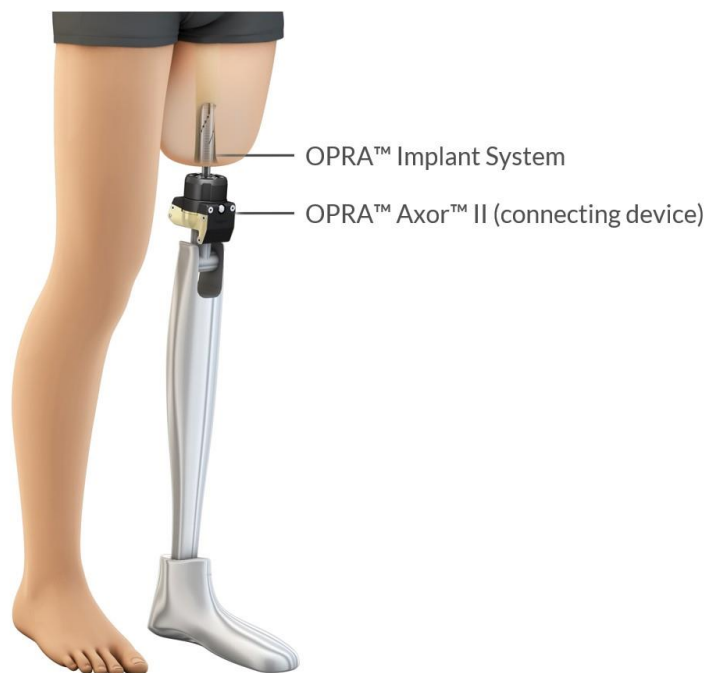

INTERIM REPORT

MAY 2022 – JANUARY 2023

INTEGRUM AB (PUBL)



Integrum

Solid growth and stronger market presence

THIRD QUARTER 2022/23 (NOV – JAN)

- Net sales amount to SEK 18,7 (12,6) million, which is an increase of 48% compared with the corresponding period last year. The growth in the US market is 40% compared with the corresponding period last year.
- Operating loss amount to SEK -13,8 (0,5) million.
- Profit/loss after tax amount to SEK -13,6 (0,5) million, which resulted in loss per share of SEK -0,74 (0,03).
- Cash flow from operating activities amount to SEK -5,9 (-9,3) million. Liquid assets as of 2023-01-31 amount to SEK 46,3 (93,8) million, not including 21,0 MSEK in secure accounts receivables.
- Currency fluctuations affect the companies operating profit significantly. During the quarter the operating result was negatively affected with -4 312 KSEK from currency effect on intragroup Accounts receivables (AR). Excluding the intragroup AR and capitalized own work the operating profit amounted to -7 413 KSEK. With a strong top line growth on current cost levels the business would run at a profit as well as a positive cash flow. Given this and the stable cash position the management's position is that the business has the liquid assets needed for further growth.

Significant events in the third quarter

- Continue to add well renowned hospitals, where NYU Langone, ranked among the top 5 orthopaedic surgery hospitals, is now offering the treatment. In Europe the University Hospital of Regensburg in (DE) started to treat patients.
- The Yang Center for Bionics at MIT was reported to explore future possibilities with our mind-controlled prosthesis e-OPRA in their clinical research.
- Pending an EU Medical Device Regulation (MDR) certificate for the OPRA Implant System, we have strengthened our management team and started preparation for scale-up. In January Annika Fahlén was appointed as Director of Quality Assurance and Regulatory Affairs, QARA. And in February, we welcomed Mats Dotevall as our new Chief Operating Officer and site manager. With these additions, our management team has the expertise needed to leverage our innovative products and succeed in the market.

1 MAY – 31 JANUARY 2022/23 (9 MONTHS)

- Net sales amount to SEK 56,1 (37,4) million, which is an increase of 50% compared with the corresponding period last year. The growth in the US market is 54% compared with the corresponding period last year
- Operating loss amount to SEK -12,5 (1,5) million.
- Profit/loss after tax amount to SEK -10,1 (18,0) million, which resulted in earnings per share of SEK -0,55 (0,97).
- Cash flow from operating activities amount to SEK -21,5 (-16,5) million.
- The board appointed Rickard Brånemark as the company's new CEO. In connection with this, Rickard Brånemark resigned as Chair of the Board, and Bengt Sjöholm was appointed Chair of the Board.

GROUP KEY RATIOS

	November – January		May – January		Full year
	2022/23	2021/22	2022/23	2021/22	2021/22
Net sales, SEK thousand	18 680	12 636	56 141	37 401	55 724
Net sales growth (%)	47,8	16,2	50,1	22,0	29,3
Operating profit/loss, SEK thousand	-13 773	503	-12 533	1 486	1 039
Profit/loss after financial items, SEK thousand	-14 176	541	-13 843	1 482	1 185
Balance sheet total, SEK thousand	158 903	171 402	158 903	171 402	180 435
Equity/assets ratio, %	92,3	92,2	92,3	92,2	88,5
Number of employees at end of period	31	22	31	22	29
Equity per share, SEK	8,0	8,5	8,0	8,5	9,0
Share price on period end date, SEK	36	67,1	36	67,1	42
Market value on period end date, SEK million	660,2	1 246,9	660,2	1 246,9	747,7

For definitions, see page 21.

CEO's statement

With continued growth, strong health economic data, new high-profile hospitals in the client base, and extensive research programs launched for e-OPRA™, Integrum reinforces its position as a leader of osseointegrated implant systems.

Continued growth and stable financial position

Revenues amounted to SEK 18,7 million during the third quarter (November-January), which corresponds to 48 percent growth compared to the corresponding quarter last year (30 percent in local currency). The continued year-on-year growth is encouraging, especially since late autumn and Christmas is a challenging time for planned surgeries in the U.S. The many holidays create fewer surgery slots and for a company like Integrum, which is still in the early days of commercialization, every day and procedure makes a difference.

At the end of the quarter, liquid assets amounted to SEK 46,3 million. Together with SEK 21 million in secure accounts receivables, we have a stable financial position and the means in place to drive further growth.

Adding new high-profile hospitals in both Europe and the U.S.

When high-profile hospitals start to perform surgeries with our OPRA™ Implant System, we know the benefit exceeds the order value. Surgeons interact and learn from each other, and so do patients. Good clinical experiences spread, especially from clinics known to lead the development. In November, the University Hospital of Regensburg in Germany performed its first implant surgery with OPRA™ Implant System. The university hospital specializes primarily in restoring body shape and function in complex cases following tumors, accidents, burns, wounds, injuries, and diseases of the hand and wrist.

In December, NYU Langone in New York City, which is ranked among the top five hospitals in the US for orthopaedic surgery, initiated an osseointegration program based on the OPRA™ Implant System. The new program follows two successful initial procedures performed at the hospital and is proof that NYU Langone values the paradigm shift in treatments that OPRA™ Implant System offers for patients. We see this repeatedly – when clinics want to offer the best technology available to their patients, they start to ask about Integrum's OPRA™ Implant System.

In November, we were able to deepen our dialogue with key players in the market and further increase the interest in our implant systems at the Global Collaborative Conference on Osseointegration in Charlotte, North Carolina, U.S. – a three-day event that brought together surgeons, researchers, prosthetists, patient navigators, rehabilitation teams and others engaged in the field of osseointegration.

Competent team in place to scale up

Pending an EU Medical Device Regulation (MDR) certificate for the OPRA Implant System, we have strengthened our management team and started preparation for scale-up. In January, we appointed Annika Fahlén as Director of Quality Assurance and Regulatory Affairs, QARA. Annika Fahlén is an accomplished leader with vast experience in the field, acknowledged for her business acumen and track record in implementing organizational process improvements. In February, we welcomed Mats Dotevall as our new Chief Operating Officer and site manager. Mats Dotevall is an experienced and strategic leader with excellent management skills who knows the global implant business very well. With these additions, our management team has the expertise needed to leverage our innovative products and succeed in the market.

Extensive research programs for e-OPRA

The research initiative by the Yang Center for Bionics at MIT, which was launched in the fall of 2022, will explore future possibilities with our mind-controlled prosthesis e-OPRA. Integrum will provide osseointegrated implant technology and the company's OPRA™ Implant System and e-OPRA will play a key role in the center's research activities. The Yang Center for Bionics will unite experts from three MIT schools, and researchers at the center will collaborate with clinical and surgical collaborators at Harvard Medical School. Together with the ongoing clinical programs for e-OPRA, the research collaboration will help take e-OPRA closer to a potential marketing approval.

As the OPRA Implant System now becomes more established in both the European and the U.S. markets, it is deeply satisfying to see how our next-generation e-OPRA Implant System attracts more interest. With our proven technology and unique value proposition, we are building a global leader in our field, and we are proud to extend a message of hope to all those persons who have lost an arm or a leg.

Möln dal, 1 March 2023

Rickard Brånemark
Chief Executive Officer

Third Quarter 2022/23 (November – January)

Net sales

Net sales for the second quarter of the year amounted to SEK 18,7 (12,6) million, an increase of 48% compared with the same period in the previous year. Calculated in local currency, sales increased by 30%. For revenue per market, see note 4 on page 21.

In the period, the US market accounted for 76% (80) of net sales.

Costs and profit/loss

The cost of goods sold amounted to SEK -6 757 thousand, corresponding to a gross margin of 64% (61). Excluding the currency effects related to internal sales to the subsidiary Integrum Inc., the gross margin for the period amounted to 86% (81). The gross margin is affected by the distribution between the OPRA™ Implant System and the Axor™ safety device. The gross margin is also charged by the variable compensation that the company's contracted sellers receive, primarily in the US in connection with product sales. This also includes agreements with Onkos Surgical and Implantcast Benelux.

Other external costs during the quarter amounted to SEK -12 962 (-6 657) thousand. Sales and marketing costs during the period amounted to SEK -5 947 (-2 370) thousand, corresponding to 46% (33) of other external costs.

Employee benefit expenses during the period amounted to SEK -9 303 (-7 044) thousand. During the period, employee benefit expenses of SEK 975 (1 353) thousand were capitalized for work related to the ongoing MDR certification. The increase between periods is due to new recruitment.

Unrealised currency effects had a negative impact of SEK -4 312 thousand on the quarter's operating profit, attributable among other things to the translation of the receivables from the subsidiary Integrum Inc. at the rate on

the period end date. The positive currency effect is recognised as other operating income, which during the quarter amounted to SEK 2 453 thousand. Negative currency effects are recognised as other operating expenses and amounted to SEK -6 766 thousand during the quarter.

During the quarter, SEK 1 512 (10 589) thousand was capitalized as intangible assets. The costs refer to other external costs as well as time spent internally. The expenses refer to expenditure for activities related to the ongoing transition from certification according to MDD (the former European Medical Device Directive) to the more comprehensive MDR (Medical Device Regulation). The expenses related to the MDR adaptation will continue to decrease in the coming quarters.

Total depreciation/amortization amounted to SEK 92 (323) thousand during the quarter. Depreciation/amortization attributable to the application of IFRS 16 amounted to SEK 0 (174) thousand. The remaining amount relates to amortization of patents granted as well as the approved PMA.

Cash flow

During the period November – January 2022/23, cash flow from operating activities before changes in working capital amounted to SEK -14 083 thousand as compared with SEK 863 thousand for the corresponding period in 2021/22. Cash flow from changes in working capital amounted to SEK 8 221 (-1 002) thousand. Accounts receivable increased on the asset side, and the company's operating liabilities and inventory reduced during the quarter.

Cash flow from investing activities amounted to SEK -1 184 (-10 589) thousand. The MDR project related costs amounted to SEK -1 512 thousand, this project is not completed and depreciation over 10 years will commence.

Cash flow from financing activities amounted to SEK -63 (-3 088) thousand.

1 May 2022 – 31 January 2023 (9 months)

Net sales

Net sales for the period amounted to SEK 56,1 (37,4) million, an increase of 50% compared with the same period in the previous year. Calculated in local currency, sales increased by 30%. For revenue per market, see note 4 on page 21.

In the period, the US market accounted for 79% (77) of net sales.

Costs and profit/loss

The cost of goods sold amounted to SEK -13 279 thousand, corresponding to a gross margin of 76% (77). Excluding the currency effects related to internal sales to the subsidiary company Integrum Inc., the gross margin for the period amounted to 84% (81).

Other external costs during the period amounted to SEK -35 435 (-18 611) thousand. Sales and marketing costs during the period amounted to SEK -16 584 (-6 670) thousand, corresponding to 47% (33) of other external costs.

Employee benefit expenses during the period amounted to SEK -28 584 (-17 212) thousand. During the period, employee benefit expenses of SEK 3 273 (1 353) thousand were capitalized for work related to the ongoing MDR certification. The increase between periods is due to new recruitment.

Unrealised currency effects had a positive impact of SEK 6 004 thousand on in the periods operating profit, attributable among other things to the translation of the receivables from the subsidiary company Integrum Inc. at the rate on the period end sheet date. The positive currency effect is recognised as other operating income, which

during the period amounted to SEK 20 268 thousand. Negative currency effects are recognised as other operating expenses and amounted to SEK -14 264 thousand during the period.

During the period, SEK 6 654 (16 872) thousand was capitalized as intangible assets. The costs refer to other external costs as well as time spent internally. The expenses refer to expenditure for activities related to the ongoing transition from certification according to MDD (the former European Medical Device Directive) to the more comprehensive MDR (Medical Device Regulation).

Total depreciation/amortization amounted to SEK 653 (944) thousand during the period. Depreciation/amortization attributable to the application of IFRS 16 amounted to SEK 0 (523) thousand. The remaining amount relates to amortization of patents granted as well as the approved PMA.

Cash flow

During the period May – January 2022/23, cash flow from operating activities before changes in working capital amounted to SEK -17 116 thousand as compared with SEK -2 261 thousand for the corresponding period in 2021/22. Cash flow from changes in working capital amounted to SEK -4 430 (-16 808) thousand.

Cash flow from investing activities amounted to SEK -7 835 (-16 872) thousand. The MDR project related costs amounted to SEK -7 835 thousand, this project is not completed and depreciation over 10 years will commence.

Cash flow from financing activities amounted to SEK 369 (117 612) thousand.

Financial position

As of 31 January 2023, the group's liquid assets amounted to SEK 46,3 million, with equity of SEK 145,6 million and the equity/assets ratio being 92,3%. As of 31 Jan 2022, the group's liquid assets amounted to SEK 93,8 million, with equity of SEK 158,0 million and the equity/assets ratio being 92,2%. Equity per share amounted to SEK 8,0 (8,4) as of 31 January 2022.

Parent company

In the period the parent company Integrum AB signed an agreement for new office spaces. The relocation is expected to take place in the spring of 2023. The new office space is located at GoCo Health Innovation City located in Gothenburg.

Current market activities and future prospects

Integrum predicts that the growth rate of the company's sales will still partly be affected by the lingering effects of the pandemic in the short term. However, the recovery after the pandemic has been faster in the US where it now is back to full surgical capacity, but there remains a backlog of selective surgeries.

We have continued to work on our focus areas such as creating awareness. One such activity is to host OPRA™

Insight Forums in the US, with 4 events having taken place in the period. These events are a good way for potential patients to meet surgeons, company representatives and amputees who have already made the decision and completed the treatment.

In all ongoing discussions with payers, health economic evidence is key. We are therefore continuously working on collecting data to compile convincing evidence for the economic benefits of using OPRA™ Implant System. In November, one such analysis was presented at the American Congress of Rehabilitation Medicine (ACRM) meeting. The research concluded that the OPRA™ Implant System is a cost effective solution for above knee amputees.

Markets outside the US, especially Germany, are continuing to develop with new hospitals showing interest and starting up the treatment. Main portion of sales is coming from centers in Sweden, Norway, Germany, Benelux and Australia. The recovery after the pandemic has been faster in the US, but we are now starting to see that it is picking up outside the US too.

We are continuing the expansion of our business in the US, which is key to our long-term growth.

In parallel, investments are being made through partners in key markets within the EMEA, where we see opportunities, especially in the German market.

Work is continuing to create the conditions for a global, scalable business and a high-performing sustainable organisation, and thereby to ensure the successful commercialisation of our entire product portfolio.

The cash position, which on 31 January amounted to SEK 46,3 million together with 21,8 MSEK in secure accounts receivables, provides a solid basis for further broadening and strengthening the competence in the organisation and continued market investments for long-term strong growth.

Other information

Clinical research and partnerships

Integrum's clinical research focus on the e-OPRA™ Implant System, which provides amputees not only with the benefits of a bone anchored prosthesis but also with the possibilities of being able to control the prosthesis and to receive sensory feedback.

Three clinical studies are currently ongoing at least partly funded by external research grants:

Two in United States, at Massachusetts Institute of Technology, University of California San Francisco and Brigham and Women's Hospital in Boston. These two studies, one in patients amputated above knee and the other on patients with below knee amputations, evaluate how well a person with the e-OPRA™ Implant System can exhibit full neural control over the neuro-mechanical prosthetic system and how well walking metrics are normalized.

The third e-OPRA™ study is conducted in Sweden and evaluates the e-OPRA™ system with regards to improvements in prosthetic control; myoelectric signals long-term stability and sensory perception in patients with upper limb amputations.

Another clinical study on Neuromotus™, Integrum's therapy to reduce phantom limb pain after amputation, has enrolled over 70 patients in 7 countries (SE, SI, BE, NL, CA, IR, US). This investigation evaluated Neuromotus combined with two different virtual reality techniques: Phantom Motor Execution (PME) and Phantom Motor Imagery (PMI) as treatments of Phantom Limb Pain (PLP). This study was recently completed, and the results are being processed.

Personnel and organisation

At the end of the period, the number of employees amounted to 31 (22), of which 15 (8) are women and 16 (14) men. Of these, 24 (17) were people employed in Sweden and 7 (5) in the US. In addition, the company is retaining external consultants as needed for individual projects. The cost of consultants is recognised as other external costs.

Related party transactions

During the period, companies related to CEO Rickard Brånemark invoiced the company SEK 438 thousand for work regarding technical expertise regarding the company's products. The cost has been recognised in other external expenses.

No other transactions that significantly affected the company's profit/loss or financial position were performed with related parties during the quarter or period.

Significant risks and uncertainties

Integrum strives to continually identify, evaluate and manage risks in different systems and processes. Risk analyses are performed continually in connection with normal operations and major activities.

The most significant strategic and operational risks that affect the company's business and industry are described on page 4 of the company's annual report for the 2021/2022 financial year. The main risks and uncertainties include market risks, seasonal risks, currency risks, permits and certifications, product quality, dependence on suppliers and liquidity risks. The reported risks as described in the annual report are deemed to be essentially unchanged.

Events after the period end date

Mats Dotevall was appointed the role of COO and Site Manager of the Swedish Site.

Assurance

The board of directors and the CEO declare that the interim report gives a full and fair view of the operations,

position and performance of the parent company and group and describes the significant risks and uncertainty factors faced by the parent company and the companies included in the group.

Mölnadal, 1 March 2023

Rickard Brånemark
Chief Executive Officer
and Board Member

Bengt Sjöholm
Chair of the Board

Artur Aira
Board Member

Andrew Christensen
Board Member

Patric Lindgren
Board Member

Karin Johansson Wingstrand
Board Member

Cecilia Wikström
Board Member

This report has not been reviewed by the company's auditors

Financial statements

Interim reports and other financial reports are available at www.integrum.se

Upcoming reports

- The year-end report for the 2022/2023 financial year will be published on 8 June 2023
- The annual report for the 2022/23 financial year will be published in the week starting 5 Sept 2023

Trading venue and Certified Adviser

Since 15 May 2017 Integrum's share has been listed on Nasdaq First North Growth Market.

The company's Certified Adviser is Erik Penser Bank
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E-mail: certifiedadviser@penser.se

Please refer any questions to

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in SEK thousand	Note	November - January		May – January		May – April
		2022/2023	2021/2022	2022/2023	2021/2022	2021/2022
Net sales	4	18 680	12 636	56 141	37 401	55 724
Work performed by company for own use and capitalized		975	1 353	3 273	1 353	2 431
Other operating income	5	2 453	6 477	20 268	12 861	18 527
Total		22 108	20 466	79 682	51 615	76 682
Cost of goods sold		-6 757	-4 903	-13 279	-8 435	-11 597
Other external costs	7	-12 962	-6 657	-35 435	-18 611	-29 580
Personnel expenses		-9 303	-7 044	-28 584	-17 212	-25 825
Depreciation and impairment of intangible assets		-92	-323	-653	-944	-1 264
Other operating expenses	6	-6 766	-1 036	-14 264	-4 926	-7 377
Total expenses		-35 881	-19 963	-92 215	-50 129	-75 643
Operating profit/loss		-13 773	503	-12 533	1 486	1 039
Financial income and expenses						
Financial income		1	74	56	177	308
Financial expenses		-404	-36	-1 365	-181	-163
Net financial items		-403	38	-1 309	-5	146
Profit/loss after financial items		-14 176	541	-13 843	1 482	1 185
Profit/loss before tax		-14 176	541	-13 843	1 482	1 185
Income tax		581	-9	3 732	16 498	20 088
Profit/loss for the period		-13 595	532	-10 111	17 980	21 272
Other comprehensive income:						
<i>Items that may be reclassified for the net profit/loss for the period</i>						
Exchange rate differences when translating foreign operations		-6 959	-4 228	-6 959	-2 778	-4 051
Other comprehensive income for the period		-6 959	-4 228	-6 959	-2 778	-4 051
Total comprehensive income for the period		-20 554	-3 696	-17 069	15 202	17 222

The profit/loss and comprehensive income for the period are wholly attributable to parent company shareholders.

Earnings per share, calculated on the profit/loss for the period attributable to parent company shareholders:

Amounts in SEK	Note	November - January		May – January		May – April
		2022/2023	2021/2022	2022/2023	2021/2022	2021/2022
Earnings per share before dilution	8	-0,74	0,03	-0,55	0,97	1,19
Earnings per share after dilution	8	-0,74	0,03	-0,55	0,95	1,17

STATEMENT ON CONSOLIDATED FINANCIAL POSITION

Amounts in SEK thousand	Note	31/01/2023	31/01/2022	30/04/2022
ASSETS				
Non-current assets				
Intangible assets				
Capitalized expenditure for development work and similar work		40 627	18 351	30 973
Concessions, patents, licences, trademarks and similar rights		73	419	389
Total intangible assets		40 700	18 769	31 363
Right of use		-	523	349
Deferred tax assets		23 920	18 824	21 903
Total non-current assets		64 620	38 117	53 614
Current assets				
Inventories				
Finished goods and goods for resale		21 820	15 440	20 119
Total inventories		21 820	15 440	20 119
Current receivables				
Accounts receivable		20 968	16 910	24 138
Tax assets		548	536	414
Other receivables		1 491	1 795	-
Prepaid expenses and accrued income		3 125	4 758	6 876
Liquid assets		46 332	93 846	75 344
Total current receivables		72 464	117 845	106 702
Total current assets		94 283	133 285	126 822
TOTAL ASSETS		158 903	171 402	180 435

STATEMENT ON CONSOLIDATED FINANCIAL POSITION cont.

Amounts in SEK thousand	Note	31/01/2023	31/01/2022	30/04/2022
EQUITY				
Share capital		1 275	1 275	1 275
Other contributed capital		209 867	205 921	205 921
Reserves		-9 685	-1 198	-2 726
Profit/loss brought forward, including profit/loss for the period		-54 866	-48 023	-44 755
Total equity attributable to parent company shareholders		146 591	157 975	159 715
LIABILITIES				
Long-term liabilities				
Lease liabilities		-	-	-434
Total non-current liabilities		-	-	-434
Current liabilities				
Liabilities to credit institutions		42	296	232
Accounts payable		5 215	5 535	10 800
Lease liabilities		-	503	711
Other current liabilities		1 401	1 189	1 163
Accrued expenses and deferred income		5 654	5 905	8 151
Total current liabilities		12 312	13 428	20 695
TOTAL EQUITY AND LIABILITIES		158 903	171 402	180 435

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

Amounts in SEK thousand	Note	Share capital	Other contributed capital	Reserves	Profit/loss brought forward (including profit/loss for the period)	Total equity
Opening balance on 1 May 2021		1 109	87 568	1 605	-66 028	24 254
Profit/loss for the period					17 980	17 980
Other comprehensive income for the period				-2 778		-2 778
Total comprehensive income		-	-	-2 778	17 980	15 202
Transactions with shareholders						
New share issue		166	117 092			117 258
Warrants			1 261			1 261
Total transactions with shareholders		166	118 353	-	-	118 519
Closing balance on 31 Jan 2022		1 275	205 921	-1 198	-48 023	157 975
Opening balance on 1 May 2021		1 109	87 568	1 605	-66 028	24 254
Profit/loss for the period					21 272	21 272
Other comprehensive income for the period				-4 331		-4 331
Total comprehensive income		-	-	-4 331	21 272	16 941
Transactions with shareholders						
New share issue		166	117 060			117 258
Warrants			1 261			1 261
Total transactions with shareholders		166	118 353	-	-	118 519
Closing balance on 30 Apr 2022		1 275	205 921	-2 726	-44 755	159 715
Opening balance on 1 May 2022		1 275	205 921	-2 726	-44 755	159 715
Profit/loss for the period					-10 111	-13 843
Other comprehensive income for the period				-6 959		-8 323
Total comprehensive income		-	-	-6 959	-10 111	-22 165
Transactions with shareholders						
New share issue			3 110			3 110
Warrants			836			836
Total transactions with shareholders		-	3 946	-	-	3 946
Closing balance on 31 Jan 2023		1 275	209 867	-9 685	-54 866	146 591

CONSOLIDATED STATEMENT OF CASH FLOW IN SUMMARY

Amounts in SEK thousand	Note	November - January		May – January	
		2022/2023	2021/2022	2022/2023	2021/2022
Operating activities					
Profit/loss before financial items		-13 773	503	-12 533	1 486
Interest received		1	74	56	-
Interest paid		-404	-36	-1 365	-170
Adjustments for items not included in cash flow etc.		92	323	-3 273	944
Cash flow from operating activities before change in working capital		-14 083	863	-17 116	2 261
Cash flow from changes in working capital					
Changes in inventories		-1 503	-1 241	-1 670	-5 916
Changes in operating receivables		10 217	-2 519	5 194	-10 050
Changes in operating liabilities		-493	-6 381	-7 953	-842
Cash flow from changes in working capital		8 221	-10 141	-4 430	-16 808
Investing activities					
Purchase of intangible assets		-1 184	-10 589	-7 835	-16 872
Cash flow from investing activities		-1 184	-9 380	-7 835	-16 872
Financing activities					
New share issue		-	2 073	-	117 092
Warrants		-	1 261	836	1 261
Leases		-	-184	-277	-551
Repayment of debt		-63	-62	-190	-190
Cash flow from financing activities		-63	3 088	369	117 612
Cash flow for the period		-7 110	-16 778	-29 012	86 192
Liquid assets at the start of the period		53 442	110 624	75 344	7 658
Liquid assets at end of period		46 332	93 846	46 332	93 846

PARENT COMPANY INCOME STATEMENT IN SUMMARY

Amounts in SEK thousand	Note	November - January		May - January		May - April
		2022/2023	2021/2022	2022/2023	2021/2022	2021/2022
Net sales	7	12 250	15 080	30 993	40 237	55 748
Work performed by company for own use and capitalized		975	1 353	3 273	1 353	2 431
Other operating income		1 496	6 477	18 166	12 857	18 532
Total		14 721	22 910	52 432	54 447	76 711
Cost of goods sold		-1 749	-2 182	-5 260	-5 916	-16 317
Other external costs	7	-7 386	-4 924	-20 840	-13 734	-20 120
Personnel expenses		-5 080	-5 329	-16 422	-13 324	-17 954
Depreciation of intangible assets		-92	-148	-304	-421	-534
Other operating expenses		-5 701	-964	-12 301	-4 908	-7 488
Total operating expenses		-20 008	-13 547	-55 126	-38 303	-62 412
Operating profit/loss		-5 287	9 363	-2 694	16 144	14 298
Financial income and expenses						
Interest income and similar income statement items		9	74	51	177	308
Interest expenses and similar income statement items		-404	-32	-1 367	-165	-183
Total profit/loss from financial items		-5 682	9 406	-4 010	16 156	14 424
Profit/loss after financial items		-5 682	9 406	-4 010	16 156	14 424
Appropriations						340
Tax on profit for the period		-70	-1 938	-826	4 342	6 341
Profit/loss for the period		-5 752	7 468	-4 836	20 498	21 106

In the parent company there are no items that are recognised as other comprehensive income, which is why the comprehensive income for the period corresponds to the profit/loss for the period.

PARENT COMPANY BALANCE SHEET IN SUMMARY

Amounts in SEK thousand	Note	31/01/2023	31/01/2022	30/04/2022
ASSETS				
Non-current assets				
Capitalized expenditure for development work		40 627	18 351	30 973
Concessions, patents, licences, trademarks and similar rights		101	419	389
Total intangible assets		40 729	18 769	31 363
Financial assets				
Participations in group companies		590	497	546
Deferred tax assets		8 882	6 056	8 056
Total financial assets		8 9471	6 553	8 573
Total non-current assets		50 200	25 323	39 964
Current assets				
Inventories				
Finished goods and goods for resale		9 660	12 025	6 070
Total inventories		9 660	12 025	6 070
Current receivables				
Accounts receivable		430	1 930	3 108
Receivables from group companies		104 912	71 367	84 345
Tax assets		435	435	239
Other receivables		1 491	1 795	-
Prepaid expenses and accrued income		2 739	3 921	4 523
Total current receivables		110 007	79 448	92 306
Cash and bank balances		34 480	87 474	72 217
Total current assets		154 146	178 947	164 523
TOTAL ASSETS		204 346	204 270	210 556

PARENT COMPANY BALANCE SHEET IN SUMMARY cont.

Amounts in SEK thousand	Note	31/01/2023	31/01/2022	30/04/2022
EQUITY AND LIABILITIES				
EQUITY				
Restricted equity				
Share capital		1 275	1 275	1 275
Statutory reserve		5	5	5
Total restricted equity		1 280	1 280	1 280
Non-restricted equity				
Share premium reserve		205 442	204 967	185 614
Profit or loss from previous period		-6 419	-33 243	-13 833
Profit/loss for the period		-4 836	20 498	21 106
Total non-restricted equity		194 187	192 222	192 887
TOTAL EQUITY		195 467	193 502	194 167
LIABILITIES				
Current liabilities				
Liabilities to credit institutions		42	296	232
Accounts payable		3 606	5 206	9 609
Other current liabilities		1 401	1 189	1 163
Accrued expenses and deferred income		3 830	4 077	5 384
Total current liabilities		8 878	10 768	16 389
TOTAL LIABILITIES		8 878	10 768	16 389
TOTAL EQUITY AND LIABILITIES		204 346	204 270	210 556

NOTES

Note 1 General information

Integrum AB (publ) ("Integrum"), corporate ID number 556407-3145 is a parent company registered in Sweden with its registered office in Mölndal, street address Krokslättis Fabriker 50, 431 37 Mölndal, Sweden.

Unless otherwise stated, all amounts are reported in thousands of Swedish kronor (SEK thousand). Information in brackets refers to the comparison period.

Note 2 Summary of key accounting principles

The most important accounting principles that are applied when these consolidated financial statements were prepared are set out below. Unless otherwise stated, these principles have been applied consistently for all of the periods presented.

2.1 Basis for preparing the reports

The consolidated financial statements for Integrum have been prepared in accordance with the Annual Accounts Act and RFR 1 *Supplementary Accounting Rules for Corporate Groups*, as well as International Financial Reporting Standards (IFRS) and interpretations from the IFRS Interpretations Committee (IFRS IC) which have been adopted by the EU. The consolidated financial statements have been prepared in accordance with the cost method. The interim report has been prepared according to IAS 34 *Interim Financial Reporting* and the Annual Accounts Act.

Preparing reports in accordance with IFRS requires the use of some important estimates for accounting purposes. Furthermore, management is required to make certain judgments about the application of group accounting concepts. Areas that entail a high level of judgment, areas that are complex, and areas where assumptions and estimates are of significance for the consolidated financial statements are specified in note 3.

The parent company applies RFR 2 *Accounting for Legal Entities* and the Annual Accounts Act. The application of RFR 2 means that the parent company in the interim report for the legal entity shall apply all of the IFRS and statements adopted by the EU where this is possible within the framework of the Annual Accounts Act and the Safeguarding of Pension Commitments, etc. Act, taking into account the link between accounting and taxation.

In connection with the transition to reporting the consolidated financial statements according to IFRS, the parent company has transitioned to applying RFR 2. The transition from the previously applied accounting principles to RFR 2 has not had any effect on the parent company's income statement and balance sheet, equity or cash flow.

The parent company applies different accounting principles to the group in the cases provided below:

Presentation formats

The income statement and balance sheet comply with the format in the Annual Accounts Act. The report on change in

equity also follows the group's presentation format but will contain the columns that are specified in the Annual Accounts Act. This means there is a difference in designations compared with the consolidated financial statements, primarily regarding financial income, financial expenses and equity.

Participations in subsidiaries

Participations in subsidiaries are recognised at cost less any impairment. The cost includes acquisition-related expenses and any additional purchase prices paid.

When there is an indication that the value of participations in subsidiaries has declined, an assessment is made of the recoverable amount. If it is less than the carrying amount, an impairment loss is made. Impairment losses are recognised in the item "Profit/loss from participations in group companies".

Financial instruments

IFRS 9 is not applied in the parent company. The parent company instead applies the points specified in RFR 2 (IFRS 9 *Financial instruments*, pp. 3–10). Financial instruments are valued at cost. In subsequent periods, financial assets acquired with the intention of holding them in the short term will be recognised in accordance with the lowest value principle, i.e. at the lower of cost or market value.

When calculating the net realisable value of receivables that are recognised as current assets, the principles for impairment testing and loss risk provision in IFRS 9 shall be applied. For a receivable that is recognised at amortized cost at group level, this means that the loss risk provision that is reported in the group in accordance with IFRS 9 will also be recognised by the parent company.

Leases

The parent company does not apply IFRS 16 to a legal entity in accordance with the exception in RFR 2.

2.2 Consolidated financial statements

2.2.1 Basic accounting policies

Subsidiaries

Subsidiaries are all companies over which the group has a controlling influence. The group controls a company when it is exposed to or is entitled to a variable return from its holding in the company and has the opportunity to affect the return through its influence in the company. Subsidiaries are included in the consolidated financial statements from the date on which the controlling influence is transferred to the group. Subsidiaries are excluded from the consolidated financial statements from the date on which the controlling influence ceases.

The acquisition method is used to report the group's business acquisitions. The purchase price of acquiring a subsidiary consists of the fair value of transferred assets, liabilities that the group incurs to from previous owners of the acquired company and the shares issued by the group. The purchase price also includes the fair value of all liabilities that are a consequence of the agreed contingent purchase price. Identifiable acquired assets and assumed liabilities in a business acquisition are initially measured at their fair value on the acquisition date.

Acquisition-related costs are expenses when they arise and are reported in the item "other operating expenses" in the group's statement of comprehensive income.

Intra-group transactions, balance sheet items, revenue and transaction costs between group companies are eliminated. Profits and losses that result from intra-group transactions and that are reported in assets are also eliminated. The accounting policies for subsidiaries have been amended as appropriate to ensure consistent application of the group's policies.

2.3 Reporting by segment

Operating segments are reported in a way that agrees with the internal report that is submitted to the highest executive decision-maker. The highest executive decision-maker is the function responsible for allocating resources and assessing the operating segment's profit/loss.

Integrum's CEO is the group's highest executive decision-maker. Integrum has identified an operating segment that constitutes the group's business as a whole. The assessment is based on the business as a whole regularly being reviewed by the CEO as a basis for decisions on the allocation of resources and assessment of its profit/loss.

2.4 Translation of foreign currencies

2.4.1 Functional currency and presentation currency

The different units in the group have the local currency as their functional currency, and the local currency is defined as the currency used in the primary economic environment in which each unit primarily operates. The consolidated financial statements are presented in Swedish kronor (SEK), which is the parent company's functional currency and the group's presentation currency.

2.4.2 Transactions and balance sheet items

Transactions in foreign currencies are translated into the functional currency using the exchange rates in force on the transaction date. Exchange rate gains and losses arising upon payment of such transactions and upon translating monetary assets and liabilities in foreign currencies at the rate on the balance sheet date are recognised in the operating profit in the statement of comprehensive income.

Exchange gains and losses attributable to loans and liquid assets are recognised in the statement of comprehensive income as financial income or costs. All other exchange rate gains and losses are recognised in the item "other operating expenses" or "other operating income" in the statement of comprehensive income.

2.4.3 Translation of foreign group companies

The figures and financial position of all group companies with a functional currency different to the reporting currency are translated into the group's reporting currency. Assets and liabilities for each of the balance sheets are translated from the foreign company's functional currency into the group's reporting currency, the Swedish krona, at the exchange rate prevailing on the balance sheet date. Income and expenses for each of the income statements are translated to Swedish kronor at the average exchange rate that existed at each transaction date. Translation differences that arise when translating the accounts of foreign operations are recognised in other comprehensive income. Accumulated profits and losses are recognised in the profit

/loss for the period when the foreign business is divested wholly or in part.

2.5 Revenue recognition

The group's principles for reporting income from agreements with customers appear below.

2.5.1 Sale of goods

The group develops and markets systems for bone anchored prostheses. Sales are made to hospitals, clinics and orthopaedists all over the world. All sales in the US market take place through the subsidiary Integrum Inc; sales in markets outside the US take place directly from the parent company, Integrum AB. Income is recognised as separate performance commitments and is classified as income from sales of goods. Income is recognised when control has been transferred to the buyer. Income from the sale of goods is reported on one occasion.

2.5.2 Other operating income/expenses

Income and expenses from activities outside ordinary operations are recognised as other operating income and operating expenses.

2.5.3 Interest income

Interest income is recognised as income using the effective interest rate method.

2.6 Leasing

The group leases premises and machines to some extent. Leases are recognised as right of use and as a corresponding liability on the date that the leased asset is available for use by the group. Each lease payment is divided between amortization of the liability and financial cost. The financial cost will be distributed over the leasing period so that each accounting period is charged with an amount corresponding to a fixed interest rate for the reported liability during each period. The right of use is amortized on a straight-line basis over the asset's useful life and the length of the lease.

Assets and liabilities arising from leases are recognised initially at current value. Since this is the first report according to IFRS, all rights of use have been valued at the value of the lease liability with adjustment for prepaid lease fees attributable to the agreements as of 1 May 2019.

The leasing liabilities include the current value of the following lease payments:

- fixed fees
- variable leasing fees that depend on an index

The leasing payments are discounted by the marginal borrowing rate.

The assets with right of use are valued at cost and include the following:

- the initial value of the lease liability and
- payments made at or before the date when the leased asset is made available to the lessee.

Leases of a lesser value or for a shorter period (less than one year) are expensed on a straight-line basis in the statement of comprehensive income.

Options to extend and terminate agreements

Options to extend agreements are included in the group's property leases. The conditions are used to maximize the flexibility in the handling of the agreements.

2.7 Remuneration to employees

2.7.1 Short-term remuneration

Liabilities for salaries and benefits, including non-monetary benefits and paid absences, which are expected to be settled within 12 months of the end of the financial year are reported as current liabilities at the undiscounted amount that is expected to be paid when the debts are settled. Expenses are recognised as the services are performed by the employees. Liability is recognised as an obligation for remuneration to employees in the statement on consolidated financial position.

2.7.2 Post-employment remuneration

The group companies have defined-contribution pension plans only. A defined contribution pension plan is a pension plan according to which the group pays fixed fees to a separate legal entity. The group does not have any legal or informal obligation to pay additional fees if this legal entity does not have sufficient assets to pay all remuneration to employees relating to the employees' service during the current or previous periods. The fees are recognised as expenses in the profit/loss for the period as they are earned by the employees performing services for the company during the period.

2.7.3 Remuneration upon termination of employment

Remuneration upon termination of employment, to the extent the remuneration does not provide the company any future economy benefits, is recognised as a liability and an expense only where the company has a legal or informal obligation to either

- a) terminate the employment of an employee or a group of employees before the normal time of termination of employment or
- b) provide remuneration upon termination of employment through an offer to encourage voluntary departure from employment.

Remuneration upon termination of employment is recognised only when the company has a detailed plan for the termination and does not have any realistic opportunity to cancel the plan.

2.8 Current and deferred income tax

The tax expense for the period includes current and deferred tax. Tax is recognised in the statement of comprehensive income, except when the tax relates to items recognised in other comprehensive income or directly in equity. In such cases, the tax is also recognised in other comprehensive income or equity.

Current tax is income tax for the current financial year that relates to the taxable profit for the year and the proportion of income tax for the previous financial year that has not yet been recognised. Deferred tax is income tax on taxable profit or loss pertaining to future financial years as a consequence of previous transactions or events.

Current tax is calculated on taxable profit for the period using the applicable tax rate. The current tax expense is calculated on the basis of the tax regulations that on the balance sheet date are decided or in practice decided in the countries where the parent company and its subsidiaries are active and generate taxable income. The management regularly evaluates the claims made in self-declarations regarding situations where applicable tax rules are subject to interpretation. When deemed appropriate, it makes

provisions for amounts that will probably have to be paid to the tax authority.

Deferred tax is recognised on all temporary differences that arise between the value for tax purposes of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise as a result of the first recognition of goodwill. Deferred tax is not recognised if it arises as a result of a transaction that constitutes the initial recognition of an asset or liability which is not a business acquisition and which, at the time of the transaction, did not affect the reported or taxable profit. Deferred income tax is calculated by applying the tax rates (and laws) that have been decided or announced by the balance sheet date and which are expected to apply when the deferred tax asset in question is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future tax surpluses will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legal right of set-off for the current tax assets and tax liabilities and when the deferred tax assets and tax liabilities relate to taxes debited by the same tax authority and refer either to the same taxable entity or different taxable entities where there is an intention to regulate the balances through net payments.

2.9 Intangible assets

2.9.1 Capitalized expenditure for development work

Expenditure for research, i.e. planned and systematic applications for the purpose of obtaining new scientific or technical knowledge and insight, are recognised as expenses when they arise. Development costs that are directly attributable to the development of Integrum's products and systems and that are controlled by the group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the products and systems so that they can be used;
- the company's intention is to complete them and use or sell them;
- there are conditions to use or sell them;
- it can be shown how they will generate likely future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell them are available; and
- the expenditure that is attributable to them during development can be calculated reliably.

Directly attributable expenses that are capitalized as part of the development work include expenses for employees and external consultants.

Other intangible assets acquired by the company are recognised at cost less accumulated amortization and impairment. Expenses for internally generated goodwill and brands are recognised in the income statement as expenditure as they arise.

Capitalized development costs are recognised as intangible assets and are amortized from the time the assets are ready to be used.

2.9.2 Patents

Patents that are acquired separately are recognised at cost. Patents have a fixed useful life and are recognised at cost less accumulated amortization and impairment.

2.9.3 Useful lives for the group's intangible assets

Capitalized expenditure for development work	5–10 years
Patents	5 years

2.10 Impairment of non-financial assets

Intangible assets that are not ready for use (capitalized expenditure for development work) are not amortized but are tested annually for any impairment requirements. Assets that are amortized due to a decrease in value whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The asset is impaired by the amount that the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less selling costs and its value in use. When assessing impairment, assets are grouped at the lowest levels where there are significantly independent cash flows (cash-generating units). For assets which have previously been impaired, an examination is made on each balance sheet date as to whether a reversal should be made.

2.11 Financial instruments

2.11.1 Initial recognition

Financial assets and financial liabilities are recognised when the group becomes party to the instrument's contractual terms. The purchase and sale of financial assets are recognised on the transaction date, which is the date the group undertakes to buy or sell the asset.

Financial instruments are recognised at the initial recognition at fair value plus transaction costs that are directly attributable to acquisitions or issues of financial assets or financial liability, such as fees and commissions.

2.11.2 Classification

The group classifies its financial assets and liabilities in the *amortized cost* category.

Financial assets at amortized cost

The classification of investments in debt instruments depends on the group's business model for managing financial assets and the contractual terms for the assets' cash flow. The group reclassifies debt instruments only in cases where the group's business model for instruments changes.

Assets held for the purpose of collecting contractual cash flows where these cash flows constitute only capital and interest are valued at amortized cost. The carrying amount of these assets is adjusted for any expected loan losses that are recognised (see impairment below). Interest income from these financial assets is recognised using the effective interest method and included in financial income. The group's financial assets measured at amortized cost consist of the items other long-term receivables, accounts receivable and liquid assets.

Financial liabilities measured at amortized cost

The group's financial liabilities are classified as subsequently valued at amortized cost using the effective interest rate

method. Financial liabilities consist of long-term liabilities to credit institutions, long-term and current lease liabilities and accounts payable.

Financial assets and liabilities at fair value

Derivatives for hedging changes in exchange rates are recognised at fair value where changes in fair value are recognised in the operating profit/loss as the accounts receivables are hedged.

Integrum signs currency option agreements which constitute a financial instrument that is recognised at fair value through the income statement. Financial assets in this category consist of derivatives. They are included in current assets if they are expected to be settled within 12 months after the end of the reporting period; otherwise they are classified as non-current assets. All derivatives are recognised at fair value in the balance sheet. Integrum does not currently apply hedge accounting, which is why all derivative instruments are recognised at fair value through the income statement. The presented fair values of derivative instruments have been calculated on the basis of the most reliable market prices available. All derivatives are found within level 2 in the value hierarchy and no transfers between the levels have occurred. Level 2 in the fair value hierarchy is based on observable data for the asset or liability other than the quoted prices included in level 1, either directly (i.e. as price quotations) or indirectly (i.e. derived from price quotations). With regard to other financial instruments recognised at amortized cost, the carrying amount is deemed to constitute a reasonable approximation of the fair value.

2.11.3 Derecognition of financial instruments

Derecognition of financial assets

Financial assets, or part of them, are removed from the statement of financial position when the contractual rights to receive cash flows from the assets have expired or been transferred and either (i) the group transfers all significant risks and benefits that are associated with ownership or (ii) the group does not transfer or retain all substantial risks and benefits associated with ownership and the group has not retained control of the asset.

Derecognition of financial liabilities

Financial liabilities are removed from the statement of financial position when the obligations have been regulated, cancelled or otherwise terminated. The difference between the carrying amount of a financial liability (or part of a financial liability) that has been extinguished or transferred to another party and the remuneration that has been paid, including transferred assets that are not cash or assumed liabilities, is recognised in the statement of comprehensive income.

When the terms of a financial liability are renegotiated and not derecognised from the statement of financial position, a profit or loss is recognised in the statement of comprehensive income. The profit or loss is calculated as the difference between the original contractual cash flows and the modified cash flows discounted at the original effective interest rate.

2.11.4 Offsetting financial instruments

Financial assets and liabilities are offset and entered as a net amount in the statement of financial position only when a legal right exists to offset the recognised amounts and there is an intention to settle them with a net amount or to

simultaneously realise the asset and settle the liability. The legal right must not be dependent on future events and must be legally binding on the company and the counterparty both in the normal business operations and in the event of suspension of payments, insolvency or bankruptcy.

2.11.5 Impairment of financial assets

Assets recognised at amortized cost

The group assesses future expected loan losses that are linked to assets recognised at amortized cost. The group reports a credit reserve for such expected loan losses at each reporting date. For accounts receivable, the group applies the simplified approach to credit reserve; i.e. the reserve will correspond to the expected loss over the entire life of accounts receivable. To measure the expected credit losses, accounts receivable have been grouped based on the distributed credit risk characteristics and due dates. The group uses forward-looking variables for expected credit losses. Integrum has not historically had any credit losses and currently does not expect any in future either in view of its customer structure.

2.12 Inventories

Inventories are recognised by applying the first-in, first-out principle, at the lower of cost and net realisable value. The net realisable value is the estimated selling price as part of operating activities less applicable variable selling expenses.

2.13 Accounts receivable

Accounts receivable are amounts attributable to customers for sold goods in operating activities. Accounts receivable are classified as current assets. Accounts receivable are initially recognised at the transaction price. The group holds accounts receivables for the purpose of collecting contractual cash flows, so they are valued at subsequent reporting dates at amortized cost by applying the effective interest rate method.

2.14 Liquid assets

In both the statement on financial position and in the statement on cash flows, liquid assets include cash and bank balances.

2.15 Share capital

Ordinary shares are classified as equity. Transaction costs that can be directly attributed to the issue of new ordinary shares are recognised net after tax in equity as a deduction from the issue proceeds.

2.16 Accounts payable

Accounts payable are financial instruments and refer to obligations to pay for goods and services that have been acquired in operating activities from suppliers. Accounts payable are classified as current liabilities if they fall due for payment within one year. If not, they are recognised as non-current liabilities.

The liabilities are initially recognised at fair value and subsequently at amortized cost by applying the effective interest rate method.

2.17 Cash flow statement

The cash flow statement is prepared using the indirect method. The recognised cash flow includes only transactions that have resulted in incoming and outgoing payments.

2.18 Earnings per share

(i) Earnings per share before dilution

Earnings per share before dilution are calculated by dividing:

- profit/loss attributable to the parent company's shareholders
- by a weighted average number of outstanding ordinary shares during the period.

(ii) Earnings per share after dilution

To calculate earnings per share after dilution, the amounts used for calculating earnings per share before dilution are adjusted by taking into account:

- the effect, after tax, of dividends and interest expenses on potential ordinary shares, and
- the weighted average of the additional ordinary shares that would have been outstanding in a conversion of all potential ordinary shares.

2.19 Dividends

Dividends to the parent company's shareholders are recognised as liabilities in the consolidated financial statements in the period in which the dividends are approved by the parent company's shareholders

Note 3 Important estimates and assumptions for accounting purposes

The group makes estimates and assumptions regarding the future. The estimates for accounting purposes that result from these will, by definition, rarely correspond to the actual outcome. Estimates and assumptions that entail a significant risk of material adjustment to the recognised amounts for assets and liabilities in the coming financial year are dealt with in general below.

(a) Intangible assets

Development costs that are directly attributable to the development of the group's products are subject to assessments and estimates linked to the possibility of being capitalized as capitalized development assets.

(b) Review of impairment requirements for capitalized expenditure for the development work

Each year the group investigates whether there are any impairment requirements for capitalized expenditure for the development work according to the accounting principle described in note 1. The recoverable amounts for cash-generating units have been established by calculating the value in use.

(c) The term of leases

When the term of the leases is established, management considers all available information that provides a financial incentive to exercise an extension option or not to exercise an option to terminate an agreement. Options to extend an agreement are included in the term of the lease only if it is

reasonable to assume that the agreement will be extended (or not terminated).

The assessment will be reassessed if any significant event or change in circumstances occurs that affects this assessment and the change is within the control of the lessee.

(d) Deferred tax assets

The parent company and the group's subsidiaries in the US recognised taxable surpluses in the most recent tax assessment, and the management makes the assessment that continued taxable surpluses will be recognised to such an extent that the taxable deficits in the companies will be used in the foreseeable future. In the financial statements as at 30 April 2022 the company has therefore assessed that reporting a deferred tax asset for the available taxable deficits will be realised. Within the group there are also unrealised internal gains in inventories as a result of sales between the parent company in Sweden and the subsidiary company in the US. The company's assessment is that the goods will be sold externally and that the deferred tax asset linked to these goods will then be realised, which means that this deferred tax asset will also be recognised in the balance sheet

Note 4 Revenue by market

Amounts in SEK thousand	Nov - Jan		May - Jan		Full year 2021/ 2022
	2022	2021	2022	2021	
Sweden	1 336	1 076	2 622	3 212	4 437
USA	14 127	10 090	44 234	28 656	43 086
Other countries	3 217	1 470	9 285	5 533	8 201
Total	18 680	12 636	56 141	37 401	55 724

Note 5 Other operating income

Amounts in SEK thousand	Nov - Jan		May - Jan		Full year 2021/ 2022
	2022	2021	2022	2021	
Exchange gains	2 453	6 477	20 268	10 857	15 866
Other income	-	-	-	2 005	2 661
Total	2 453	6 477	20 268	12 862	18 527

Note 6 Other operating expenses

Amounts in SEK thousand	Nov - Jan		May - Jan		Full year 2021/ 2022
	2022	2021	2022	2021	
Exchange losses	- 6 766	- 1 036	- 14 264	4 926	- 7 388
Total	- 6 766	- 1 036	- 14 264	4 926	- 7 388

Note 7 Transactions with related parties

Related party relationships

The parent company has related party relationships with the Integrum Inc. and Integrum Sweden AB subsidiaries. Of the parent company's total income and purchases, SEK 11 721 (12 530) thousand relates to income from the subsidiary and SEK 0 (0) thousand to purchases from the subsidiary.

Amounts in SEK thousand	Nov - Jan		May - Jan		Full year 2021/ 2022
	2023	2022	2023	2022	
Sales to related companies	11 721	12 530	25 057	31 492	43 688
Total	11 721	12 530	25 057	31 492	43 688

Internal prices between group companies are set based on the "arm's length" principle, i.e. between parties that are independent of each other and well-informed and have an interest in the transactions.

Transactions with key individuals in senior positions

During the period, companies related to CEO Rickard Brånemark invoiced the company SEK 438 thousand for work regarding technical expertise regarding the company's products. The cost has been recognised in other external expenses.

No other transactions that significantly affected the company's profit/loss or financial position were performed with related parties during the quarter or period.

Amounts in SEK thousand	Nov - Jan		May - Jan		Full year 2021/ 2022
	2022	2021	2022	2021	
Purchases from senior executives	438	807	1 625	1 735	3 476
Total	438	807	1 625	1 735	3 476

Note 8 Earnings per share

Amounts in SEK thousand	Nov - Jan		May - Jan		Full year 2021/ 2022		
	2022	2021	2022	2021			
Consolidated profit/loss for the period, SEK thousand	-	15 613	532	-	13 843	17 980	21 273
Weighted average number of shares before dilution	18 429 289	18 583 389	18 429 289	18 583 389	18 583 389	17 801 305	
Dilution effect of option programs	-	368 350	-	368 350	368 350	368 350	
Weighted average number of shares after dilution	18 429 289	18 951 739	18 249 289	18 951 739	18 951 739	18 169 655	
Earnings per share before dilution	-	0,85	0,03	-	0,75	0,97	1,19
Earnings per share after dilution	-	0,85	0,03	-	0,75	0,95	1,17

Share warrant program

From October 2020 an incentive program, aimed at the board and employees of Integrum AB. The warrants give the holders the right to subscribe to 145 100 series B shares at a subscription price of SEK 37,25 per share between 1 October up to and including 30 November 2023.

From October 2021 an incentive program, aimed at the board and employees of Integrum AB. The warrants give the holders the right to subscribe to 142 000 series B shares at a subscription price of SEK 158,16 per share between 1 October up to and including 30 November 2024.

From October 2022 an incentive program, aimed at the employees of Integrum AB. The warrants give the holders the right to subscribe to 240 000 series B shares at a subscription price of SEK 50,99 per share between 1 October up to and including 30 November 2025.

At the end of the period the company had a total of 3 801 shareholders registered at Euroclear, of which 3 554 (93,5%) are resident in Sweden.

	Number of		
	shareholders	Shareholders (%)	Holding (%)
Sweden	3 554	93,50	78,96
Rest of Nordic region	59	1,55	0,60
Rest of Europé	36	0,95	4,60
US	10	0,26	11,58
Rest of the world	142	3,74	4,26
Total	3 801	100	100

Note 9 Events after the end of the interim period

Mats Dotevall was appointed the role of COO and Site Manager of the Swedish Site.

Note 10 Financial key ratios

In addition to the financial key ratios that have been prepared in accordance with IFRS, Integrum presents financial key ratios that are not defined according to IFRS, such as the operating margin and equity/assets ratio. These alternative key ratios are considered to be important key results and performance indicators for investors and other users of the interim report. The alternative key ratios must be regarded as a supplement to, and not a replacement for, the financial information that has been prepared in accordance with IFRS. The Integrum group's definitions of these indicators, which are not defined according to IFRS, are described in this note.

Key ratios	Definition	Reasons for use
Net sales growth	The percentage net sales increase compared with a previous period.	Follow the company's net sales growth.
Operating income growth	The percentage change in the total operating income compared with a previous period.	Follow the company's operating income growth.
Operating profit/loss (EBIT)	Profit/loss before financial items and tax	Follow the company's profit/loss trend.
Operating margin (EBIT) (%)	EBIT in per cent of the period's net sales.	Follow the company's profit/loss trend.
Equity/assets ratio in %	Equity at the end of the period in relation to the balance sheet total at the end of the period	The equity/assets ratio shows the proportion of the balance sheet total that consists of equity and has been included so that investors can get an idea of the company's capital structure.
Equity per share	Equity divided by the number of shares at the end of the period.	Follow the company's historical earnings per share.
Employees	The number of employees at the end of the period.	Follow the company's growth in number of employees