical trials) in the corresponding period last year. A total of 19 systems were sold in the German market.

During the quarter, 1,420 disposable patches were sold, compared with 1,320 disposable patches in the previous quarter and 1,500 (of which 840 for clinical trials) during the corresponding period last year. A total of 1,260 disposable patches were sold on the German market.

Like the previous quarter, this quarter was also negatively affected by the covid-19 situation, especially with regard to the level of activity in the Nordic market.

Revenues for the fourth quarter amounted to SEK 966 thousand, compared with SEK 774 thousand for the corresponding period last quarter. Gross profit amounted to SEK 713 thousand, which corresponds to a gross margin of 74% compared with SEK 607 thousand and 78% in the same period last year.

Year 2020

During the year, a total of 51 CADScor®-Systems were sold, compared with 23 systems during the previous year, of which 5 were systems for the company's clinical trials. This year's sales do not include systems or patches delivered for clinical trials conducted by the company. Of the systems sold, 44 systems were delivered to the DACH region, 6 systems to the Middle East and 1 system to the Nordic region.

A total of 3,540 disposable patches were sold during the year, of which 2,940 were delivered to the DACH region, another 500 to the Middle East and 100 to the Nordic countries. Last year, a total of 4,326 disposable patches were sold, of which 2,040 were delivered for clinical trials.

Group revenues during the year amounted to a total of SEK 2,170 thousand (1,857), of which SEK 954 thousand pertained to CADScor®-System and SEK 1,216 thousand pertained to disposable patches. Gross profit amounted to SEK 1,594 thousand, corresponding to a gross margin of 73 percent compared with SEK 1,430 thousand and 77 percent in 2019. Reduction of the gross margin from the previous year is due to an increased share of sales of systems which generate lower margins compared with disposable patches. Furthermore, parts of sales take place through distributors, which reduces the gross margin.

Expenses

Fourth quarter

Total operating expenses (R&D and sales/administration expenses) for the fourth quarter amounted to SEK 12,100 thousand, compared with SEK 10,591 thousand during the corresponding period last year. Selling and administrative expenses amounted to SEK 8,995 (7,647) thousand in the quarter, of which SEK 5,268 (4,106) thousand related to sales/marketing costs. Research and development costs amounted to SEK 3,105 (2,944) thousand and are mainly

generated from ongoing clinical trials and continued product development. The Covid-19 situation during the quarter has meant delays in our clinical trials and thus caused shifts in related costs.

Year 2020

Total operating expenses (R&D and sales/administration costs) for the year amounted to SEK 43,611 thousand, compared with SEK 47,873 thousand during the previous year. Sales and administration costs amounted to SEK 28,556 (27,591) thousand, of which SEK 13,107 (15,553) thousand relates to sales and marketing costs. Research and development costs amounted to SEK 14,469 (20,282) thousand during the period. Cost reductions compared with the previous year are mainly a result of advanced costs caused by the Covid-19 situation and completed clinical studies.

Result

Fourth quarter

During the last quarter of the year, the Group reported an operating loss of SEK -11,388 thousand compared with SEK -9,984 thousand during the corresponding period last year. Depreciation during the quarter amounted to SEK 745 thousand (1,038) divided between capitalized development costs of SEK 564 thousand, patent costs of SEK 65 thousand, depreciation of leasing assets of SEK 100 thousand and tangible assets of SEK 17 thousand. The net loss for the quarter amounted to SEK -11,411 thousand, compared with SEK -9,997 thousand during the corresponding period last year. Deterioration of earnings of approx. SEK 1,500 compared with the corresponding period last year is mainly explained by increased market costs related to the US and UK market. Earnings per share before dilution were SEK -0.08 for the quarter, compared with SEK -0.31 during the corresponding period last year. There was no dilution effect.

Year 2020

During the financial year, the Group reported an operating loss of SEK -41,431 thousand, compared with SEK -46,444 thousand during the previous year. Depreciation during the year amounted to SEK 3,453 thousand divided between capitalized development costs of SEK 2,298 thousand, patents SEK 265 thousand, leasing assets of SEK 822 thousand and amortization of tangible assets of SEK 68 thousand. The net loss for the year amounted to SEK -41,496 thousand, compared with SEK -46,459 thousand during the corresponding period last year. Earnings per share before dilution were SEK -0.51 compared with SEK -1.83 during the previous year. There was no dilution effect.

Intangible assets

As of December 31, 2020, capitalized development costs amounted to SEK 14,143 thousand (16,924). Carrying amount including capitalized development costs and acquired rights amounted to SEK 18,316 thousand (21,508). No investments were made during the period.

Equity

As of December 31, 2020, the Group's equity amounted to SEK 82,136 thousand compared with SEK 76,602 thousand on 31 December 2019. The share capital as of the balance sheet date amounts to SEK 1,411 thousand. The total number of shares amounts to 141,045,437.

Cash Flow

Fourth quarter

Cash flow from operating activities during the period amounted to SEK -12,546 thousand, including change in working capital of SEK -1,684 thousand. After payment of cash for the purchase of warrants of SEK 616 thousand, the cash flow for the period amounted to SEK -12,034 thousand. During the corresponding period last year, the company received SEK 34,548 thousand in a directed new issue, which resulted in a cash flow of SEK 26,037 thousand.

Year 2020

Total cash flow for the year amounted to SEK 10,663 thousand, compared with an outflow of SEK -11,500 thousand during the previous year. The effect from working capital amounted to SEK 1,585 thousand, compared with SEK -2,213 thousand from the previous year. On the balance sheet date, after the issue payment of SEK 47,536 thousand was paid in, Acarix had SEK 64,113 thousand in cash and cash equivalents, compared with SEK 53,747 thousand as of December 31, 2019.

Capitalization

The rights issue that took place in September provided the company with SEK 47,536 thousand in cash. The Board assesses that cash balance as of the balance sheet date will cover the Company's working capital requirements until the second quarter of 2022.

Parent Company

The parent company, whose operations mainly focus on overall management and financing of the group, recognized SEK 8,661 (7,967) thousand in Management Fees during the year. The company reported a net loss for the year of SEK -37,935 thousand (-45,855) including write-downs of holdings in subsidiaries of SEK -26,672 thousand (-33,654). Shareholder contributions in subsidiaries have been expensed in the parent company income statement under financial items. Shares in subsidiaries as of December 31, amounted to SEK 42,178 thousand (42,178).

The parent company's cash and cash equivalents at the end of the year amounted to SEK 59,763 thousand, compared with SEK 48,243 thousand for the previous year.

Share information

The share has been traded on the Nasdaq First North Growth Market Stockholm under the name ACARIX and ISIN code SE0009268717 since December 19, 2016, and the shares are listed under Premier segment. As of December 31, 2020 the number of shares amounted to 141,045,437 (51,694,043).

| Shareholder register December 31, 2020 | Number of shares | Votes and capital |
|---|---------------------|----------------------|
| Försäkringsbolaget, Avanza Pension | 14,730,879 | 10,44% |
| SEED Capital DK II K/S | 4,749,081 | 3,37% |
| Sydbank A/S | 3,298,649 | 2,34% |
| Xinchang Puhua-Jingxin-Guzhou Heal | 2,654,259 | 1,88% |
| Nordnet Pensionsförsäkring AB | 2,212,019 | 1,57% |
| Konrad, Magnus | 2,100,000 | 1,49% |
| Northern Trust Global Services, SE | 2,041,573 | 1,45% |
| Johansson, Ernst David | 1,600,000 | 1,13% |
| Bergvall, Leif Harald | 1,500,000 | 1,06% |
| Sköld, Jörgen | 1,440,000 | 1,02% |
| Other shareholders | 104,718,977 | 74,24% |
| Summa | 141,045,437 | 100,0% |

Auditor's review

This Interim report has not been reviewed by the company's auditor.

Certified Adviser

Redeye AB with e-mail address certifiedadviser@redeye.se and phone number +46 8 121 576 90 is the company's Certified Adviser.

Financial calendar

| | Date |
|---|-------------------|
| Interim Report, first quarter | May 11, 2021 |
| Annual General Meeting | May 11, 2021 |
| Interim Report, second quarter | August 19, 2021 |
| Interim Report, third quarter | November 11, 2021 |
| Interim Report, fourth quarter and Year end Report | February 17, 2022 |

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Group – Consolidated statement of income

| kSEK | Note | Oct-Dec 2020 | Oct-Dec 2019 | Year 2020 | Year 2019 |
|---|------|-----------------|-----------------|----------------|----------------|
| Revenue | 7 | 966 | 774 | 2,170 | 1,857 |
| Cost of goods sold | | -253 | -167 | -576 | -427 |
| Gross profit | | 713 | 607 | 1,594 | 1,430 |
| Research and development costs | | -3,105 | -2,944 | -14,469 | -20,282 |
| Sales, general and administrative costs | | -8,995 | -7,647 | -28,556 | -27,591 |
| Operating result | | -11,388 | -9,984 | -41,431 | -46,444 |
| Financial income | | 2 | 16 | 25 | 103 |
| Financial costs | | -25 | -19 | -90 | -94 |
| Profit before tax | | -11,411 | -9,987 | -41,496 | -46,434 |
| Tax | | 0 | 0 | 0 | -25 |
| Net loss for the period | | -11,411 | -9,987 | -41,496 | -46,459 |
| Net income attributable to Parent Company's shareholders | | -11,411 | -9,987 | -41,496 | -46,459 |
| Basic earnings per share (SEK) ^{1), 2)} | | -0.08 | -0.31 | --0.51 | -1.83 |
| Diluted earnings per share (SEK) | | -0.08 | -0.31 | -0.51 | -1.83 |
| Average number of shares, thousands ³⁾ | | 141,045 | 32,583 | 81,478 | 27,805 |

¹⁾ No dilution effects arose

²⁾ EPS – Net profit for the period, attributable to shareholders of the Parent Company, divided by average number of shares outstanding

³⁾ Including shares under registration.

Group – Consolidated statement of comprehensive income

| kSEK | Oct-Dec 2020 | Oct-Dec 2019 | Year 2020 | Year 2019 |
|--|-----------------|-----------------|----------------|----------------|
| Net loss for the period after tax | -11,411 | -9,987 | -41,496 | -46,459 |
| Items that may be reclassified to profit or loss | | | | |
| Foreign currency translation adjustment | -1,376 | -596 | -1,124 | 637 |
| Other comprehensive income for the period, net of tax | -1,376 | -596 | -1,124 | 637 |
| Total comprehensive income for the period, net of tax | -12,787 | -10,584 | -42,620 | -45,822 |
| Total comprehensive income attributable to: | | | | |
| Owners of Acarix | -12,787 | -10,584 | -42,620 | -45,822 |

Group – Consolidated statement of financial position

| kSEK | Note | Dec 31, 2020 | Dec 31, 2019 |
|---|------|-----------------|-----------------|
| Assets | | | |
| <i>Tangible assets</i> | | | |
| Lease rights | | 1,378 | 881 |
| Tangible assets | | 130 | – |
| Total tangible assets | | 1,508 | 881 |
| <i>Intangible assets</i> | | | |
| Acquired rights | | 4,173 | 4,584 |
| Development projects, capitalized | | 14,143 | 16,924 |
| Total intangible assets | 8 | 18,316 | 21,508 |
| Deferred tax assets | | 0 | 0 |
| Total fixed assets | | 19,824 | 22,389 |
| <i>Current assets</i> | | | |
| Inventory | | 3,437 | 3,052 |
| Accounts receivables | | 387 | 1,108 |
| Other receivables | | 2,187 | 2,688 |
| Cash and cash equivalents | | 64,113 | 53,747 |
| Total current assets | | 70,124 | 60,594 |
| Total assets | | 89,948 | 82,983 |
| Shareholders' equity and liabilities | | | |
| <i>Equity</i> | | | |
| Share capital and share premium | | 427,567 | 430,592 |
| Other reserves | | 1,390 | 2,514 |
| Retained earnings | | –346,821 | –356,502 |
| Total equity | | 82,136 | 76,602 |
| <i>Long term liabilities</i> | | | |
| Lease debt | | 568 | 72 |
| Total long term liabilities | | 568 | 72 |
| <i>Current liabilities</i> | | | |
| Lease debt | | 799 | 694 |
| Accounts payable | | 1,648 | 1,781 |
| Other liabilities | | 4,796 | 3,834 |
| Total current liabilities | | 7,243 | 6,309 |
| Total equity and liabilities | | 89,948 | 82,983 |

Group – Consolidated statement of changes in shareholders' equity

| | Share capital | Share premium | Other reserves | Retained earnings | Total shareholders equity |
|---------------------------------------|------------------|------------------|-------------------|----------------------|---------------------------------|
| As at January 1, 2020 | 51,694 | 378,898 | 2,514 | -356,502 | 76,602 |
| Profit/loss for the period | - | - | - | -41,496 | -41,496 |
| Other comprehensive income: | | | | | |
| Foreign exchange rate adjustment | - | - | -1,124 | - | -1,124 |
| Reduction of the share capital | -51,177 | - | - | 51,177 | 0 |
| Transactions with shareholders | | | | | |
| Rights issue | 894 | 57,383 | - | - | 58,277 |
| Costs related to rights issue | - | -10,741 | - | - | -10,741 |
| Issue of warrants | - | 616 | - | - | 616 |
| At September 30, 2020 | 1,411 | 426,156 | 1,390 | -346,821 | 82,136 |
| As at January 1, 2019 | 23,027 | 373,017 | 1,877 | -310,044 | 87,878 |
| Profit/loss for the period | - | - | - | -46 459 | -46 459 |
| Other comprehensive income: | | | | | |
| Foreign exchange rate adjustment | - | - | 637 | - | 637 |
| Transactions with shareholders | | | | | |
| Rights issue | 28 667 | 14 333 | - | - | 43 000 |
| Costs related to rights issue | - | -8 452 | - | - | -8 452 |
| At December 31, 2019 | 51 694 | 378 898 | 2 514 | -356 502 | 76 602 |

Group – Consolidated statement of cash flows

| kSEK | Oct-Dec 2020 | Oct-Dec 2019 | Year 2020 | Year 2019 |
|---|-----------------|-----------------|----------------|----------------|
| Operating activities | | | | |
| Operating result | -11,587 | -9,984 | -41,666 | -46,444 |
| Adjustment for depreciation | 745 | 1,039 | 3,453 | 4,115 |
| Financial items | -22 | -4 | -60 | 9 |
| Cash-flow before change of working capital | -10,863 | -8,949 | -38,273 | -42,320 |
| <i>Working capital adjustments:</i> | | | | |
| Change in inventory | -269 | 320 | -581 | -426 |
| Change in receivables and prepayments | 413 | -765 | 1,838 | -428 |
| Change in trade and other payables | -1,827 | 1,271 | 328 | -1,359 |
| Total change in working capital | -1,684 | 826 | 1,585 | -2,213 |
| Cash-flow from operating activities | -12,546 | -8,122 | -36,686 | -44,533 |
| Financing activities | | | | |
| Amortization of lease debt | -105 | -389 | --802 | -1,515 |
| Issue of warrants | 616 | - | 616 | - |
| Rights issue | - | 34,548 | 47,536 | 34,548 |
| Cash-flow from financing activities | 511 | 34,158 | 47,350 | 33,033 |
| Cash flow for the period | -12,034 | 26,037 | 10,663 | -11,500 |
| Currency translation differences | -266 | 25 | -298 | 238 |
| Cash and cash equivalents, beginning of period | 76,413 | 27,685 | 53,747 | 65,019 |
| Cash and cash equivalents, end of period | 64,113 | 53,747 | 64,113 | 53,747 |

Parent Company income statement

| kSEK | Note | Oct-Dec 2020 | Oct-Dec 2019 | Year 2020 | Year 2019 |
|--|------|-----------------|-----------------|--------------|--------------|
| Other revenue | | 3,661 | 1,523 | 8,661 | 7,967 |
| Sales, general and administrative costs | | -6,082 | -4,995 | -19,969 | -20,259 |
| Operating result | | -2,421 | -3,472 | -11,308 | -12,292 |
| Profit/Loss from shares in group companies | | -8,661 | -13,590 | -26,672 | -33,654 |
| Financial income | | 9 | 15 | 46 | 92 |
| Financial expense | | 0 | - | -1 | -1 |
| Result before tax | | -11,073 | -17 047 | -37,935 | -45,855 |
| Tax | | -- | - | - | - |
| Net loss for the period | | -11,073 | -17 047 | -37,935 | -45,855 |
| Net result attributable to Parent Company's shareholder | | -11,073 | -17 047 | -37,935 | -45,855 |

Parent Company balance sheet

| kSEK | Note | Dec 31, 2020 | Dec 31, 2019 |
|---|------|-----------------|-----------------|
| Assets | | | |
| <i>Financial assets</i> | | | |
| Participation in subsidiaries | | 42,178 | 42,178 |
| Total financial assets | | 42,178 | 42,178 |
| <i>Current assets</i> | | | |
| Other receivables | | 1,041 | 1,163 |
| Cash and cash equivalents | | 59,763 | 48,243 |
| Total current assets | | 60,803 | 49,406 |
| Total assets | | 102,981 | 91,584 |
| Shareholders' equity and liabilities | | | |
| <i>Equity</i> | | | |
| Share capital | | 1,411 | 51,694 |
| Other capital contribution | | 210,051 | 162,793 |
| Retained earnings | | -112,552 | -125,794 |
| Total equity | | 98,910 | 88,693 |
| <i>Current liabilities</i> | | | |
| Accounts payable | | 1,144 | 666 |
| Other liabilities | | 2,927 | 2,224 |
| Total current liabilities | | 4,071 | 2,890 |
| Total equity and liabilities | | 102,981 | 91,584 |

Parent Company statement of changes in equity

| kSEK | Share capital | Other capital contribution | Retained earnings | Total shareholders' equity |
|---------------------------------------|----------------|----------------------------|-------------------|----------------------------|
| As at January 1, 2020 | 51,694 | 162,793 | -125,794 | 88,693 |
| Net loss for the period | - | - | -37,935 | -37,935 |
| Reduction of the share capital | -51,177 | - | 51,177 | 0 |
| Transactions with shareholders | | | | |
| Rights issue | 894 | 57,383 | - | 58,276 |
| Costs related to rights issue | - | -10,741 | - | -10,741 |
| Issue of warrants | - | 616 | - | 616 |
| At December 31, 2020 | 1,411 | 210,051 | -112,552 | 98,910 |
| As at January 1, 2019 | 23,027 | 156,912 | -79,939 | 100,000 |
| Net loss for the period | - | - | -45,855 | -45,855 |
| Transactions with shareholders | | | | |
| Rights issue | 28,667 | 14,333 | - | 43,000 |
| Costs related to rights issue | - | -8,452 | - | -8,452 |
| At December 31, 2019 | 51,694 | 162,793 | -125,794 | 88,693 |

Notes to the interim consolidated financial statements

NOTE 1 CORPORATE INFORMATION

Company information

Acarix AB (559009-0667) is a limited liability company incorporated and domiciled in Malmö, Sweden. The registered office is located at World Trade Center Malmö, Skeppsgatan 19, 211 11 Malmö, Sweden. Acarix's main activities are to develop, produce and market a new cardiovascular diagnostic method and similar equipment for the same and related services.

The Acarix Group consist of:

| | | |
|---------------------|---------------------------------------|-------------------------------------|
| Acarix A/S | The main operating company | Incorporated and located in Denmark |
| Acarix GmbH | Supporting sales on the German market | Incorporated and located in Germany |
| Acarix GmbH | No business exists | Incorporated and located in Austria |
| Acarix Incentive AB | | Incorporated and located in Sweden |

NOTE 2 BASIS OF PREPARATION

The interim report for the Group and Parent Company comprises summary consolidated financial statements for Acarix AB (publ). The interim consolidated financial statements include the Company's wholly-owned subsidiaries according to above specification.

NOTE 3 ACCOUNTING POLICIES

Accounting policies

The consolidated report has been prepared in accordance with International Financial Reporting Standards (IFRS) and IAS 34, Interim Financial Reporting.

Acarix continues to apply the same accounting principles and valuation methods as those described in the most recent Annual Report. The Parent Company report is prepared in accordance with RFR 2, Accounting for Legal Entities, the Swedish Annual Accounts Act and accounting principles and the valuation methods as those described in the most recent Annual Report.

NOTE 4 SIGNIFICANT ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

In preparing the interim report, certain provisions under IFRS require management to make judgments, which may significantly impact the Group's financial statements. For additional descriptions of significant judgments and estimates, refer to note 4 in the annual report 2019.

NOTE 5 RISK MANAGEMENT

The Acarix Group is exposed to business and financial risks through its operations. These risks have been described at length in the Company's annual report 2019. In addition to the risks described in these documents, no additional significant risks have been identified.

NOTE 6 RELATED PARTIES

Related parties comprise the members of the Board of Directors and other senior executives. Apart from remuneration of the Board of Directors, transactions to market price were recognized with related parties during the year.

Consultancy fee to member of Board of Directors 2020

| kSEK | Q1 | Q2 | Q3 | Q4 | Year |
|--|----|----|----|----|------|
| No consultancy fees have been paid for in 2020 | - | - | - | - | - |
| Total | - | - | - | - | - |

Consultancy fee to member of Board of Directors 2019

| kSEK | Q1 | Q2 | Q3 | Q4 | Year |
|-------------------------|----|----|----|----|------|
| Werner Braun (Chairman) | - | 66 | - | - | 66 |
| Total | - | 66 | - | - | 66 |

NOTE 7 REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The specific recognition criteria described below must also be met before revenue is recognized.

Sale of goods

Revenue from the sale of goods is recognized when the significant control of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

| Invoiced sales per country, kSEK | Q1 2020 | Q2 2020 | Q3 2020 | Q4 2020 | Q1-Q4 2020 |
|----------------------------------|------------|------------|------------|------------|--------------|
| Germany | 96 | 320 | 284 | 842 | 1,452 |
| Middle east | | | 331 | - | 331 |
| Sweden | - | - | - | 38 | 38 |
| Denmark | - | - | - | - | - |
| Austria | - | 24 | 120 | 38 | 182 |
| Switzerland | - | 38 | 56 | 48 | 142 |
| Other | 25 | - | - | - | 25 |
| Total | 121 | 292 | 791 | 966 | 2,170 |

| Invoiced sales per country, kSEK | Q1 2019 | Q2 2019 | Q3 2019 | Q4 2019 | Q1-Q4 2019 |
|--|------------|------------|------------|------------|--------------|
| Germany | 203 | 225 | 120 | 183 | 731 |
| Sweden | 96 | 29 | - | - | 125 |
| Denmark * | - | 410 | - | 398 | 808 |
| Austria | - | - | - | - | - |
| Other | - | - | - | 193 | 193 |
| Total | 299 | 664 | 120 | 774 | 1,857 |
| Total excluding deliveries to clinical trials | 299 | 254 | 120 | 376 | 1,049 |

* deliveries to clinical trials

NOTE 8 INTANGIBLE ASSETS

Development projects are related to the development of the CADScor®System (acoustic cardiovascular diagnostics), which records heart sounds and murmurs for calculating a patient's specific score in order to determine the patient's risk of coronary artery disease. During the second quarter 2017, the CADScor®System was introduced on the market and the first sales orders were recognized. Capitalization of development costs ceased when the product was ready to

launch on the market and amortization of capitalized development costs commenced. Management estimates the useful life of development projects to be 10 years. These assets are assessed for impairment whenever events or changes in circumstances indicate that the carrying amount exceeds the recoverable amount. Development projects have been tested for impairment in December 2020.

| Group, 2020, kSEK | Acquired rights | Development costs | Total |
|--|-----------------|-------------------|---------------|
| Cost at January 1, 2020 | 6,054 | 22,819 | 28,873 |
| Foreign currency translation adjustment | -182 | -779 | -960 |
| Cost at December 31, 2020 | 5,873 | 22,040 | 27,912 |
| Amortization and impairment at January 1, 2020 | -1,470 | -5,895 | -7,365 |
| Amortization | -265 | -2,298 | -2,563 |
| Foreign currency translation adjustment | 35 | 295 | 330 |
| Amortization and impairment losses at December 31, 2020 | -1,700 | -7,898 | -9,598 |
| Carrying amount at December 31, 2020 | 4,173 | 14,143 | 18,316 |

| Group, 2019, kSEK | Acquired rights | Development costs | Total |
|--|-----------------|-------------------|---------------|
| Cost at January 1, 2019 | 5,975 | 22,480 | 28,456 |
| Foreign currency translation adjustment | 79 | 339 | 418 |
| Cost at December 31, 2019 | 6,054 | 22,819 | 28,873 |
| Amortization and impairment at January 1, 2019 | -1,200 | -3,559 | -4,759 |
| Amortization | -267 | -2,317 | -2,584 |
| Foreign currency translation adjustment | -3 | -19 | -22 |
| Amortization and impairment losses at December 31, 2019 | -1,470 | -5,895 | -7,365 |
| Carrying amount at December 31, 2019 | 4,584 | 16,924 | 21,508 |

Affirmation

This interim report has been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting" and in accordance with the Swedish Annual Accounts Act. With respect to the Parent Company, this interim report has been prepared in accordance with the Swedish Annual Accounts Act and in compliance with

RFR2, Accounting for Legal Entities. The Board of Directors and the CEO certify that this interim report presents a true and fair overview of the Group's and the Parent Company's operations, financial position and results of operations, and describes the significant risks and uncertainties facing the Parent Company and the companies belonging to the Group.

Malmö, February 18, 2021

EXECUTIVE MANAGEMENT

Per Persson
CEO

BOARD OF DIRECTORS

Dr. Werner Braun
Chairman of the Board

Paolo Raffaelli
Board Member

Johanne Braendgaard
Board Member

Anders Jakobson
Board Member

Marie Louise Janssen-Counotte
Board Member

Ulf Rosén
Board Member

The information disclosed in this year-end report is mandatory for Acarix AB (publ) to publish pursuant to the EU Market Abuse Regulation. This information was submitted through the agency of the CEO, February 18, 2021 at 8:00 am (CET).

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