

Year-end report Q4 2021

October–December

Important commercial progress

- New CEO appointed.
- First commercial hydrogen project.
- Air Quality sensor integrated in AAC's customer offer.



Outcome October–December

- Net sales amounted to 680 (23) kSEK.
- Profit after net financial items amounted to –3,041 (–4,494) kSEK.
- Basic and diluted earnings per share: –0,23 (–0,41) SEK.
- Cash flow from operating activities and investing activities: –1,360 (–2,207) kSEK.

Outcome January–December

- Net sales amounted to 2,335 (1,177) kSEK.
- Profit after net financial items amounted to –11,620 (–12,795) kSEK.
- Basic and diluted earnings per share: –0,89 (–1,27) SEK.
- Cash flow from operating activities and investing activities: –17,968 (–10,007) kSEK.

Significant events October–December

- Johan Rask was appointed CEO of Insplorion.
- Successful pilot project in UK for Insplorion's air quality sensor leads to dealer agreement.
- Hydrogen sensor in its first commercial pilot study.
- Insplorion changes Certified Advisor to Naventus.

Significant events after the end of the period

- Hydrogen centre, where Insplorion is a partner, financed by the Swedish Energy Agency.

Indicators for the Group

	2021-10-01 2021-12-31 3 months	2020-10-01 2020-12-31 3 months	2021-01-01 2021-12-31 12 months	2020-01-01 2020-12-31 12 months
All amounts in thousands of SEK if other not specified				
Net sales	680	23	2,335	1,177
Operating income	2,700	1,691	9,538	7,485
Profit after financial items	–3,041	–4,494	–11,620	–12,795
Earnings per share (SEK)	–0,23	–0,41	–0,89	–1,27
Diluted earnings per share (SEK)	–0,23	–0,41	–0,89	–1,27
Cash flow from operating and investing activities	–1,360	–2,207	–17,968	–10,007

For the complete table, please refer to page 12. For definitions of indicators, please refer to page 17.

A word from the CEO

I, Johan Rask, have been the new CEO of Insplorion since February 1st this year. I took over from Patrik Dahlgqvist, who, after eight years in the position, has chosen to take on a challenge in another industry. The main content of this 'word from the CEO' therefore describes events and developments in which I have not been operational. Consequently, the following text is the outcome of a coordinated effort between myself and Patrik Dahlgqvist.

First commercial hydrogen project

The close of 2021 was largely marked by progress in the development of our gas sensor platform. The hydrogen sensor took an important step in that a Swedish company in the transport sector will, via a feasibility study, evaluate how Insplorion's hydrogen sensor can be customised in one of their customers' existing applications. The study is our first industrially funded hydrogen sensor project, with an order value of approximately SEK 100,000. The primary aim of the feasibility study is to evaluate the sensor's performance, but also to specify how the sensor can be read remotely via fibre, for example.

Air quality sensor integrated in AAC Eurovent's offers to customers

During the year, a number of customer projects were implemented with the air quality sensor. A feasibility study was carried out together with the British company AAC Eurovent during the summer. The purpose was to clarify how our air quality sensor can work together with their air filtration system for one of their customers. The goal for AAC Eurovent is to develop tailor-made solutions for reducing NO₂ (nitrogen dioxide) for properties, as well as in other areas of use. The results of the feasibility study provided a positive message, meaning the customer project enters the next phase at the same time as AAC also adds our NO₂ sensor in its offers to customers within the framework of a non-exclusive distribution agreement for the UK.

TechForH2 centre of excellence funded by the Swedish Energy Agency

There is a lot going on when it comes to hydrogen, and we have a strong business focus on customers who can quickly assimilate and work with our technology in attractive niche applications. In parallel, we are working strategically to expand our network with larger players in more long-term projects, both in Sweden and internationally. In the beginning of 2022, for example, the Swedish Energy Agency allocated a grant to TechForH2. This is a Hydrogen Centre with a focus on strengthening world-class research and innovation. The work is being led by Chalmers University of Technology and, in addition to Insplorion, RISE, Siemens Energy, PowerCell Sweden,

Scania, Volvo GTT, GKN Aerospace, Oxeon, Stena Teknik and Johnson Matthey are also taking part. Insplorion's work in the project is in the area of "a sustainable future hydrogen economy", with a focus on mobility applications and heavy transport solutions. The fact that we are involved in these major projects is of great value to Insplorion. It both reinforces our position as the leading sensor developer in strategic areas, and strengthens contacts with the major players who are potential customers and partners when we scale up our sensor business in the coming stages.

Research within the EU with Insplorion instruments

During the autumn, the company EIFER, the European Institute for Energy Research based in Germany, bought an X1 instrument. The sale is one example of how our measuring instrument business is strengthening our sensor applications, in this case the hydrogen sensor. The group within EIFER that will use the instrument is focusing on hydrogen as an energy carrier within the EU, with research and development relating to issues within production, distribution and use.

Battery sensor projects continue to spread knowledge about NPS

Regarding the various battery sensor projects, it can be said that they were running according to plan at the end of 2021. The continuous work in the various ongoing battery projects leads to in-depth relationships and new insights into the existing collaborations with the players we already know. At the same time, our long-term work is seeing more people opening their eyes to our NanoPlasmonic Sensing technology, and we are noticing the growing interest.

Closing words

It is going to be a lot of fun and very exciting to lead Insplorion forward. During my initial time, the focus, of course, is on creating a deeper understanding of our business, our customers, and the world around us, and, in the next step, see what implications this may have for our strategic priorities in the future.

With that said, we have a good starting point. We have a strong team, with both breadth and depth, and a unique technology platform with great potential in areas undergoing significant change, where large investments are being made. We have also begun to gain a commercial foothold. Combined, I think this bodes well for the future.

Together with the team, our efforts will continue to focus on the commercialisation of our platform.

Gothenburg, februari 24th 2022

Johan Rask, CEO

Johan Rask, new CEO of Insplorion

During Q4, Insplorion announced that Johan Rask will take over as CEO from February 1st. We took the opportunity to ask Johan a few questions.

How does it feel?

It's very exciting. Insplorion has a unique technology platform with a great potential, and I'm looking forward to working together with the team to take it onward. I've also had a very good dialogue with both the board, parts of the management team and not least the former CEO, Patrik Dahlqvist, to secure the handover without us losing pace.

What's your background?

I graduated from Chalmers University of Technology in 1999 (Industrial Economics), and have since worked in several different areas, which means that I have a fairly broad profile. I've worked with, for example, Venture Capital, as M&A Manager at Mölnlycke Health Care, Business Area Manager at Abigo Medical (now Essity) and Strategy Manager at Timik Group AB. I also sit on the board of a couple of companies, and have been active in my own company. I live in Gothenburg with my wife and three children.

What happens now?

Currently, there are no plans for a change in what we do, or our priorities. Patrik and the team have done a fantastic job over the years to take the company to where it's now. But we are in a dynamic market that's constantly evolving, and we'll certainly need to make adjustments along the way to adapt as well.

Do you own shares in the company?

Yes. I've bought just over 24,000 shares in Insplorion.



Financial comments

Business development

The Company's sales within the research instruments business area is characterized by few measuring instruments sold but at high prices per unit. The variation in sales can therefore be high from one quarter to the next, making it difficult to compare quarterly results. The Company's aim is to grow the instrument business continuously, but sales usually depend on our customers' availability of funding.

The performance is still negative as development costs have increased. Investments in marketing and customer adaptation in air quality, product development in battery sensor, and strengthening of the organization are the most important reasons for the higher costs, which are in line with plan.

Financial position and liquidity

Cash and cash equivalents amounted to kSEK 49,456 (66,558) as of December 31st. At the end of the period, the Group's interest-bearing liabilities totaled kSEK 2,401 (4,491).

Cash flow for the period (October 1st–December 31st) amounted to kSEK –1,508 (51,270), of which cash flow from operating activities amounted to kSEK –552 (–1,053). This is mostly attributable to the negative operating result in the amount of kSEK –3,009, in combination with changes in working capital with a negative impact on cash flow of kSEK 2,174.

During the period, the Group has invested kSEK 808 (1,154), mostly attributable to the capitalized development and investments in laboratory equipment. Financing activities were negative by kSEK –148 (53,477) due to loan repayments of kSEK –175.

Covid-19

Insplorion follows the developments relating to covid-19 closely. The personnel's health and safety is being prioritized and Insplorion complies with all official instructions and guidelines. The virus outbreak has had minor impact on the company's business, with delays in instrument sales being the most prominent effect. However, the virus' future impact on business and society is creating uncertainty and long-term effects are difficult to assess.

Future development

In research instruments, sales are expected to grow gradually as more and more customer processes reach the phase for internal or external funding. As a consequence of covid-19, it has been difficult to finalize sales during 2020 and 2021, as sales processes have been postponed in time.

The Company intends to continue to seek grant funding at national and EU level for sub-projects characterized by higher degree of technical risk that are in line with the development plan. In addition, this is a way to build cooperations with industrial operators and to leverage the funding by shareholders.

Risks and uncertainties

The Group is considered to still be subject to the same risks and uncertainties that are detailed in the 2020 annual report.

Parent Company

The net sales of the parent company for the period (October 1st–December 31st) amounted to kSEK 866 (459), and the profit after net financial items amounted to kSEK –4,139 (–4,715). The parent company's equity totaled MSEK 60.6 MSEK, of which MSEK 3.5 restricted.

The share

As of December 31st, the number of shares totaled 13,085,944. At the end of 2020, the company carried out a private placement and a rights issue, of which 191,651 shares were registered at the beginning of 2021. After the end of the financial year, 4,290 new shares were subscribed for through the warrants program TO1. After registration, the number of shares and votes in the company will amount to a total of 13,090,234.

At the Annual General Meeting on April 13th, 2021, it was decided to introduce an incentive program based on employee stock options and warrants for all employees in the company and an incentive program based on warrants for the Board of Directors.

The current warrant and option programmes are:

- *Subscription warrants programme TO1 2018/2023:* As part of the funding agreement established in 2018, the financier ESGO and existing shareholders were allotted subscription warrants free of charge. Each subscription warrant entitles the holder to purchase one Insplorion share at a subscription price of SEK 11.50 per share.

Warrants for less than SEK 500,000 in total may be exercised at five occasions during the two-week periods that precede the dates 12, 24, 36, 48 and 60 months after the date of registration, which was February 5th, 2018.

In total, 392,604 warrants have been issued, corresponding to approximately 4.0 percent of the Company's number of shares of that time. In February 2020, 71,352 warrants were converted

into shares. During the subscription period in January/February 2021, 90,892 were converted into shares, meaning that by year-end 2021 the number of outstanding options were 230,360. During the subscription period of February 2022, 4,153 options were converted, with the remaining number of options being 226,207.

Due to the rights issue carried out in December 2020, recalculation was made in accordance with the terms of the warrant program T01, which means that each warrant gives the right to subscribe for 1.033 shares compared to previously one share.

- *Warrants and employee stock options series 2021/2024*, where 24,700 incentive warrants and 46,800 employee stock options will be issued. This means a maximum dilution of approximately 0.7 percent of the shares and votes in the Company.

Each warrant and employee option entitles the holder to acquire one share in Insplorion at an exercise price of SEK 41.10 per share.

- *Warrants to the Board of Directors series 2021/2024*, where 85,000 Incentive Warrants has been issued. This means a maximum dilution of approximately 0.6 percent of the shares and votes in the Company.

Each warrant entitles the holder to acquire one share in Insplorion at an exercise price of SEK 41.10 per share.

Policies for the preparation of the interim report

Insplorion applies the Swedish Accounting Standards Board's BFNAR 2012:1 Annual accounts and consolidated (K3). For the report, Chapter 9 of the Annual Accounts Act, interim report, has also been applied.

Accounting principles and calculation bases are unchanged compared with the annual report.

Auditors' review

This report has not been reviewed by the Company's auditors.

Upcoming financial reports

- 2022-04-19 Annual General Meeting 2022
- 2022-05-19 Interim report January–March 2022
- 2022-08-23 Interim report April–June 2022
- 2022-10-27 Interim report July–September 2022
- 2023-02-23 Year-end report 2022

Presentation of the interim report,
Gothenburg, February 24th, 2022

Insplorion AB (publ)
The Board

Insplorion in brief

Insplorion is an environmental technology company that develops and sells small and robust air quality, battery and hydrogen sensors based on its patented sensor platform, NanoPlasmonic Sensing (NPS).

The technology measures air quality in the major cities of the world, optimizes batteries in cars and energy storage facilities, and increases the safety and thus the acceptance of hydrogen gas as an energy carrier.

In addition, the Company sells NPS-based research instruments that provide researchers access to real-time nanoscale data in catalysis, materials and life science.



Hydrogen sensors

Insplorion develops the world's fastest hydrogen sensor for the rapidly growing market comprising hydrogen-based vehicles, infrastructure and fuel cells. The rapid response time of the sensor is of great importance, both for safety applications and in the optimization of fuel cells. It is accurate, compact, and cost-effective, and we expect it to contribute to an accelerated transition to hydrogen as an alternative to fossil energy.



Insplorion's hydrogen sensor can be used in a number of applications to improve safety and optimization across the chain, from production to distribution and use. In hydrogen production, vehicles, fuel stations, distribution infrastructure, and biogas refineries. It can also be used to improve the understanding of fuel cells during development and to optimize their operation.

Coradia iLint, a regional train powered by hydrogen fuel cells.



Battery sensors

Insplorion's battery sensor business has the potential to disrupt the market for lithium-ion batteries, whose importance is growing in step with the global shift to green energy. The possibility to increase both the energy output and the charging speed while at the same time lowering costs enables extended ranges for electric vehicles and reduced costs for energy storage. In addition, the sensors contribute to increased safety. All in all, these benefits have sparked the interest of both the power industry and the automotive industry.

Insplorion's technology is currently present in commercially manufactured prototypes. Together with researchers at Chalmers University of Technology and Uppsala University, Insplorion has previously been able to demonstrate that its technology is capable of measuring the state of charge of lead batteries as well as various lithium-ion batteries.



BMW i8 Roadster, best refueled with electricity.





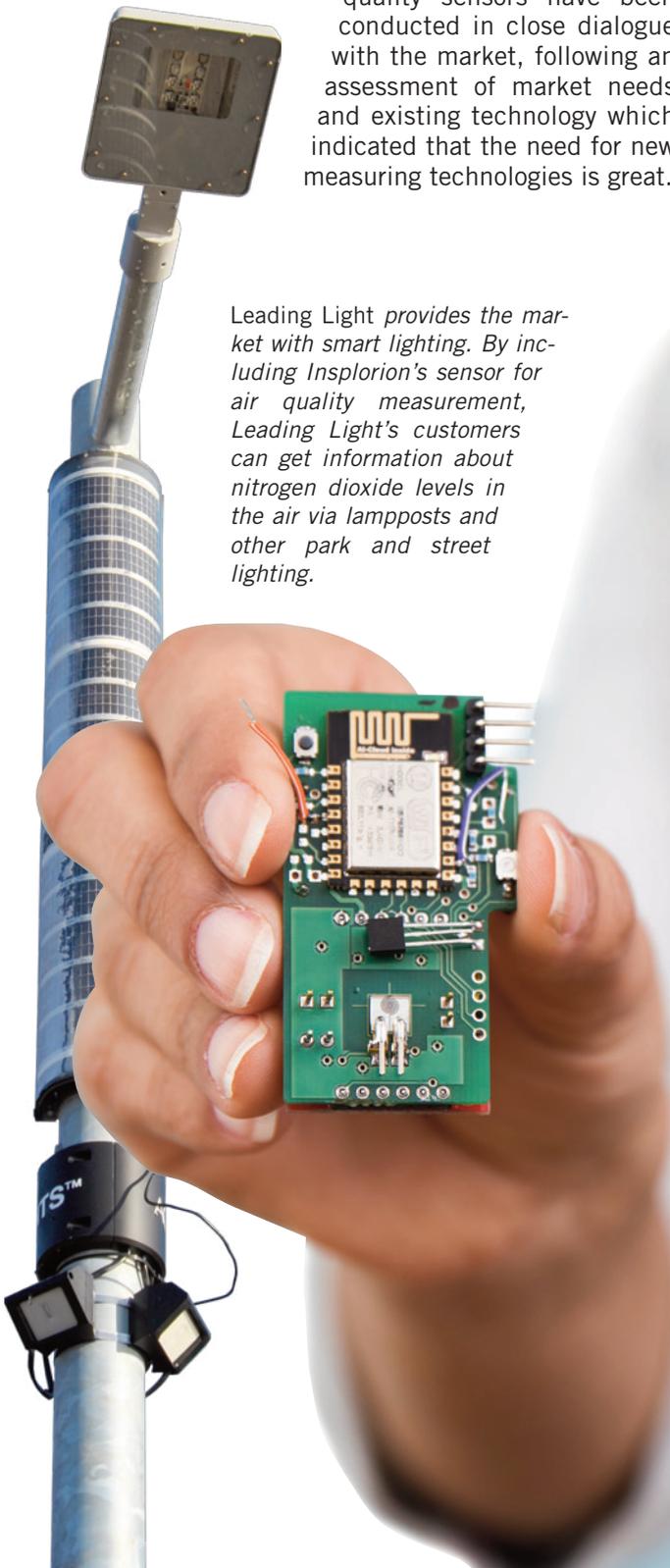
Air quality sensors

Insplorion offers air quality sensors for a variety of applications, from smart cities to ventilation systems. Insplorion's InAir NO₂ sensor provides sensitive and stable monitoring of nitrogen dioxide. The sensors are small and easy to mount and network together to establish a complete real-time view of the pollutants circulating in any given system.

Insplorion's sensors can be connected to the Internet, which makes it possible to measure gases that are harmful to human health with high geographic precision. This is not possible with alternatives in use today.

Insplorion's efforts to develop air quality sensors have been conducted in close dialogue with the market, following an assessment of market needs and existing technology which indicated that the need for new measuring technologies is great.

Leading Light provides the market with smart lighting. By including Insplorion's sensor for air quality measurement, Leading Light's customers can get information about nitrogen dioxide levels in the air via lampposts and other park and street lighting.



Research instruments

In research instruments, Insplorion sells measuring instruments to researchers in academia and industry. Insplorion's products make it possible to obtain real-time information with nanoscale sensitivity about processes on surfaces and in boundary layers. The instruments enable a deeper understanding of nanomaterials, nanoparticles, porous materials, thin films and coatings for various applications such as catalysis, polymer science, materials science, biosciences, and solar cells.

Each instrument comprises a basic package with Insplorion's software and an optical hardware module. In addition, the customer selects a measuring cell depending on the field of research. A complete instrument system has a list price of about kEUR 50 to 80, depending on which options are included, and the margin is good. We also receive additional annual revenue of about kEUR 3 to 6 per instrument for sensors expended during use in experiments.

Insplorion's instruments for advanced research in many areas make it possible to very easily get measurement results in real time. The sensors can withstand temperatures up to 600 °C as well as challenging chemical environments.



Income Statement for Insplorion Group

	2021-10-01 2021-12-31 3 months	2020-10-01 2020-12-31 3 months	2021-01-01 2021-12-31 12 months	2020-01-01 2020-12-31 12 months
All amounts in thousands of SEK if other not specified				
Net sales	680	23	2,335	1,177
Own work capitalized	664	1,124	3,032	4,557
Other operating income	1,355	544	4,171	1,751
Operating income	2,700	1,691	9,538	7,485
Raw materials and consumables	-230	0	-488	-490
Other external charges	-2,213	-3,343	-8,972	-10,287
Personnel costs	-2,976	-2,688	-10,948	-8,916
Depreciation/amortization	-289	-93	-590	-369
Operating costs	-5,708	-6,124	-20,998	-20,061
Operating profit	-3,009	-4,433	-11,460	-12,576
Interest costs and similar items	-32	-60	-160	-219
Result from financial items	-32	-60	-160	-219
Profit after financial items	-3,041	-4,494	-11,620	-12,795
Taxes	0	0	0	0
Profit/loss for the period	-3,041	-4,494	-11,620	-12,795
Earnings per share				
Earnings per share (SEK)	-0.23	-0.41	-0.89	-1.27
Diluted earnings per share (SEK)	-0.23	-0.41	-0.89	-1.27

Balance Sheet Insplorion Group

All amounts in thousands of SEK if other not specified	2021-12-31	2020-12-31
ASSETS		
Subscribed capital unpaid	0	1,339
Fixed assets		
<i>Intangible fixed assets</i>		
Capitalized expenditure for development	16,875	14,138
Concessions, patents, licenses, trade marks	2,408	2,434
	19,283	16,571
<i>Tangible fixed assets</i>		
Machinery and other technical equipment	543	580
	543	580
Total fixed assets	19,826	17,151
Current assets		
Work in progress	2,124	1,085
	2,124	1,085
Accounts receivable	222	87
Other receivables	138	1,251
Prepayments and accrued income	318	130
	678	1,468
Cash and bank balances	49,456	66,558
Total current assets	52,257	69,110
TOTAL ASSETS	72,083	87,600

Balance Sheet Insplorion Group

All amounts in thousands of SEK if other not specified	2021-12-31	2020-12-31
EQUITY AND LIABILITIES		
Equity		
<i>Restricted equity</i>		
Share capital	1,963	1,920
New issue under registration	0	29
	1,963	1,949
<i>Non-restricted equity</i>		
Premium reserve	122,426	121,419
Retained loss	-52,169	-39,972
Profit/loss for the period	-11,620	-12,795
	58,636	68,653
Total equity	60,599	70,601
Long-term liabilities		
Liabilities to credit institutions	1,686	2,291
	1,686	2,291
Short-term liabilities		
Liabilities to credit institutions	715	2,200
Accounts payable	712	1,396
Current tax liabilities	54	17
Other short-term liabilities	219	163
Accruals and deferred income	8,099	10,930
	9,798	14,707
TOTAL EQUITY AND LIABILITIES	72,083	87,600

Changes in equity (thousands of SEK)	Share capital	Non-registered issue	Other contributed capital	Profit/loss carried forward	Profit/loss for the period	Total equity
Equity as of 2021-01-01	1,920	29	121,419	-39,972	-12,795	70,601
Appropriation of previous year's profit				-12,795	12,795	0
Registration of share issue	29	-29				0
New share issue (decided on 2020-11-06)	14	0	1,066			1,080
Issuance costs (decided on 2020-11-06)			-60			-60
Option programme				597		597
Profit/loss for the period					-11,620	-11,620
Equity as of 2021-12-31	1,963	0	122,426	-52,169	-11,620	60,599

Cash Flow Statement Insplorion Group

	2021-10-01 2021-12-31 3 months	2020-10-01 2020-12-31 3 months	2021-01-01 2021-12-31 12 months	2020-01-01 2020-12-31 12 months
All amounts in thousands of SEK if other not specified				
Operating activities				
Operating profit	-3,009	-4,433	-11,460	-12,576
<i>Adjustment for non-cash items:</i>				
Depreciation/amortization according to plan	289	93	590	369
Loss on sale of tangible and intangible fixed assets	26	0	26	0
Interest paid	-32	-60	-160	-219
Cash flow from operating activities before change in working capital	-2,726	-4,401	-11,004	-12,426
Change in working capital				
Increase (-)/decrease (+) in inventories	-72	-142	-1,039	-523
Increase (-)/decrease (+) in operating receivables	312	-214	790	334
Increase (+)/decrease (-) in operating liabilities	1,934	3,704	-3,423	7,315
Cash flow from operating activities	-552	-1,053	-14,677	-5,300
Investing activities				
Cash flow from investing activities	-808	-1,154	-3,291	-4,707
Financing activities				
Change in long-term liabilities	-175	-50	-2,090	-100
New share issue	0	53,527	2,359	54,330
Option programme	27	0	597	0
Cash flow from financing activities	-148	53,477	866	54,230
Increase/decrease of cash and cash equivalents	-1,508	51,270	-17,102	44,222
Cash/cash equivalents at the beginning of the year	50,963	15,287	66,557	22,335
Cash/cash equivalents at the end of the period	49,455	66,557	49,455	66,557

Indicators Insplorion Group

	2021-10-01 2021-12-31 3 months	2020-10-01 2020-12-31 3 months	2021-01-01 2021-12-31 12 months	2020-01-01 2020-12-31 12 months
All amounts in thousands of SEK if other not specified				
Net sales	680	23	2,335	1,177
Operating income	2,700	1,691	9,538	7,485
Profit after financial items	-3,041	-4,494	-11,620	-12,795
Earnings per share (SEK)	-0.23	-0.41	-0.89	-1.27
Diluted earnings per share (SEK)	-0.23	-0.41	-0.89	-1.27
Cash flow from operating and investing activities	-1,360	-2,207	-17,968	-10,007
Solidity (%)	84 %	81 %	84 %	81 %
Quick ratio (%)	512 %	463 %	512 %	463 %
The share's quota value (SEK)	0.15	0.15	0.15	0.15
Number of shares	13,085,944	12,801,409	13,085,944	12,801,409
Average number of shares	13,085,944	10,835,508	13,078,120	10,092,349
Average number of shares after dilution	13,323,906	11,237,545	13,323,906	10,529,743
Average number of employees	16	14	15	13

For definitions of indicators, please refer to page 17.

The Parent Company's income statement

	2021-10-01 2021-12-31 3 months	2020-10-01 2020-12-31 3 months	2021-01-01 2021-12-31 12 months	2020-01-01 2020-12-31 12 months
All amounts in thousands of SEK if other not specified				
Net sales	866	459	3,881	2,898
Own work capitalized	110	80	445	336
Other operating income	98	357	2,467	870
Operating income	1,073	896	6,793	4,104
Raw materials and consumables	-230	0	-488	-490
Other external charges	-1,844	-2,770	-7,915	-7,774
Personnel costs	-2,976	-2,688	-10,948	-8,916
Depreciation/amortization	-131	-93	-432	-369
Operating costs	-5,180	-5,551	-19,783	-17,548
Operating profit	-4,107	-4,655	-12,990	-13,445
Interest costs and similar items	-32	-60	-160	-219
Result from financial items	-32	-60	-160	-219
Profit after financial items	-4,139	-4,715	-13,150	-13,664
Year-end appropriations	1,530	868	1,530	868
Taxes	0	0	0	0
Profit/loss for the period	-2,609	-3,847	-11,620	-12,795
Earnings per share				
Earnings per share (SEK)	-0.20	-0.36	-0.89	-1.27
Diluted earnings per share (SEK)	-0.20	-0.36	-0.89	-1.27

The Parent Company's balance sheet

All amounts in thousands of SEK if other not specified	2021-12-31	2020-12-31
ASSETS		
Subscribed capital unpaid	0	1 339
Fixed assets		
<i>Intangible fixed assets</i>		
Capitalized expenditure for development	2,339	2,029
Concessions, patents, licenses, trade marks	1,378	1,404
	3,717	3,433
<i>Tangible fixed assets</i>		
Participations in Group companies	543	580
	543	580
<i>Financial fixed assets</i>		
Participations in Group companies	50	50
	50	50
Total fixed assets	4,310	4,063
Current assets		
Work in progress	2,124	1,085
	2,124	1,085
Accounts receivable	222	87
Intra-group receivables	15,369	12,691
Other receivables	149	1,180
Prepayments and accrued income	318	130
	16,058	14,088
Cash and bank balances	47,448	65,153
Total current assets	65,630	80,326
TOTAL ASSETS	69,940	85,729

The Parent Company's balance sheet

All amounts in thousands of SEK if other not specified	2021-12-31	2020-12-31
EQUITY AND LIABILITIES		
Equity		
<i>Restricted equity</i>		
Share capital	1,963	1,920
New issue under registration	0	29
Fund for development costs	1,541	922
	3,504	2,871
<i>Non-restricted equity</i>		
Premium reserve	122,426	121,419
Retained loss	-53,710	-40,894
Profit/loss for the period	-11,620	-12,795
	57,095	67,731
Total equity	60,599	70,602
Long-term liabilities		
Liabilities to credit institutions	1,686	2,291
	1,686	2,291
Short-term liabilities		
Liabilities to credit institutions	715	2,200
Accounts payable	712	1,214
Current tax debt	60	23
Other short-term liabilities	219	163
Accruals and deferred income	5,949	9,235
	7,654	12,835
TOTAL EQUITY AND LIABILITIES	69,940	85,729

Changes in equity	Share capital	Non-registered issue	Fund for development costs	Share premium reserve	Profit/loss carried forward	Profit/loss for the period	Total equity
Equity as of 2021-01-01	1,920	29	922	121,419	-40,894	-12,795	70,602
Appropriation of previous year's profit					-12,795	12,795	0
Change in fund for development costs			619		-619		0
Registration of share issue	29	-29					0
New share issue (decided on 2020-11-06)	14	0		1,066			1,080
Issuance costs (decided on 2020-11-06)				-60			-60
Option programme					597		597
Profit/loss for the period						-11,620	-11,620
Equity as of 2021-12-31	1,963	0	1,541	122,426	-53,710	-11,620	60,600

The Parent Company's cash flow

	2021-10-01 2021-12-31 3 months	2020-10-01 2020-12-31 3 months	2021-01-01 2021-12-31 12 months	2020-01-01 2020-12-31 12 months
All amounts in thousands of SEK if other not specified				
Operating activities				
Operating profit	-4,107	-4,655	-12,990	-13,445
<i>Adjustment for non-cash items:</i>				
Depreciation/amortization according to plan	131	93	432	369
Loss on sale of tangible and intangible fixed assets	26		26	
Interest paid	-32	-60	-160	-219
Cash flow from operating activities before change in working capital	-3,982	-4,622	-12,692	-13,295
Change in working capital				
Increase (-)/decrease (+) in inventories	-72	-142	-1,039	-522
Increase (-)/decrease (+) in operating receivables	1,351	-1,120	-440	-2,653
Increase (+)/decrease (-) in operating liabilities	1,315	3,020	-3,696	5,877
Cash flow from operating activities	-1,388	-2,864	-17,867	-10,593
Investing activities				
Cash flow from investing activities	-253	-110	-705	-486
Financing activities				
Change in long-term liabilities	-175	-50	-2,090	-100
New share issue	0	53,527	2,359	54,330
Option programme	27	0	597	0
Cash flow from financing activities	-148	53,477	866	54,230
Increase/decrease of cash and cash equivalents	-1,789	50,502	-17,706	43,151
Cash/cash equivalents at the beginning of the year	49,237	14,651	65,153	22,003
Cash/cash equivalents at the end of the period	47,448	65,153	47,448	65,153

The Parent Company's indicators

	2021-10-01 2021-12-31 3 months	2020-10-01 2020-12-31 3 months	2021-01-01 2021-12-31 12 months	2020-01-01 2020-12-31 12 months
All amounts in thousands of SEK if other not specified				
Net sales	866	459	3,881	2,898
Operating income	1,073	896	6,793	4,104
Profit after financial items	-4,139	-4,715	-13,150	-13,664
Earnings per share (SEK)	-0.20	-0.36	-0.89	-1.27
Diluted earnings per share (SEK)	-0.20	-0.36	-0.89	-1.27
Cash flow from operating and investing activities	-1,641	-2,975	-18,572	-11,079
Solidity (%)	87 %	82 %	87 %	82 %
Quick ratio (%)	830 %	618 %	830 %	618 %
The share's quota value (SEK)	0.15	0.15	0.15	0.15
Number of shares	13,085,944	12,801,409	13,085,944	12,801,409
Average number of shares	13,085,944	10,835,508	13,078,120	10,092,349
Average number of shares after dilution	13,323,906	11,237,545	13,323,906	10,529,743
Average number of employees	16	14	15	13

Definitions of indicators

Earnings per share (SEK)

Net profit for the year divided by the average number of shares.

Diluted earnings per share (SEK)

Net profit for the year divided by the average diluted number of shares.

Solidity (%)

Adjusted equity in relation to the balance sheet total.

Quick ratio (%)

Current assets less inventories, divided by current liabilities.

Average number of shares

Number of shares per month divided by the period.

Average number of shares after dilution

Number of shares per month, including warrant programmes, divided by the period.

Average number of employees

Number of employees per month divided by the period.