Infant Bacterial Therapeutics AB (publ)

Interim report January 1-June 30, 2021

Second quarter (Apr-Jun) 2021

- Net sales 0 KSEK (0)
- Operating income -29 164 KSEK* (-27 915)
- Earnings per share before and after dilution -2.60 SEK (-2.49)

Reporting period (Jan-Jun) 2021

- Net sales 0 KSEK (0)
- Operating income -28 712 KSEK* (-26 708)
- Earnings per share before and after dilution -2.56 SEK -2.38

* Operational income includes exchange rate effects on foreign currency deposits for the purpose of securing future outflows during the second quarter amounting to -5 876 (-13 369) KSEK and during the reporting period to 6 237 (488) KSEK.

Significant events during the second quarter (Apr-Jun)

- On April 15, we announced that the Chinese Patent Office has issued a decision to grant a patent entitled: "A method of activating lactic acid bacteria", which covers the formulation of *Lactobacillus reuteri*. The Chinese patent is valid until 2036 and IBP-9414 is intended for marketing in China upon market approval.
- On April 29, we announced that inclusion criteria of "The Connection Study" has been expanded to include 500 - 1000 gram birth weight in premature infants (from earlier 750 -1000 grams) after the Data Monitoring Committees' planned review of safety data and performing futility-analysis regarding NEC.

Significant events during the reporting period (Jan-Jun)

- On February 9, we announced that the Japan Patent Office has issued a decision to grant a patent entitled: "A method of activating lactic acid bacteria", which protects the formulation of Lactobacillus reuteri including IBP-9414. The Japanese patent is valid until 2036 and IBP-9414 is intended for marketing in Japan upon market approval.
- On February 10, we announced that the company has reached an important milestone after recruiting 300 premature infants to the ongoing clinical Phase III study of IBP-9414. A safety assessment of the data has been conducted and infants with very low birthweights may now be recruited to the study, significantly increasing the rate of recruitment.
- The ongoing clinical Phase III study's second primary endpoint called "sustained feeding tolerance" has been validated.
- In response to the pandemic, IBT is closely monitoring developments and is actively taking measures to minimize or limit affects thereof on the company's operations. IBT adheres to guidelines from Folkhälsomyndigheten, WHO och ECDC (European center for prevention and control of disease). The recruitment level in IBT's pivotal study, "The Connection study" is affected by COVID-19. The bulk of the costs for conducting the study are generated in connection with recruitment of patients, and thus the assessment is that IBT has sufficient funds to conclude the study even if this occurs at a later point in time than originally planned.

Significant events after the reporting period

IBT has recruited Marie-Louise Alamaa as new CFO.

Selected financial data

ooo's	2021 Apr-Jun	2020 Apr-Jun	2021 Jan-Jun	2020 Jan-Jun	2020 Jan-Dec
Net sales	-	-	-	-	-
Other income, KSEK	31	79	94	154	-
Operating profit/loss, KSEK	-29 164	-27 915	-28 712	-26 708	-71 918
Result after tax, KSEK	-29 165	-27 937	-28 714	-26 759	-72 007
Total assets, KSEK	429 414	473 608	429 414	492 620	450 318
Cash flow for the period, KSEK	-10 816	-14 018	-20 609	-22 068	-56 625
Cash flow per share for the period (SEK)	-0.96	-1.25	-1.84	-1.97	-5.04
Cash, KSEK	409 066	473 608	409 066	473 608	423 438
Earnings per share before and after dilution (SEK)	-2.60	-2.49	-2.56	-2.38	-6.41
Equity per share (SEK)	36.66	43.08	36.66	43.08	39.21
Equity ratio (%)	96%	98%	96%	98%	98%

Message from the CEO

As is well known, IBT is conducting a large phase III study ("The Connection Study"), the final study in our clinical development program with our drug candidate IBP-9414, which contains Lactobacillus reuteri as the active substance. The active substance is a naturally occurring bacterial strain found in women's breast milk. The goal of our development is to offer physicians a unique treatment option which is partly intended to prevent very serious medical complications, such as NEC (necrotizing enterocolitis) and sepsis (blood poisoning), which occur when a child is too born prematurely. In addition, our product is expected to improve the development of the stomach and intestines, which in turn leads to improved intestinal function and nutrient uptake.

During the second quarter of 2021, IBT completed the pilot study which the company agreed with the FDA to conduct after having recruited 300 patients in “The Connection Study”. The purpose of the pilot study was to validate the second primary endpoint “sustained feeding tolerance”. We evaluated whether our way of measuring “sustained feeding tolerance” in the study could be linked to medically relevant observations. IBT also tested whether these "blinded" medical relationships were statistically significant. The result of the important pilot study was that the protocol's selected endpoint called “sustained feeding tolerance” confirmed statistical significance and demonstrated also medical relevant effects according to a panel of international clinical experts. This is favorable news which confirms that we in the ongoing study can verify the drug candidate's effects on the now validated endpoint.

IBT is currently alone in conducting clinical drug trials in children with drug probiotics after being authorized to conduct the Phase III study by the FDA and eight other countries' authorities after that they have reviewed our protocol and our production of the product. I expect IBT to be “first in class” when we hopefully can deliver the first probiotic product with a drug approval issued by the FDA and other pharmaceutical authorities in markets around the world.

The COVID-19 pandemic has subsided, although the delta variant of the virus still causes uncertainty about the future. In February 2021, we announced that we had completed the first phase of our Phase III study when we had recruited 300 patients, so more children can be included in the study. The improved Covid situation in combination with the expanded inclusion criteria hassled to a significant increase in the recruitment rate in the study. During Q2, the rate more than tripled vs. the prior quarter. We take note that the US recruitment rate significantly exceeds Europe and Israel. To date approximately 80% of the children in the study were born in America. We are investigating the cause of this and will focus on accelerating recruitment in Europe to try to match the pace we see in the United States. So far, we have just exceeded 500 recruited patients. We are thus quickly approaching the next, pre-planned, safety evaluation at 600 patients. We expect to reach 600 children in Q3 this year.

During the summer, IBT received an additional national clinical trial permit for implementation of the study in Serbia. We are accordingly engaging hospitals across the US, the UK, France, Spain, Poland, Hungary, Israel, Serbia and Bulgaria.

We have today 77 activated hospitals ready to include patients. But more importantly, it is critical to track how many of those actually recruit patients. By the end of March 2021, 51 hospitals had admitted at least one patient and today the corresponding figure is 61. This is a positive trend which we will further develop. We expect to be able to complete the study in 2022 and IBT's funding is expected to be sufficient for the implementation of the study.

IBT has recruited a new experienced CFO named Marie-Louise Alamaa and we look forward to welcoming Marie-Louise August 16th when she assumes her responsibilities. She replaces Daniel Mackey who left the company during the summer.

In conclusion, I would like to take this opportunity to thank all employees and experts who with great commitment drive the work forward with our unique product which may play a major role for prematurely born children.

Stockholm, August 13th, 2021

Staffan Strömberg
CEO

IBT in brief

Infant Bacterial Therapeutics AB ("IBT") is a public company domiciled in Stockholm. The company's Class B shares are listed on Nasdaq Stockholm, Mid-cap (IBT B).

Infant Bacterial Therapeutics AB (publ) ("IBT") is a pharmaceutical company with a product in clinical phase III with a vision to develop drugs influencing the infant microbiome, and thereby prevent or treat rare diseases affecting infants.

IBT is currently developing the drug candidate IBP-9414. The ambition for IBP-9414 is to become the world's first approved probiotical drug with the goal to prevent life threatening diseases in premature infants including NEC and sepsis by promoting healthy stomach-and bowel development in premature infants. IBP-9414 contains the active compound *Lactobacillus reuteri,* which is a human bacterial strain naturally present in breast milk. The product portfolio also includes another project, IBP-1016, for the treatment of gastroschisis, a severe and rare disease affecting infants. By developing these drugs, IBT has the potential to fulfill unmet needs for diseases where there are currently no prevention or treatment therapies available

Description of IBT's development project IBP-9414

The development plan for IBP-9414 is to conduct a clinical program consisting of two clinical trials, the completed safety and tolerability study, followed by the ongoing pivotal phase III study, "The Connection Study". The safety and tolerability study was concluded as planned during the fourth quarter of 2017. The following pivotal phase III study, The Connection Study, was initiated on July 4, 2019.

The first study was a multicenter, randomized, double blind, parallel-group, dose escalation placebo-controlled study to investigate the safety and tolerability of IBP-9414 administered in preterm infants. This study included 120 preterm infants (prior to gestation week 32 with birth-weight ranging from 500 to 2 000 grams) randomized for treatment with IBP-9414 or placebo. The initial dose of the product was administered within 48 hours after birth and continued daily for a 14-day period and evaluated at intervals for up to six months post administration. The primary goal of this study was to evaluate safety and tolerability. The study was completed according to plan in the fourth quarter 2017 demonstrated that IBP-9414 was safe and tolerated by premature infants with birth-weight ranging from 500 to 2 000 grams, that they were well exposed to the study medicine, and that there were no indications of cross contamination of IBP-9414 in the preterm infants treated with placebo.

The ongoing pivotal phase III study will be designed to show and document the effect of IBP-9414 compared to placebo for the prevention of NEC and improvement of so called *feeding tolerance* in premature infants with birth weights of 1 500g or less.

Risks and uncertainties

The value of the Company is largely dependent on success in the Company's development of IBP-9414, the successful completion of clinical trials and the grant of marketing authorization by the US Food and Drug Administration ("FDA") and/or the European Medicines Agency ("EMA"). IBT has not yet concluded any clinical development of any pharmaceutical and there is a risk that IBP-9414 will not demonstrate the required effect. If the development on IBP-9414 is unsuccessful, IBT may try to focus on other projects but there is a risk that such projects will not be successful.

Financial risk management

A predominant share of IBT's development costs are commitments in foreign currencies. The currencies against which IBT has the greatest exposure are USD and EUR.

Currency risk is the risk that the value of assets and liabilities fluctuate due to changes in exchange rates. Should the SEK increase or depreciate versus the specific currency, it could have a significant impact on

the Company's financial position and results. The company has deposits in foreign currencies and an increase in the SEK generates a negative currency effect (see Notes 1, 2 and 3).

Capital is deemed sufficient to conduct the planned pivotal phase III clinical study, and operational costs until application for market approval.

For further information on risks and uncertainties please refer to IBT's Annual Report 2020 and IBT's Rights Issue Prospectus dated January 10, 2018 on the Company's homepage www.ibtherapeutics.com.

Related party transactions

Daniel Mackey has purchased warrants in warrant program 2020-2024 in the amount of 34 KSEK.

Compensation to the Board of directors are paid in accordance with the annual general meeting.

The Chairman of the Board, Mr. Peter Rothschild, receives Board fees amounting to 250 KSEK per annum, and 400 KSEK annually as operational Chairman.

Bonuses were paid during the second quarter to Staffan Strömberg amounting to 100 KSEK and to Andres Kronström amounting to 75 KSEK for achieved milestone of dosing 300 patients.

No other significant related party transactions have occurred.

Financial calendar

Interim statement January-September 2021	October 29, 2021

Contact person

Staffan Strömberg, CEO

Contact information

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Publication

The Report was submitted for publication, by the CEO, at 08.00 CET on August 13, 2021.

Financial development – second quarter (Apr-Jun) 2021

Amounts are reported in KSEK (SEK in thousands). Amounts in parenthesis refer to the same period in the previous year unless stated otherwise.

Costs

Costs for the ongoing IBP-9414 clinical trial are reported net of exchange rate effects on foreign currency deposits. Exchange rate losses during the second quarter amounted to -5 876 (-13 369) KSEK (Note 1, 2).

Operational costs amounted to 23 288 (14 625) KSEK prior to exchange rate gains on foreign currency deposits, and after exchange rate losses to 29 164 (27 994) KSEK.

Costs for the ongoing IBP-9414 clinical trial amounted to 16 283 (9 288) KSEK prior to exchange rate effects.

Personnel costs amounted to 4 420 (4 113) KSEK.

Other external costs amounted to 2 585 (1 145) KSEK.

Result and financial position

Operational result amounted to -29 164 (-27 915) KSEK and result after financial items amounted to -29 165 (-27 937) KSEK.

Result after tax amounted to -29 165 (-27 937) KSEK.

Result per share prior and after dilution amounted to -2.60 (-2.49) SEK.

Cash flow for the period amounted to –10 816 (-14 018) KSEK. Cash flow per share amounted to -0.96 (-1.25) SEK.

Prepaid expenses amounted to approximately SEK 6.7m (5.5). The increase refers to contractual milestone payments paid to the company's CRO regarding thusfar unfulfilled obligations and are reported as receivable in the balance sheet.

Accrued expenses amounted to approximately SEK 11.6m (8.4). The increase refers to research and development costs.

Financial development – reporting period (Jan-Jun) 2021

Costs

Costs for the ongoing IBP-9414 clinical trial are reported net of exchange rate effects on foreign currency deposits. Exchange rate gains during the reporting period amounted to 6 237 (488) KSEK (Note 1, 2).

Operational costs amounted to 35 043 (27 350) KSEK prior to exchange rate gains on foreign currency deposits, and after exchange rate gains to 28 806 (26 862) KSEK.

Costs for the ongoing IBP-9414 clinical trial amounted to 23 858 (16 779) KSEK prior to exchange rate gains.

Personnel costs amounted to 8 210 (8 554) KSEK.

Other external costs amounted to 3 289 (1 863) KSEK.

Result and financial position

Operational result amounted to -28 712 (-26 708) KSEK and result after financial items amounted to -28 714 (-26 759) KSEK.

Result after tax amounted to -28 714 (-26 759) KSEK.

Result per share prior and after dilution amounted to -2.56 (-2.38) SEK.

Cash flow for the period amounted to –20 609 (-22 068) KSEK. Cash flow per share amounted to -1.84 (-1.97) SEK.

Prepaid expenses amounted to approximately SEK 6.7m (5.5). The increase refers to contractual milestone payments paid to the company's CRO regarding thusfar unfulfilled obligations and are reported as receivable in the balance sheet.

Accrued expenses amounted to approximately SEK 11.6m (8.4). The increase refers to research and development costs.

The Company's cash balance on June 30, 2021, amounted to 409 066 KSEK compared to 423 438 KSEK on December 31, 2020.

The Company's shareholder's equity on June 30, 2021, amounted to 411 528 KSEK compared to 440 154 KSEK on December 31, 2020. Shareholder's equity per share on June 30, 2021 amounted to 36.66 compared to 45.57 SEK on December 31, 2020.

The Company's equity ratio on June 30, 2021 amounted to 96% compared to 98% on December 31, 2020.

Operational costs increased during the reporting period compared to the previous year due to increased costs for production of clinical trial material and increased costs related to trial insurance coverage, patient recruitment and dosing in the ongoing phase III study which was initiated in 2019.

Other external costs during the reporting period increased compared to the equivalent period during the previous year primarily as a result of market analysis.

Personnel costs have decreased during the reporting period in comparison to the equivalent period during the prior year primarily due to reduced staff.

On a rolling twelve-month period the company had 9 (9) full time equivalent employees. The company had 8 (11) employees on the balance sheet date.

Tax position

IBT has accumulated operational losses since the company was established in 2012 and until year-end of 2020 amounting to approximately SEK (260) 188m. Deferred tax receivables are reported when it is likely that future taxable income will be available against which the temporary differences may be utilized. The company has not reported any temporary tax receivables in its statement of financial position.

Shares

On January 1, 2021 and June 30, 2021, respectively, the total number of shares amounted to 11 226 184 shares of which 377 736 class A-shares carrying ten votes and 10 848448 class B-shares carrying one vote.

IBT's class B share was listed on Nasdaq Stockholm on September 10, 2018.

IBT's closing share price on June 30, 2021 amounted to 95.70 SEK.

Analysts covering IBT:

SEB, Christopher W. Uhde, PhD, Carl Mellerby, Mattias Vadsten

Ownership June 30, 2021

Name	A-shares	B-shares	Share capital %	Votes %
ANNWALL & ROTHSCHILD INVESTMENTS AB	377 736	410 478	7.02	28.63
SIX SIS AG, W8IMY	-	1 183 542	10.54	8.09
FJÄRDE AP-FONDEN	-	1 120 000	9.98	7.66
SWEDBANK ROBUR NY TEKNIK BTI	-	579 172	5.16	3.96
AMF AKTIEFOND SMÅBOLAG	-	501 585	4.47	3.43
TREDJE AP-FONDEN	-	438 565	3.91	3.00
CBNY-NORGES BANK	-	325 620	2.90	2.23
UNIONEN	-	322 196	2.87	2.20
DANGOOR, DAVID	-	306 421	2.73	2.10
ÅLANDSBANKEN I ÄGARES STÄLLE	-	258 709	2.30	1.77
Total 10 largest shareholders	377 736	5 446 288	51.88	63.07
Other shareholders	-	5 402 160	48.12	36.93
Total	**377 736**	**10 848 448**	**100**	**100**

Source: Euroclear Sweden

Nb: This is a translation of the Swedish interim report. If any discrepancies exist, the Swedish version shall prevail.

Board's assurance

The Board of Directors and CEO hereby certify that this report gives a true and fair presentation of the Company's operations, financial position and result of operations, and describes material risks and uncertainties facing the Company.

Stockholm, August 13, 2021

Peter Rothschild Chairman	Anthon Jahreskog Director	Margareta Hagman Director	Robert Molander Director

Eva Idén Director	Kristina Sjöblom Nygren Director	Staffan Strömberg CEO

This interim report has not been subject to limited review by the company's auditor.

Income statement

SEK 000	2021 Apr-Jun	2020 Apr-Jun	2021 Jan-Jun	2020 Jan-Jun	2020 Jan-Dec
Net sales	-	-	-	-	-
Other income	31	79	94	154	312
Research and development costs	-29 195	-27 994	-28 806	-26 862	-72 230
Operating loss	**-29 164**	**-27 915**	**-28 712**	**-26 708**	**-71 918**
Result from financial items					
Interest income and similar profit/loss items	-	58	-	115	214
Interest expense and similar profit/loss items	-1	-80	-2	-166	-303
Result after financial items	**-29 165**	**-27 937**	**-28 714**	**-26 759**	**-72 007**
Result for the period*	**-29 165**	**-27 937**	**-28 714**	**-26 759**	**-72 007**

* Result for the period equals total comprehensive income

Result per share

SEK					
Result per share, before and after dilution*	-2.60	-2.49	-2.56	-2.38	-6.41
Number of shares, weighted average*	11 226 184	11 226 184	11 226 184	11 226 184	11 226 184
Number of shares at end of period **	11 226 184	11 226 184	11 226 184	11 226 184	11 226 184

* No dilution effects exist
**On June 30, 2021, allocation of emitted shares amounted to 377 736 A-shares carrying 10 votes per share and 10 848 448 B-shares carrying 1 vote per share

Balance sheet

SEK 000	Note	2021-06-30	2020-06-30	2020-12-31
ASSETS				
Non-current assets				
Intangible non-current assets				
Activated development costs		11 742	12 558	12 150
Shares in subsidiary		50	50	50
Total non-current assets		**11 792**	**12 608**	**12 200**
Current assets				
Current receivables				
Accounts receivable		-	193	99
Other receivables		1 852	717	1 856
Prepaid expenses and accrued income		6 704	5 494	12 725
Total current assets		8 556	6 404	14 680
Cash and cash equivalents	2, 3	409 066	473 608	423 438
Total current assets		**417 622**	**480 012**	**438 118**
TOTAL ASSETS		**429 414**	**492 620**	**450 318**
EQUITY AND LIABILITIES				
Equity				
Restricted equity				
Share capital		3 060	3 060	3 060
Unrestricted equity				
Share premium reserve		669 019	667 184	668 931
Accumulated losses		-231 837	-159 830	-159 830
Net loss for the period		-28 714	-26 759	-72 007
Total equity		**411 528**	**483 655**	**440 154**
Liabilities				
Current liabilities				
Accounts payable		5 985	208	1 232
Other current liabilities		325	377	2 065
Accrued expenses and prepaid income		11 576	8 380	6 867
Total current liabilities		**17 886**	**8 965**	**10 164**
TOTAL EQUITY AND LIABILITIES		**429 414**	**492 620**	**450 318**

Statement of changes in equity

SEK 000	Restricted equity	Unrestricted equity		
	Share capital	Share premium reserve	Accumulated losses incl. loss for the period	Total equity
Opening equity on Jan 1, 2020	**3 060**	**667 167**	**-159 830**	**510 397**
Net income for the period			-26 759	-26 759
Total comprehensive income			**-26 759**	**-26 759**
Shareholder transactions				
Warrants		17		17
Closing equity on Jun 30, 2020	**3 060**	**667 184**	**-186 589**	**483 655**

Opening equity on Jan 1, 2020	**3 060**	**667 167**	**-159 830**	**510 397**
Net loss for the year			-72 007	-72 007
Total comprehensive income			**-72 007**	**-72 007**
Shareholder transactions				
Warrants		1 764		1 764
Closing equity on Dec 31, 2020	**3 060**	**668 931**	**-231 837**	**440 154**

Opening equity on Jan 1, 2021	**3 060**	**668 931**	**-231 837**	**440 154**
Net income for the period			-28 714	-28 714
Total comprehensive income			**-28 714**	**-28 714**
Shareholder transactions				
Warrants		88		88
Closing equity on Jun 30, 2021	**3 060**	**669 019**	**-260 551**	**411 528**

Statement of cash flows

SEK 000	2021 Apr-Jun	2020 Apr-Jun	2021 Jan-Jun	2020 Jan-Jun	2020 Jan-Dec
Operating activities					
Operating profit/loss	-29 164	-27 915	-28 712	-26 708	-71 918
Interest income received	-	58	-	115	214
Paid interest costs	-1	-80	-2	-166	-303
Adjustment for non - cash flow affecting items:					
Depreciation production process	204	204	408	408	816
Value variance currency accounts	5 876	13 369	-6 237	-488	15 125
Cash flow from operating activities before changes in working capital	**-23 085**	**-14 364**	**-34 543**	**-26 839**	**-56 066**
Cash flow from changes in working capital					
Increase (-)/Decrease (+) in operating receivables	4 829	2 957	6 124	3 665	-4 611
Increase (+)/Decrease (-) in operating liabilities	7 440	-2 628	7 722	1 089	2 288
Cash flow from operating activities	**-10 816**	**-14 035**	**-20 697**	**-22 085**	**-58 389**
Financing activities					
Warrants	-	17	88	17	1 764
Cash flow from financing activities	**0**	**17**	**88**	**17**	**1 764**
Cash flow for the period	**-10 816**	**-14 018**	**-20 609**	**-22 068**	**-56 625**
Unrealized exchange rate difference in cash	-5 876	-13 369	6 237	488	-15 125
Cash and cash equivalents at the beginning of the period	425 758	500 995	423 438	495 188	495 188
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**409 066**	**473 608**	**409 066**	**473 608**	**423 438**

Note 1 Accounting principles

The interim report has been prepared in accordance with IAS 34 Interim reporting, and the Annual Accounts act, Årsredovisningslagen. The Company's reporting has been prepared in accordance with the Annual Accounts act, Årsredovisningslagen and as stipulated by RFR 2 Reporting for legal entities. Disclosures in accordance with IAS 34 are presented in Notes as well as in other sections in the interim report.

IBT has adopted the same accounting principles and calculation methods as those described in the 2020 annual report. New principles are not expected to impact the company's financial reports.

IBT has no transactions to report under other comprehensive income and thus presents information thereon under the income statement.
IBT has deposits in foreign currencies. Effects of foreign currency exchange rates are reported in the company's financial statements at market value in the income statements item research-and development costs (Notes 2 and 3).
Amounts are reported in KSEK (SEK in thousands). Amounts in parenthesis refer to the same period in the previous year unless stated otherwise.

Note 2 Financial instruments

Fair value of other receivables, cash, accounts payable and other liabilities are estimated to equal book value (accumulated cost) due to the short duration.
Financial assets and liabilities valued at fair value in the income statement. Income effects are reported in the income statement item research-and development costs.

Note 3 Liquidity

The Company's liquidity consists solely of cash deposits held at Danske Bank and SEB. Total liquidity on the balance sheet date June 30, 2021, amounted to SEK 409.1m (473.6) of which USD amounted to SEK 208.7m (113.8) and EUR amounted to SEK 50.6m (62.9m).

Note 4 Share based incentive programs

IBT has two share based incentive programs.

WARRANTS 2017/2022

On the balance sheet date June 30, 2021, a total of 260 000 (200 000) warrants had been allotted. The remaining 20 000 warrants are reserved for future employees.

Based on the existing number of shares the dilution resulting from the adopted incentive program, provided that all warrants are utilized for subscription of class B-shares, amounts to approximately 2.26 percent of shares, and 1.75 percent of votes.

WARRANTS 2020/2024

On the balance sheet date June 30, 2021, a total of 234 073 (185 027) warrants had been allotted. The remaining 140 927 warrants are reserved for future employees.

During the first quarter 2021 a total of 49 046 warrants were issued.

Based on the existing number of shares the dilution resulting from the adopted incentive program, provided that all warrants are utilized for subscription of class B-shares, amounts to approximately 2.0 percent of shares, and 1.58 percent of votes.

Total market value for the 49 046 issued warrants during the first quarter 2021 amounted to 88 KSEK.

Ownership of warrants 2020/2024	Number allotted 2021-06-30	Number issued 2020-12-31
Staffan Strömberg, CEO	50 000	50 000
Anders Kronström, COO	40 000	40 000
Other employees	144 073	95 027
Total	**234 073**	**185 027**

Total number of allotted warrants

Allotted warrants, year	Issued warrants	Strike price*	Value per allotted warrant	Volatility, %**	Risk-free interest, %	Value per share	Expiry, year
2017 (2017-2022)	200 000	272	4,42	40	-0,2	85	2022
2020 (2017/2022)	50 000	272	0,35	40	-0,3	75	2022
2021 (2017/2022)	10 000	272	2,66	40	-0,3	127	2022
2020 (2020/2024)	87 543	400	14,24	40	-0,3	170	2024
2020 (2020/2024)	97 484	400	4,86	40	-0,3	125	2024
2021 (2020/2024)	49 046	400	1,78	40	-0,3	105	2024
Total	**494 073**	-	-	-	-	-	-

*Recomputed from SEK 300 after directed share issue in November 2017

**Expected future volatility is ascertained by comparison of historical average and median values for comparable listed companies in the same sector as IBT based on analysis in S&P Capital IQ.

Note 5 Alternative key figures

The company presents some financial measures in the interim report that are not defined in accordance with IFRS. The company believes that these measures provide valuable supplementary information to investors and the company's management as they enable evaluation of the company's presentation. Since not all companies calculate financial measures in the same way, these are not always comparable to measures used by other companies. These financial measures should therefore not be seen as a substitute for measures defined in accordance with IFRS. The key ratios below are not defined in accordance with IFRS unless otherwise stated.
For definitions and other reasons, refer to the Annual Report 2020.

Deduction of certain key figures

	2021 Apr-Jun	2020 Apr-Jun	2021 Jan-Jun	2020 Jan-Jun	2020 Jan-Dec
Cash flow per share					
Cash flow for the period, 000's	-10 816	-14 018	-20 609	-22 068	-56 625
Average number of shares	11 226 184	11 226 184	11 226 184	11 226 184	11 226 184
Cash flow per share (SEK)	**-0.96**	**-1.25**	**-1.84**	**-1.97**	**-5.04**
Equity per share					
Equity, 000's	411 528	483 655	411 528	483 655	440 154
Number of shares at end of period	11 226 184	11 226 184	11 226 184	11 226 184	11 226 184
Equity per share (SEK)	**36.66**	**43.08**	**36.66**	**43.08**	**39.21**
Equity ratio					
Equity, 000's	411 528	483 655	411 528	483 655	440 154
Total equity and liabilities, 000's	429 414	492 620	429 414	492 620	450 318
Equity ratio %	**96%**	**98%**	**96%**	**98%**	**98%**