Glycorex
Transplantation

Annual Report 2021

Annual report 2021

Content

The formal annual report covers pages 22 to 47.

Annual General Meeting Tuesday, May 31, 2022

Glycorex Transplantation AB (publ) will hold its **Annual General Meeting (AGM) on Tuesday, May 31, 2022, at 5 p.m. at Ideon Gateway/Elite Hotel, room Tera, Scheelevägen 27/ Molekylvägen 10 B, Lund.** Shareholders who on May 20, 2022, are registered as shareholders in the share register maintained by Euroclear Sweden AB and have notified the company of their participation in the meeting no later than May 24, 2022, have the right to participate at the AGM. Shareholders who have their shares registered in the name of a nominee must temporarily register the shares in their own name with Euroclear in order to participate in the meeting. Such re-registration shall be affected by May 24, 2022.

Notification of participation in the meeting is made in writing to Glycorex Transplantation AB, Ideon, Scheelevägen 27, SE-223 63 Lund, Sweden, by fax +46 (0)46 - 286 52 39 or by e-mail to bolagsstamma@glycorex.com. The notification must state the name/company name, personal identity number/ corporate identity number, daytime telephone number and any assistants (maximum two) that will be present at the meeting. If you provide an e-mail address, the company will send a confirmation of the notification by e-mail. The notification must have been received by the company no later than May 24, 2022. If a shareholder is represented by a representative or, in the case of a legal entity, by a deputy, the dated and signed power of attorney and authorization documents signed by the shareholder shall be brought to the meeting.

This document is essentially a translation of the Swedish language version. In the event of any discrepancies between this translation and the original Swedish document, the latter shall be deemed correct.

Treatment of blood for higher quality of life and better health economy

Glycorex's unique technology that specifically selects and removes antibodies in the blood at the molecular level has opened up for better treatments and solutions in healthcare. The company's medical technology products enable transplants across the blood group barriers, saving lives and leading to health economic benefits by increasing the number of transplants. The company's technology to treat blood is applied in several areas and a new unique product has recently been launched that can increase the availability of blood plasma. Several revolutionary products for the treatment of autoimmune diseases are under development.

Increased sales volumes during the year

In 2021, net sales increased to SEK 28.2 million (27.0), corresponding to growth of 5 percent. The number of units sold increased by more than 10 percent. Overall, we had a positive sales trend in our European and and Asian markets.

Glycosorb® ABO

In 2021, 23 new transplant centers were added to our growing customer base. By the end of 2021, Glycosorb® ABO has been used at more than 230 transplant centers in 28 countries. Sales growth was particularly strong in Sweden and Spain, with new sales records in both countries. In terms of the number of units sold, Germany continues to be our largest market. After the positive development in 2021, Spain reached the position as our second largest market with India in third place.

COVID-19 continued to affect our market

The COVID-19 pandemic has had a negative impact on our operations in 2020 and 2021. In 2020, the number of kidney transplants from living donors in Europe decreased by about 30 percent and globally by about 26 percent. However, the overall transplant market for 2021 recovered and we expect increased transplant activity in the future as the effects of the pandemic on healthcare decrease.

Scientific support for the wider use of Glycosorb® ABO

Historically, blood group incompatible kidney transplants from living donors have been our most important market segment. However, there is growing scientific evidence that Glycosorb® ABO has an even bigger role to play. In 2021, two important articles[1,2] were published describing how Glycosorb® ABO was successfully used in two types of acute blood group incompatible transplants with organs from deceased donors, namely acute heart transplants in children and acute liver transplants in children and adults.

In the Western world, organ transplants from deceased donors make up the majority of the market. The two articles published in 2021 confirm the clinical width and capabilities of our technology, indicating that Glycorex has a large untapped potential in the deceased donor segment.

Reactivate market approval in Canada

After reviewing the potential in Canada, the decision was made in 2021 to reactivate the Canadian market approval and undergo an audit under the Medical Device Single Audit Program (MDSAP) for Canada.

The audit was carried out in January 2022 without any remarks. We are now awaiting a formal announcement from the authorities, and we look forward to re-marketing Glycosorb® ABO in Canada, especially after the positive article published in autumn 2020, which reported on how Glycosorb® ABO was successfully used in 24 blood group incompatible kidney transplants from living donors.[3]

Glycosorb UBP (universal blood plasma)

Glycosorb UBP is a unique product with the potential to break new ground in the strictly regulated transfusion market. 2021 was an important preparatory year as we continued to evaluate Glycosorb UBP together with selected reference customers in Europe and the US. Based on published results and knowledge from discussions with reference customers, we will create a platform for a broader launch.

We are currently awaiting further results from plasma studies and comparative studies on platelet concentrate.

The way forward

Our business is based on a completely unique technology. The efforts made in research and development are outstanding. Our ambition is to translate our unique technical position into long-term sustainable sales growth. The way we plan to make this happen is as follows:

Strengthened organization

We will add more resources to accelerate development in critical areas such as market development and product development.

Geographical expansion

Although Glycosorb® ABO is well established, we still have great opportunities to expand this product into new markets and market segments. The clearest example of this is the United States, which is the world's largest market for kidney transplants with an estimated annual potential of up to SEK 160 million for Glycosorb® ABO for transplants from living donors. Glycorex currently has no presence in the U.S. market. Our registration work has been delayed due to the COVID-19 pandemic, but preparatory work for regulatory approval from the FDA and the inclusion of Glycosorb® ABO in the US reimbursement systems is a priority for 2022. We also see good growth opportunities in markets such as Turkey, Mexico and India, all of which perform a large number of kidney transplants each year.

Expansion into new applications

Glycosorb® ABO is currently mainly used in kidney transplants with living donors. We see great opportunities to expand into the nearby areas of deceased donors and transplants of organs other than kidneys, such as the heart and liver.

Pipeline to maintain long-term growth

Research and development continue to be one of the cornerstones for Glycorex. In 2022, we will run our project in rheumatoid arthritis by preparing a clinical study together with a European partner hospital to verify the clinical benefit of our product. The market for treatment of patients with rheumatoid arthritis who do not respond to existing treatments is estimated to amount to several billion SEK.

In addition subject to resources, we will continue our development of the myasthenia gravis product that meets the needs of the more than 3,000 patients in Europe who are estimated to be treated with repeated plasma exchanges. This represents a market with at least the same potential as Glycosorb® ABO.

With a very strong base in our unique and proven technology, and with our many opportunities to grow, I now look forward to 2022 as a year where we will lay the foundation for sustainable growth and where we will start implementing and delivering on our plans and ambitions.

Geert Nygaard,

CEO

"Research and development continue to be one of the cornerstones of our business."

[1] Issitt R, Booth J, Crook R, Robertson A, Molyneux V, Richardson R, Cross N, Shaw M, Tsang V, Muthurangu V, Sebire N J, Burch M, Fenton M. Intraoperative anti-A/B immunoadsorption is associated with significantly reduced blood product utilization with similar outcomes in pediatric ABO-incompatible heart transplantation. J Heart Lung Transplant. 2021 May 29:S1053-2498(21)02325-1.

[2] Skogsberg Dahlgren U, Herlenius G, Gustafsson B, Mölne J, Rydberg L, Socratous A & Bennet W (2021) Excellent outcome following emergency deceased donor ABO-incompatible liver transplantation using rituximab and antigen specific immunoadsorption, Scandinavian Journal of Gastroenterology, DOI: 10.1080/00365521.2021.1976269 https://pubmed.ncbi.nlm.nih.gov/34541993/

[3] Pavenski K, Bucholz M, Cheatley PL, Krok E, Anderson M, Ramesh Prasad GV, Quereshi MA, Meliton G, Zaltzman J; The First North American Experience Using Glycosorb Immunoadsorption Columns for Blood Group-Incompatible Kidney TransplantationCanadian Journal of Kidney Health and Disease 2020; 7:1-6 https://journals.sagepub.com/doi/full/10.1177/2054358120962586

This is Glycorex

Glycorex is a medical technology company engaged in development, production, and sales in the field of organ transplantation and blood treatment. The company has developed a unique medical technology that at, molecular level, specifically selects and removes antibodies in the blood.

Transplants across the blood group barrier

By selectively eliminating specific antibodies from the blood, Glycorex technology enables, among other things, organ transplants across the blood group barrier. For patients with kidney disease, who have been dependent on hospital dialysis several times a week and with an average mortality rate of just over 12% per year, the possibility of a new kidney also means the possibility of a new life of good quality. Glycorex technology is in many cases absolutely crucial for a transplant to be carried out from related donors.

There are also several other organ transplants, which in some cases are crucial for a patient's survival, where Glycorex solutions are a prerequisite for a successful transplant. Organs such as heart, lungs and liver have been successfully transplanted thanks to the elimination of the blood group barrier through the use of Glycorex technology.

Documented health-economic effects

Since the first transplant in 2001, a total of more than 5,000 kidney transplants have been performed using Glycorex technology and the medical results have been presented in over 60 articles in reputable medical journals.

Glycorex technology not only means that lives can be saved and patients' quality of life improved, it also has very positive health economic effects.

Each completed kidney transplant saves about 150 dialysis treatments per year, which means that the more than 5,000 kidney transplants performed after Glycosorb® ABO treatments can be estimated to save over 750,000 dialysis treatments per year.

Glycorex helps to reverse complications in stem cell transplants

Another interesting area, in which Glycorex is active, is stem cell transplants. After a stem cell transplant, it is important that the transplanted stem cells are allowed to mature and form new healthy blood cells. Once the stem cells have divided and matured, they can form virtually all blood cells.

Glycorex products can reverse the complications that may occur in blood group incompatible stem cell transplants. For example, it has been shown that Glycosorb® ABO can revoke Pure Red Cell Aplasia, which is a common complication after this type of transplantation. This field thereby offers a significant future potential for the company's products.

Glycorex expands to new areas

Glycorex is now entering an expansive phase with the development of new solutions and treatments based on the company's unique technology platform.

Glycorex has recently launched a new product for the treatment of blood donor blood that means that all blood plasma produced at blood donor centers can be given to all patients – regardless of blood type. The improvements in logistics, security, and accessibility can thus be significant.

The company is also developing new treatments for severe autoimmune diseases. The closest to launch is a specific treatment for rheumatoid arthritis – a disease that affects about five million people in Europe.

Within the company's research and development work there are also other interesting projects to broaden the product portfolio further.

By expanding product offerings and intensifying marketing efforts, Glycorex has the ambition to create improved treatment opportunities for patients worldwide and thereby create great medical and financial value.

1996

- The company is founded, and operations are started at Ideon Science Park in Lund

2001

- Listing on NGM Equity.
- First transplant (Sweden).
- Clinical approval in the EU.

2003

- The first graft outside Sweden is carried out in Belgium.

2008

- First graft in Asia (Singapore).

2011

- First grafts in Canada, India, and Malaysia.

2015

- Excellent long-term results are published by Swedish and German centers respectively.

2017

- Breakthrough in cardiac transplants in children. Treatment results published.

2018

- The first transplant in Mexico.

2019

- Glycosorb-ABO® delivered to a heart center in Hong Kong.
- First blood group-incompatible liver transplant with Glycosorb® ABO in Mexico.
- Glycosorb UBP presented at congress in the US.

2020

- Glycosorb UBP for the development of universal blood plasma CE-marked and launch begins.
- In rheumatoid arthritis (RA) project, biocompatibility studies are being carried out that pave the way for clinical RA patients.

2021

- Two important publications in acute blood group incompatible grafts from deceased donors (heart and liver) where patients have been successfully treated with Glycosorb® ABO.
- Excellent results of Glycosorb® UBP was presented at four transfusion congresses.

Marketing strategy

Glycorex is well established in Europe, which accounts for more than 80% of sales, with Germany as the single largest market. For the European market, Glycorex sells directly through its own representation in the German-speaking countries and Spain, and through sales staff based at the head office in Lund.

"The ambition is to document, in cooperation with selected customers in Europe and the US, the best way to harness Glycosorb® ABO's great potential."

For the European market, the strategy is to continue to expand direct sales of the company's products.

In markets outside Europe, the strategy is mainly to sell through distributors. Glycorex is represented by distributors in India, Mexico, Turkey, Israel, Qatar, Hong Kong, Singapore, and Thailand. Working through distributors in markets outside Europe means that sales can be established faster and with reduced risk. Sales to Australia and Canada and some other countries outside Europe are handled directly by the commercial organization in Lund.

Glycorex places great emphasis on meeting customers through visits to transplant and transfusion clinics, and at scientific conferences. Another important success factor is the product training that the company's specialists provide to both new and existing customers.

Accelerated growth through geographical expansion and new products

Glycorex is aiming for accelerated growth in India, Mexico, and Turkey, countries with the greatest growth potential for kidney transplants from living donors. In 2021, Glycosorb® ABO was approved in Turkey and sales activities and initiatives to include blood group incompatible transplants in the cost reimbursement system have already started.

The US is the world's largest market for kidney transplants. The country's new national goal of doubling the number of kidney transplants over the next decade to reduce rising costs for dialysis makes a launch in the US attractive.

Successful commercialization in the US requires regulatory approval from the FDA and the inclusion of Glycosorb® ABO in the US reimbursement systems. Glycorex registration work has been delayed due to the COVID-19 pandemic but will, depending on resources, become a priority in 2022. Together with the US, the markets we invest in account for 75% of all kidney transplants from living donors.

Since the beginning of 2020, marketing efforts in the prioritized developing markets of India, Mexico, and Turkey has been hampered by the COVID-19 pandemic. Glycorex will therefore, as soon as the situation allows, further develop the long-term sales activities in these markets.

The market for blood plasma intended for transfusion is estimated at approximately 30 million units globally. In the EU, approximately 4 million units of plasma are transfused to patients annually, which corresponds to a market size of more than one billion annually. The estimated demand for universal blood plasma (UBP) amounts to around one million units each year in the EU alone. UBP thus has the potential to become a high-volume product with continuously recurring sales.

Since the CE marking of Glycosorb UBP in 2020, Glycorex has initiated a pre-launch to generate knowledge of this specific segment of the market and to establish Glycorex as a strong brand also in the UBP arena. The ambition is to document, in cooperation with selected customers in Europe and the US, the best way to harness Glycosorb UBP's great potential in order to then optimize the business model and intensify sales efforts.

Continued great growth opportunities for Glycosorb® ABO

Glycosorb® ABO is a medical device that enables organ transplants across blood group boundaries. Since the first transplant in 2001, the treatment method has proven to be effective, gentle, and safe for the patient and used in both adults and children. Glycosorb® ABO has mainly been used in kidney transplants, but blood group-incompatible transplants of stem cells, liver, heart, lungs, and pancreas have also been made possible thanks to this unique product. Since its inception, Glycosorb® ABO has been used in more than 5,000 transplants with excellent medical results, which have been featured in over 60 articles in reputable medical journals.

Development in 2021

In 2021, sales increased to SEK 28.2 million. During the year, 23 new transplant centers were added as customers. By the end of 2021, Glycosorb® ABO has been used at more than 230 transplant centers in 28 countries.

The global transplant markets

Transplantation of organs is a well-proven treatment method. There are an estimated 300 transplant clinics in Europe and just over 250 in the United States. For the patient, a transplant means an improved quality of life as well as an increased life expectancy. In addition, each completed transplant gives significant cost savings for healthcare and society.

Significant drivers of renewed growth in kidney transplants

Globally, approximately 100,000 kidney transplants are performed annually, both from living and deceased donors. Kidney transplants from living donors make up a slightly smaller percentage of the total number of transplants but produce significantly better results. Thanks to Glycosorb® ABO, this type of transplant has been increased in several countries and in some of our markets by over 20 percent. Worldwide, it is estimated that more than 1,000 blood group-incompatible transplants are performed annually. In Europe, more than 400 blood group incompatible kidney transplants are performed each year and the vast majority of these are performed after the patient is treated with the company's product, Glycosorb® ABO. The total potential for living donor (LD) kidney transplants is estimated to be over 7,000 annually. In the United States, only about 70 blood group-incompatible kidney transplants are performed each year, as the company's product is not yet approved there. A similar penetration in the US as the company had, for example, on the German market would in the US mean about 1,400 blood group incompatible transplants per year.

Expansion opportunities in new markets. Common to most markets where Glycorex is not present is that transplants from living donors take place almost exclusively between compatible blood groups. In other words, there is great potential here to increase the number of possible transplants and thus significantly increase sales of Glycosorb® ABO. The markets that are relevant in the near future are Mexico and Turkey. Since the beginning of 2020, market work has been obstructed by the COVID-19 pandemic. As soon as the situation permits, the company will further develop the long-term marketing efforts.

Positive health economic effects. Glycorex continues to see significant growth opportunities for Glycosorb® ABO in renal medicine. The need for kidney transplants is expected to grow strongly by 2030 as the number of patients with chronic kidney diseases increases. Continuous dialysis treatment, which is the alternative to transplantation, is over time associated with very large costs and the potential savings of transplants are significant. Each completed kidney transplant saves about 150 dialysis treatments per year. This means that the kidney transplants performed after Glycosorb® ABO treatments can be estimated to save over 750,000 dialysis treatments per year. With a dialysis population estimated to reach over two million worldwide and estimated to increase to over five million by 2030, there is a great need for more transplants also from a health economic point of view.

Greatly improved quality of life. Thanks to Glycosorb® ABO enabling transplantation across the blood group barrier, more patients can get a new kidney while shortening the general waiting times. Shorter waiting time is important from a medical point of view because the result of a kidney transplant gets better the shorter the time the patient has been treated with dialysis before transplantation. A transplant generally means a longer life expectancy and a significant improvement in the patient's quality of life by avoiding continuous lifelong dialysis treatment. Patients can often return to work and a largely normal life after a transplant. In general, kidney transplantation from related living donors gives a much better result than transplantation from deceased donors.

Glycosorb® ABO continues →

Focus on including more types of transplants

Stem cell transplants. Every year, more than 90,000 stem cell transplants are performed globally, of which about 45 percent are allogeneic, i.e., the stem cells come from another person. Of these, about 20 percent have a blood group incompatibility that can cause serious complications and thus increase the risk of disease and death in the early phase after transplantation. A study from Austria has recently reported excellent results for Glycosorb® ABO for the treatment of pure red cell aplasia (PRCA) associated with blood group-incompatible stem cell transplants. Therefore, it is an advantage to use Glycosorb® ABO which is developed to specifically remove anti A/B antibodies without any impact on the immune system. The results of Glycosorb® ABO in stem cell transplants are promising, but experience is limited so far. If the long-term results turn out to be in the same class as in blood group incompatible organ transplants, the global potential for this application can be estimated to amount to just over SEK 200 million per year.

Liver transplants. In acute liver failure, quick access to a compatible liver is life changing. Glycosorb® ABO increases the possibility of transplantation for these patients. Globally, more than 35,000 liver transplants are performed annually, and the number may increase if more transplants are performed across blood group boundaries. Today, Glycosorb® ABO is mainly used in acute cases, but Glycorex has the ambition to broaden the use of Glycosorb® ABO to include blood group-incompatible transplants in non-acute cases.

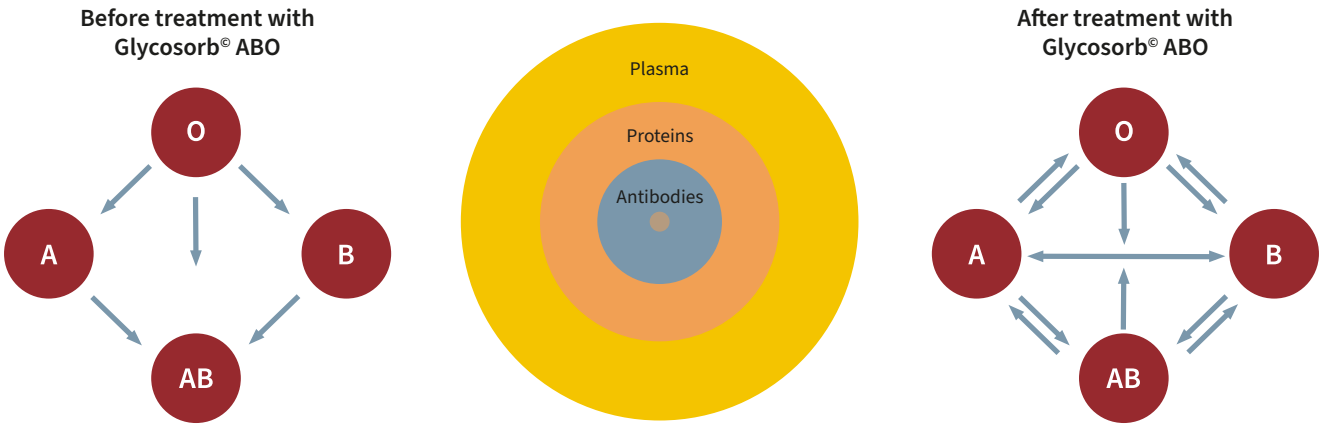
Emergency transplants. Transplants also include the heart, lung, and pancreas, but these transplants are significantly smaller market segments and Glycosorb® ABO is mainly used to enable blood group-incompatible transplants of these organs in emergency situations.

Acute heart transplants in children. Glycosorb® ABO is also used successfully in blood group incompatible acute heart transplants in children. During these operations, Glycosorb® ABO's column is integrated into the existing heart lung machine system used in a heart transplant. Glycosorb® ABO reduces the blood group-specific antibodies to low levels during surgery before the transplanted heart is connected and begins to beat. The experience from completed heart transplants with Glycosorb® ABO shows that the levels of the blood group-specific antibodies remain low after transplantation and that the transplanted children can be discharged from the hospital faster. This also leads to significant cost savings for healthcare.

Handisurya A, Worel N, Rabitsch W, Bojic M, Pajenda S, Reindl-Schwaighofer R, Winnicki W, Vychytil A, Knaus HA, Oberbauer R, Derfler K, Wohlfarth P; Antigen-Specific Immunoadsorption With the Glycosorb® ABO Immunoadsorption System as a Novel Treatment Modality in Pure Red Cell Aplasia Following Major and Bidirectional ABO-Incompatible Allogeneic Hematopoietic Stem Cell Transplantation

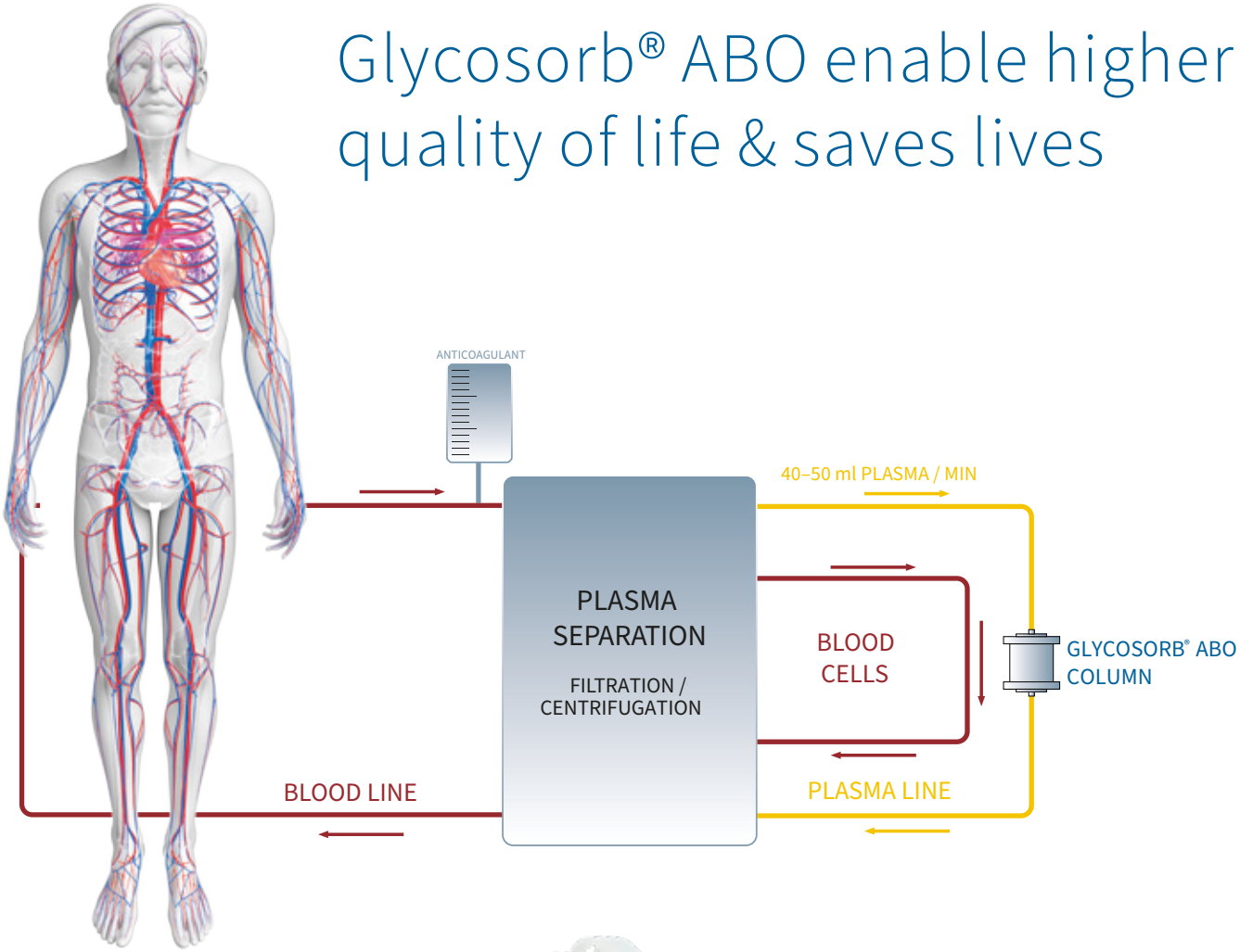
Frontiers in Medicine 2020 Oct 22;7:585628. doi: 10.3389/fmed.2020.585628.eCollection 2020.

Benefits of Glycosorb® ABO



Specific removal of Anti-A/B antibodies without effect on other antibodies or plasma components using Glycosorb® ABO

Glycosorb® ABO enable higher quality of life & saves lives



Glycosorb® ABO is a medical device that enables organ transplants across blood group borders. Since the first transplant in 2001, the treatment method has proven to be effective, gentle and safe for the patient and is used on both adults and children.

Glycosorb®UBP is developed to ensure access to universal blood plasma – an important tool for healthcare

Glycosorb® UBP is developed for the production of universal plasma (low titer anti-A/B blood plasma), that is, blood plasma that can be given to all patients regardless of blood type. Blood donor plasma is one of the most important tools healthcare has to treat patients in connection with surgeries, transplants, and severe traumas.

Currently, hospitals have to handle plasma from all blood groups, which means extensive logistics. In addition, there is a constant risk of shortage situations where plasma for one or more blood groups is missing or available to a limited extent. The need for continuous and safe access to blood plasma that can be given to all patients regardless of blood type is thus very great. It is to meet this need that Glycorex has developed Glycosorb® UBP.

Glycorex's product for the development of universal blood plasma is based on the same technology as Glycosorb® ABO for transplants but is aimed at another customer segment: transfusion clinics and blood centers.

In blood transfusions, compatibility with regard to blood groups is important. Transfusion of blood plasma that is ABO incompatible can lead to severe and fatal reactions. AB blood plasma does not contain anti-A or anti-B antibodies. The AB plasma is therefore often used in acute cases where the patient's blood type is unknown or when there is a shortage of plasma of the recipient's blood type.

However, AB plasma represents only about 5 percent of available blood plasma and thus the supply of compatible plasma is very limited. In addition, AB-plasma contains soluble AB antigens, which can react with blood group-specific antibodies and give rise to side effects. There is therefore a great need for a universal plasma that solves these problems.

Glycorex offers transfusion clinics and blood banks a very smooth and simple solution to produce universal blood plasma themselves. The process does not require any investment in additional equipment and by using Glycosorb® UBP, the blood bank and clinic can ensure that you have an adequate supply of blood plasma at all times.

Large potential market

Glycosorb® UBP is potentially a high-volume product. Estimates show that about 30 million units of blood plasma are produced annually on a global basis. In the EU alone, the demand for universal blood plasma amounts to around one million units each year. The pricing in the German plasma market is currently around SEK 1,200 per unit, which applied to the EU market corresponds to a market size of more than SEK 1 billion annually.

In 2020, Glycorex initiated the pre-launch of Glycosorb® UBP. The ambition is to document the benefits of the product through evaluations of selected reference customers in Europe and the US and, through long-term marketing, establish Glycosorb® UBP as the Gold Standard in its field.

In 2021, this work has resulted in excellent results from evaluations of Glycosorb® UBP being presented at four transfusion congresses: SETS in Spain, DGTI in Germany and SABM and AABB in the US.

Establishing a new standard in a strictly regulated market such as the transfusion market requires long-term work. The data presented at transfusion congresses in 2021 together with previously presented data from the US and Austria provide a solid basis for further intensifying market work.

Glycosorb® UBP is unique and breaks new ground within the regulated segment of the transfusion market. The data and documentation that is now received give Glycorex the conditions to launch the product on a broader scale.

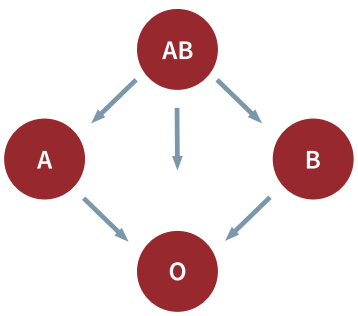
Additional uses

Glycorex also sees significant future potential for the development of universal whole blood and universal platelet concentrates. For platelet concentrates, today's method is based on centrifugation, this method is not completely safe because the platelets are at risk of being activated or damaged. The process is also time consuming, and the finished concentrate has a relatively short shelf life. Two comparative studies, one in the UK and one in Norway, have been initiated to compare Glycosorb® UBP's performance compared to existing methodology.

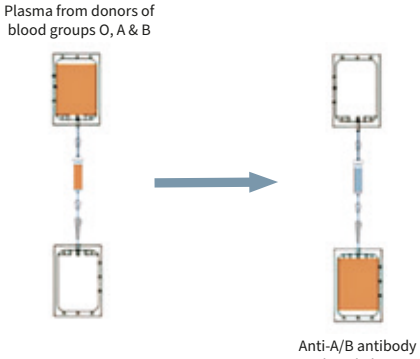
Use

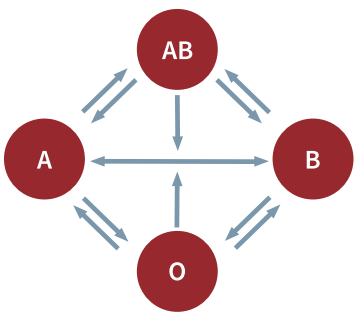
The production of universal blood plasma takes place when the donor's blood plasma is treated with Glycosorb® UBP, which selectively removes the blood group-specific anti-bodies. Universal blood plasma is a great advantage in cases where a patient needs large amounts of blood plasma as a result of, for example, traffic accidents.

The illustration below shows how easy it is to use Glycosorb® UBP and that no special equipment is required. The blood plasma to be treated simply flows via the gravitational force through the UBP column to a new blood bag.



Today's practice for blood transfusion





After treatment with Glycosorb© ABO 4 ml

Development strategy

Glycorex's goal is to develop and launch new products based on the company's unique technology platform. By building on the technology platform in specific, extracorporal blood treatment, the company will be able to contribute with world-leading medical devices that meet major medical needs and that have high safety and efficiency in patient treatment.

In 2021, the development of a new product for the treatment of the autoimmune disease rheumatoid arthritis (RA) continued with full force. The product being developed for the treatment of myasthenia gravis (MG) was deprioritized during the year to ensure resources for the RA project. In 2022, the company will, depending on resources, resume internal development activities for Myasthenia Gravis. The new products will have significant synergies with the company's existing product Glycosorb® ABO for production as well as sales.

All development and production is performed within Glycorex's own operations and the company has full control over the manufacture of active components for the Group's main products, patents and production technology that enable the development of new interesting products in medical carbohydrates.

Glycorex Transplantation's quality management system is certified according to ISO13485:2016.

Products for future development

Autoimmune diseases and cancer. Glycorex has developed a concept that selectively binds to galectins in plasma, which could potentially be valuable in the treatment of autoimmune diseases and cancers.

Expanded transplant options. Glycorex has also developed a solution that is intended to reduce both blood group-specific antibodies and HLA antibodies (Human Leukocyte Antigen) to potentially make it possible to transplant HLA-sensitized patients, who make up about 20 percent of all dialysis patients.

Continued progress in the project for the treatment of rheumatoid arthritis

Since the end of 2018, Glycorex has been collaborating with a leading European research institute to develop a product for the treatment of the autoimmune disease rheumatoid arthritis (RA). The goal is to reduce the presence of the RA-associated autoantibodies through an extracorporeal blood treatment, thereby relieving the severe symptoms of the disease.

Preparation for clinical study

Glycorex, together with the company's partner, has conducted in vitro trials to see how effective a treatment with Glycorex technology could be. The results are very promising and show that the products Glycorex developed selectively and quantitatively reduce the RA-associated antibodies in blood samples from different RA patients, even on blood from patients with the highest levels of these antibodies.

Based on the promising results from the simulated patient treatments, biocompatibility studies were conducted in 2020. The preclinical development phase has thus been successfully completed. Glycorex is currently preparing a clinical study together with the treating hospital. Further work remains to be done, but the ambition is for the clinical study to be prepared in 2022.

Rheumatoid arthritis affects up to one percent of the population

Rheumatoid arthritis is a relatively common, chronically progressing joint disease that occurs worldwide and affects up to one percent of the population. The onset of the disease, which may look different in different individuals, is most frequent between the ages of 45 and 65. Common is that joints and the structures around them are affected and broken down. Joint inflammation leads to pain, swelling and reduced mobility. Without treatment, the joints are destroyed.

The current medical treatment aims to alleviate the pain and delay the course of the disease. This works well for most patients, but up to 10 percent do not tolerate or have a weak response to the medical treatments. These patients are caught up in a therapeutic dead end.

Glycorex technology may enable more effective treatment

Most RA patients form RA-associated antibodies. The purpose of Glycorex's RA project is to use the company's unique technology to reduce the presence of the RA-associated antibodies and thus establish a more effective treatment of the disease.

Promising results in simulated patient treatments

Glycorex, together with the company's partner, has conducted in vitro trials to see how effective a treatment with Glycorex technology could be.

The results are very promising and show that the products Glycorex developed selectively and quantitatively reduce the RA-associated antibodies in blood samples from different RA patients, even on blood from patients with the highest levels of these antibodies.

Significant market

The market potential for an effective treatment of rheumatoid arthritis is considered to be significantly greater than for Glycosorb® ABO. In the EU alone, there are five million patients with rheumatoid arthritis, of whom up to 10% do not tolerate or respond less well to available medical treatments, i.e., up to 500,000 patients. Provided that the Glycorex RA product produces the desired clinical results, this implies a market potential that is at least 10 times greater than for Glycosorb® ABO.

Glycorex shares

Glycorex Transplantation AB's share has been listed on NGM Main Regulated Equity at Nordic Growth Market (NGM) since September 2001, which is an authorized trading venue under the supervision of the Swedish Financial Supervisory Authority. A trading item in the company's shares includes: 1,000 pcs. The share capital of Glycorex Transplantation AB at the end of the financial year amounted to SEK 3,692,699. The number of shares was 73,853,983 of which 3,268,000 Class A shares and 70,585,983 Class B shares. An A share has 10 votes and a Class B share one vote. On December 30, 2021, the number of shareholders was 5,133 (5,346) and the proportion of foreign-owned shares was 2.2 percent (5.1).

PRICE DEVELOPMENT AND LIQUIDITY

At the end of the year, the Glycorex share was listed at SEK 9.30 (11.50). The highest rate in 2021 was SEK 13.02 (19.25) and the lowest was SEK 8.66 (8.20). All rates are closing rates. During the year, approximately 19.1 million shares were traded via NGM (35.6).

SHARE CAPITAL AND OWNERSHIP

The share capital in Glycorex at the end of 2021 amounted to SEK 3,692,699 divided into 73,853,983 shares. All shares are equally entitled to dividends. An A share has 10 votes and a Class B share one vote.

DIVIDEND POLICY

The future dividend will be adjusted to Glycorex's earnings level, financial position and future development opportunities.

SHAREHOLDER INFORMATION

Financial information about Glycorex can be found on the Group's website. Questions can also be put directly to the company. It is possible to order annual reports, interim reports and other information from the Group's head office by telephone, from the website or by e-mail.

Web: www.glycorex.com
Email: ir@glycorex.com
Phone: 046 286 52 30

SHAREHOLDER VALUE

Glycorex's management works continuously to develop and improve the financial information around the company, in order to give both current and future owners good conditions to value the company in as fair a way as possible. This includes, among other things, actively participating in meetings with analysts, shareholders and the media.

Share development in 2021

Source: Cision/Millistream

Share capital development

Year, transaction, terms and conditions	Issue price	Increase in the number of shares	Increase in share capital	Total share capital	Total number of Class A shares	Total number of Class B shares	Quota value kr
1995-2001, total		33,194,458	1,659,723	1,659,723	3,268,000	29,926,458	0.05
2002 Directed issue	4.10	2,000,000	100,000	1,759,723	3,268,000	31,926,458	0.05
2002 Rights issue 1:6	4.00	5,532,409	276,620	2,036,343	3,268,000	37,458,867	0.05
2003 Rights issue 1:6	3.00	6,787,811	339,391	2,375,734	3,268,000	44,246,678	0.05
2004 Directed issue	3.85	2,300,000	115,000	2,490,734	3,268,000	46,546,678	0.05
2005 Directed issue	10.00	1,500,000	75,000	2,565,734	3,268,000	48,046,678	0.05
2006 Directed issue	11.00	3,000,000	150,000	2,715,734	3,268,000	51,046,678	0.05
2008 Directed issue	14.10	1,530,000	76,500	2,792,234	3,268,000	52,576,678	0.05
2013 Rights issue 4:45	2.50	4,963,968	248,198	3,040,432	3,268,000	57,540,646	0.05
2015 Rights issue 3:32	1.50	5,700,810	285,041	3,325,473	3,268,000	63,241,456	0.05
2018 Rights issue 3:32	2.50	3,344,527	167,226	3,492,699	3,268,000	66,585,983	0.05
2019 Directed issue	10.00	4,000,000	200,000	3,692,699	3268000	70,585,983	0.05
Total 2021-12-31		**73,853,983**	**3,692,699**	**3,692,699**	**3,268,000**	**70,585,983**	**0.05**

Ownership as of 30/12/2021

Shareholder	Class A shares	Class B shares	Completely number of shares	Votes %	Capital %
Nilsson, Kurt with wife and company*	1,866,000	424,933	2,290,933	18.48	3.10
Glycorex AB **	1,402,000	3,554,118	4,956,118	17.02	6.71
Försäkrings AB, Avanza pension		8,231,668	8,231,668	7.97	11.15
Wendt Investment AB		5,236,444	5,236,444	5.07	7.09
Nordnet Pensionsförsäkring AB		2,819,074	2,819,074	2.73	3.82
Henningson Affärsfastigheter AB		2,122,945	2,122,945	2.06	2.87
Westergren, Tomas		1,560,000	1,560,000	1.51	2.11
Skandia Försäkrings AB		1,471,792	1,471,792	1.43	1.99
Nederman, Bill		1,266,639	1,266,639	1.23	1.72
Hanson Richard		1,108,967	1,108,967	1.07	1.50
Månsson Björn		1,065,070	1,065,070	1.03	1.44
Coeli Wealth Management AB		965,880	965,880	0.94	1.31
AB Stena Finans		708,305	708,305	0.69	0.96
Swedbank Försäkring AB		568,762	568,762	0.55	0.77
Dentists Klemendz AB		557,482	557,482	0.54	0.75
AB Robertsvik, Luleå		510,000	510,000	0.49	0.69
Nilsson Ola		477,598	477,598	0.46	0.65
Giacone Marcello		467,889	467,889	0.45	0.63
SHB Luxembourg CL Acct		455,848	455,848	0.44	0.62
Hansson Per-Erik		449,720	449,720	0.44	0.62
Kolmert, Axel Harald		390,000	390,000	0.38	0.53
Hanvad Invest Aktiebolag		386,269	386,269	0.37	0.52
Folkesson Fredrik		385,600	385,600	0.37	0.52
Svensson Ronny		381,000	381,000	0.37	0.52
Other shareholders		35,019,980	35,019,980	33.91	47.41
Total	**3,268,000**	**70,585,983**	**73,853,983**	**100.00**	**100.00**

* Kurt Nilsson, Pia Nilsson and Bioflexin AB ** Glycorex AB is an independent company from Glycorex Transplantation AB (publ.) The company is owned by Chairman of the Board Kurt Nilsson, Bill Nederman and Jason Liebel.

Ownership structure as of 2021-12-30

Stock range	Number of Class A shares	Number of Class B shares	Capital-share %	Quantity shareholder	Share quantity owner %
1-500	0	344,223	0.47	1,773	34.54
501-1,000	0	615,701	0.83	771	15.02
1,001-5,000	0	3,722,830	5.04	1,561	30.41
5,001-10,000	0	2,893,645	3.92	392	7.64
10,001-15,000	0	2,094,135	2.84	168	3.27
15,001-20,000	0	1,609,893	2.18	90	1.75
20,001-	3,268,000	59,305,556	84.73	378	7.36
Total	**3,268,000**	**70,585,983**	**100.0**	**5,133**	**100.0**

Directors' report

The Board of Directors and the Ceo of Glycorex Transplantation AB (publ), corporate identity number 556519-7372, may hereby submit annual accounts and consolidated financial statements for the financial year 2021.

COMPANY'S REGISTERED OFFICE M.M.

Glycorex Transplantation AB (publ) operates in the association form limited liability company and has its registered office in Lund, Sweden. The head office address is Scheelevägen 27, Lund. The company has been listed on NGM Main Regulated Equity since September 2001. After the acquisition in early 2008 of Glycoprobe AB, the business is conducted as a group with Glycorex Transplantation AB as the parent company.

THE FOCUS OF THE BUSINESS

Glycorex Transplantation is a medical technology company with unique knowledge in biologically active carbohydrates and extracorporeal blood treatments. The goal is to contribute with world-leading medical, technical products that meet significant healthcare needs and at the same time show high safety and efficiency during patient treatment. The company's main product Glycosorb® ABO, is used clinically in four continents to facilitate blood group incompatible transplants, especially in kidney transplants from related living donors, but also in transplantation of liver, heart, lung and stem cells. Glycosorb® ABO enables grafts regardless of the blood group of donors and recipients. The product is used in extracorporeal blood treatment, that is, a blood treatment that takes place outside the body in the same way as dialysis. Glycosorb® ABO selectively and effectively reduces the part of the patient's antibodies that would otherwise lead to rejection during a transplant. Since the first transplant in 2001, more than 5,000 transplants have been performed with Glycosorb® ABO and in many countries blood group incompatible transplants are now performed routinely. The company has introduced Glycosorb® ABO at more than 230 centers in 28 countries and most of the sales are made directly, but distributors are also used.

The company is continuously developing new products based on its unique technology platform and in 2020 a CE-marked product intended to be used on donated plasma was launched to easily produce a universal blood plasma (UBP) that can be given regardless of the recipient's blood group.

The UBP product is developed to provide major improvements in logistics, safety and availability for transfusion clinics and blood banks.

All production takes place in-house and through the acquisition of Glycoprobe AB in 2008, the company has full control over the production of active components for the Group's main products, patents and production technology that enables the development of new products based on Glycosorb® technology. The company works continuously to streamline and scale up production capacity. This is important not only for Glycosorb® ABO, but also for the new UBP product. The company currently believes that production can be increased without major cost increases.

The focus of the company's development work is now to develop new treatments for severe autoimmune diseases. The closest to launch is a specific treatment for rheumatoid arthritis (RA) – a disease that affects about five million people in Europe.

CLINICAL USE

Glycosorb® ABO is approved for clinical use in Europe, Australia, India, Singapore, Thailand, Israel, Mexico and Turkey. Transplantation is a methodology that entails both increased quality of life and longer expected survival for the patient, as well as healthcare and society make significant cost savings compared to alternative treatment. For some organs such as the liver, heart and lung, there are no alternatives to transplantation. The alternative treatment for kidney transplantation is dialysis. The number of patients in need of transplantation increases year on year and there is a need for solutions that allow for more transplants.

Glycosorb® ABO is thus used when the donor and recipient have incompatible blood groups.

The clinical experience with the product shows that the treatment is gentle and effective. More than 60 scientific articles in reputable medical journals show excellent short- and long-term results fully comparable to blood group-compatible transplants.

The results show that after treatment with Glycosorb® ABO, transplantation of the kidney, liver, heart, lung and stem cells can be carried out even when the blood groups are not compatible between donor and recipient. This means that more transplants can be carried out, as well as provides greater opportunity to urgently transplant liver, heart and lung patients.

Theoretically, up to a third more kidney transplants from living donors could be carried out with the full use of blood group-incompatible donors. In practice, the potential for blood group-incompatible transplants stands at about 20 percent of the total number of transplants from living donors. The results obtained are better than the results of kidney transplants from deceased donors. Today, the waiting time for transplantation can be several years. A shorter waiting time is an important factor in the outcome and can sometimes be life-saving. Glycosorb® ABO allows for a shorter waiting time for transplantation compared to waiting for a suitable blood group compatible organ.

The company's technology not only means that lives can be saved and patients' quality of life improved, it also has very positive health economic effects. Each completed kidney transplant saves about 150 dialysis treatments per year, which means that the more than 5,000 kidney transplants performed after Glycosorb® ABO treatments can be estimated to save over 750,000 dialysis treatments per year.

Glycosorb® ABO is connected to existing equipment at the hospital and thus does not require any additional investments in order to be used. The product is developed, tested and approved for single use, which means that a new unit of the product should be used for each treatment of the patient. In addition to treatment with Glycosorb® ABO, treatment with immunosuppressive medications is carried out simultaneously.

The company's UBP product targets use in transfusion clinics and blood centers.

In blood transfusions, compatibility with regard to blood groups is important. Transfusion of blood plasma that is ABO incompatible can lead to severe and fatal reactions. AB blood plasma does not contain anti-A or anti-B antibodies.

The AB plasma is therefore often used in acute cases where the patient's blood type is unknown or when there is a shortage of plasma of the recipient's blood type. However, AB plasma represents only about 5 percent of available blood plasma and thus the supply of compatible plasma is very limited. In addition, AB-plasma contains soluble AB antigens, which can react with blood group-specific antibodies and give rise to side effects. There is therefore a great need for a universal plasma that solves these problems.

With the UBP product, tranfusion clinics and blood banks are offered a very smooth and simple solution to produce universal blood plasma themselves. The process does not require any investment in the form of additional equipment and by using the UBP product, the blood bank and clinic can ensure that they have adequate access to blood plasma at all times.

MARKET

Glycorex has been active in the global transplant market since the first kidney transplant was performed using the company's unique product Glycosorb® ABO in 2001. Since then, this technology, which enables transplants across the blood group barrier, has been used in more than 5,000 organ transplants.

Kidney disease is a global problem with more than 850 million people having some form of chronic kidney disease. The need for kidney therapy, either dialysis or transplantation, is therefore very large and growing.

There are also strong health economic reasons to increase the number of kidney transplants. Continuous dialysis treatment, which is the alternative to transplantation, is over time associated with very large costs. The potential savings of transplants are significant, and a transplant can have very large positive effects on patients' quality of life. The argument for transplantation is thus very strong and the company can help to increase the total number of organs available.

The number of patients waiting for a transplant has doubled in the last ten years and is expected to continue to increase at the same rate. Waiting times for kidney transplants amount to several years in most countries, with significant differences in waiting time between different blood groups.

By enabling transplants between donors and recipients from different blood groups , waiting times are reduced as more transplants become possible

between family members. The company estimates that the potential for blood group incompatible kidney transplants from living donors alone is at least 7,000 transplants globally a year. This requires that the transplant operations are allocated increased resources. Thus, there is a good potential to increase the number of transplants with the help of Glycosorb® ABO.

Organ transplantation is a well-proven method of treatment. There are an estimated 300 transplant clinics in Europe and just over 250 in the United States. The company is well established in Europe and aims for growth in India, Mexico and Turkey, countries with the greatest growth potential for kidney transplants from living donors. The United States is the world's largest market for kidney transplants. The new national targets of doubling the number of kidney transplants over the next decade to reduce increasing costs for dialysis and the fact that the current system for pairing donors with recipients is not effective, makes a launch in the US interesting for the company. In total, the company values the global market potential for blood group incompatible kidney transplants from living donors at approximately SEK 600 million per year.

To date, kidney transplants have mainly been performed with Glycosorb® ABO, but the product can also be used for liver, heart, lung, pancreas and stem cell transplants. Glycosorb® ABO can be used simultaneously with a cardiopulmonary machine, which allows the product to be used in emergency transplants, which broadens the scope of use. The company estimates that its use will also increase for other types of transplants. The company's sales, on the other hand, depend on the actual resources allocated to the transplant operations.

The company's new UBP product can be easily used to produce universal blood plasma. With the UBP product, blood banks and transfusion clinics can ensure the availability of the right blood plasma, thereby increasing the safety of blood transfusions and improving warehousing and logistics. A launch has begun in-house with the strategy to allow selected key customers to start using the product, which lays the foundation for a continued successful and broad launch.

It is estimated that approximately 30 million units of blood plasma are produced annually for transfusion globally. In the EU, approximately four million units of plasma are transfused to patients annually. Estimated demand for universal blood plasma amounts to around one million units each year in the EU alone. The pricing on the German market for standardized plasma is currently around SEK 1,200 per unit, which applied to the market in the EU would correspond to a market size of more than SEK 1 billion annually.

DEVELOPMENT OF THE YEAR

Demand and thus the company's sales have varied during 2021 as a result of Covid-19. The pandemic has resulted in fewer elective, i.e. non-emergency, operations. However, the overall transplant trend for 2021 is generally positive. The number of units sold increased by 10 percent compared to 2020. The difference from net sales is attributed to increased sales in markets with lower price levels, including India. Despite the challenging situation for healthcare systems around the world in 2021, the company managed to increase sales in most countries. In Spain and Sweden, sales records were achieved.

GROUP

Net sales increased during the year by 5 percent and amounted to SEK 28.2 million (27.0). Operating profit after depreciation amounted to SEK -11.8 million compared to SEK -7.7 million in the previous year. Profit for the year was SEK -12.2 million (-8.0), giving earnings per share of SEK -0.17 (-0.11).

The increased personnel costs during the year are a result of a targeted investment in increased competence in quality work, regulatory work, market development and general management. In 2021, Glycorex has received government conversion support of SEK 852 thousand, which is reported as other operating income.

Cash flow for the year was SEK -7.0 million (33.7). Investments in intangible fixed assets amounted to SEK 0.7 million (1.6). The investments constitute capitalized costs on the development of the RA product. Investments in tangible fixed assets amounted to SEK 1.9 million (0.4), which has mainly been financed through the raising of loans from credit institutions.

There were no significant transactions with related companies in 2021.

The Group's cash and cash equivalents including short-term investments were SEK 42.1 million at the end of the year (49.3 at the beginning of the year). Equity amounted to SEK 83.0 million (95.2), corresponding to SEK 1.12 per share (1.29).

The Group's equity/assets ratio at the end of the year was 81.5 percent (84.5).

The tax deficit as of 31 December 2021 amounted to approximately SEK 128.7 million (116.6). For more information see Note 14.

PARENT COMPANY

Net sales amounted to SEK 28.2 million (27.0). Operating profit amounted to SEK -10.5 million (-7.5). Profit for the year was SEK -12.5 million (-7.5).

The equity/assets ratio was 91.0 percent (93.7).

During the years 1997–2001, SEK 45.2 million has been capitalized for Glycosorb® ABO. The capitalization corresponds to the company's costs on product development, including manufacturing processes and preclinical testing, as well as a fair share of indirect costs. Expensed development costs for the year amounted to SEK 2.3 million (1.6). As of 2002, development costs have been expensed as the company has started the commercial phase.

Cash flow for the year was SEK -7.2 million (33.6). Investments in intangible fixed assets amounted to SEK 0 million (0.4). Investments in tangible fixed assets amounted to SEK 0.5 million (0.4). Cash and cash equivalents, including short-term investments, amounted to SEK 41.7 million (49.1) at year-end. Tax deficit as of 31 December 2021 amounted to approximately SEK 128.4 million (116.1). For more information see Note 14.

MULTI-YEAR OVERVIEW

The group's multi-year overview can be found on page 56.

NEW PRODUCTS AND MARKETS

The company is aiming for accelerated growth rates in India, Mexico and Turkey, countries with the greatest growth potential for kidney transplants from living donors. Glycosorb® ABO is now approved in Turkey and sales activities and initiatives to include blood group-incompatible transplants in the cost reimbursement system have begun.

The company's new UBP product can be easily used to produce universal blood plasma. The UBP product gives blood banks and transfusion clinics the opportunity to ensure the availability of the right blood plasma, thereby increasing the safety of blood transfusions and improving warehousing and logistics. The UBP product was CE-marked in June 2020 and a launch has begun in-house with the strategy to allow selected key customers to start using the product, which lays the foundation for a continued successful and broad launch. The market potential is described on page 15. The company considers that existing production capacity is sufficient for the need for the market introduction.

AUTOIMMUNE DISEASES

Rheumatoid arthritis

Since the end of 2018, the company has been collaborating with a leading European research institute to develop a product for the treatment of the autoimmune disease rheumatoid arthritis (RA).

The goal is to reduce the presence of the RA-associated autoantibodies through an extracorporeal blood treatment, thereby relieving the severe symptoms of the disease.

Together with the company's partners, in vitro trials have been conducted to see how effective a treatment with Glycorex technology could be. The results are very promising and show that the products developed selectively and quantitatively reduce the RA-associated autoantibodies in blood samples from different RA patients even on blood from patients with the highest levels of these antibodies.

Based on the promising results from the simulated patient treatments, biocompatibility studies were conducted in 2020 with good results. The next step is to conduct clinical studies on RA patients and the company is in discussions with the treating hospital regarding the patient treatments.

The market potential for an effective treatment of RA is considered to be significantly greater than for Glycosorb® ABO. In the EU alone, there are five million patients with RA, of whom up to 10% do not tolerate or respond less to available medical treatments, i.e. up to 500 000 patients in Europe. Provided that Glycorex RA product produces the desired clinical results, this implies a market potential that is at least 10 times greater than for Glycosorb® ABO. In 2021, the company has prioritized the RA project in relation to other development projects.

NEW APPLICATIONS BASED ON THE COMPANY'S TECHNOLOGY

Myasthenia gravis (MG) is an autoimmune disease for which there is currently no specific and effective treatment. More than 50,000 people in Europe are estimated to suffer from this disease. More than 3,000 of these patients are treated with repeated plasma changes each month. These patients are the primary target group for the company's product.

Within the myasthenia gravis project, the company has developed a full-scale column, which has been shown to effectively eliminate autoantibodies in blood plasma from MG patients in the in vitro trials conducted. The product shall be validated for storage stability, biocompatibility and function. This project has not been prioritized in 2021 due to the company's focus on the RA project above.

In addition to the RA and MG projects, Glycorex has the ambition to be able to carry out tests at a later stage to study and validate the effectiveness of two new variants of Glycosorb®. The first product selectively binds to galectins, but not to other proteins in plasma. Elevated levels of one or more galectin in plasma have been shown to have a pro-inflammatory effect and be associated with a variety of diseases such as autoimmune diseases and cancer. The potential for this product is considered to be very high, provided that the product is shown to have a clear clinical effect, for example in renal failure and/or metastatic cancer.

The second product is intended to reduce both blood group-specific antibodies and HLA antibodies. The results obtained are promising, both blood group antibodies and HLA antibodies are simultaneously reduced in blood plasma (in vitro). This makes it potentially possible to transplant regardless of blood group combination and regardless of whether the patient is HLA sensitized or not. Today, about 20 percent of all dialysis patients are estimated to be HLA-sensitized, i.e. nearly half a million patients worldwide. These two projects require continued development work before each product can be validated and registered.

QUALITY MANAGEMENT SYSTEM

Glycorex Transplantation's quality management system is certified according to ISO13485:2016 and annual inspections are carried out.

PATENT

Glycorex has control over patents, product patents and production technology that enables the development of Glycosorb® ABO and new products in medical carbohydrates based on the same technology platform. The company works continuously to expand and strengthen the technology base and patent protection through product development and patenting. In addition to internal resources, reputable patent attorneys with knowledge of the global patent management regarding the application, maintenance and defense of patents and trademarks are engaged.

PROSPECTS

The company has gradually established Glycosorb® ABO in the markets in Europe and is long established in the region, which accounts for more than 80% of sales with Germany as the company's largest single market. In recent years, sales in new markets such as India, Israel, Thailand and Mexico have begun. As the Covid-19 pandemic subsides, the Company sees good opportunities for continued growth for Glycosorb® ABO in both existing and new markets. The company estimates that the potential for blood group-incompatible kidney transplants from living donors alone is at least 7,000 transplants globally a year. There is thus a good potential to increase the number of transplants with the help of Glycosorb® ABO provided that the transplant operations are allocated more resources.

In countries such as India, Mexico and Turkey, where the Company has distributors, a very large number of kidney transplants are performed from living donors and there are good growth opportunities for Glycosorb® ABO. Based on the large number of kidney transplants in these three countries, the Company estimates that there is an annual potential of at least SEK 185 million for Glycosorb® ABO.

Another interesting growth area is to broaden the use of Glycosorb® ABO to include several types of transplants. To date, it is mainly kidney transplants performed with Glycosorb® ABO, but its use in liver, heart, lung and stem cell transplants can be expected to increase.

The company's new UBP product was CE-marked in June 2020 and a launch has begun in-house. Once the product is established in transfusion clinics and blood centers, this is a high-volume product with a great sales potential.

In the field of autoimmune diseases, there is great potential. If the company's RA product produces the desired clinical results, this means a market potential that is at least 10 times greater than for Glycosorb® ABO. Even for the company's MG product, there is great potential when the product is ready-developed and launched.

CORPORATE GOVERNANCE

Glycorex Transplantation AB has chosen to prepare a corporate governance report separate from the annual report, supported by ÅRL 6 § 8, which is provided on pages 52-54.

THE WORK OF THE BOARD OF DIRECTORS

The Board of Directors consists of five members and one deputy. Since the Annual General Meeting 2021, the Board of Directors has held six (6) recorded meetings including a constituent meeting and the work has followed the rules of procedure adopted by the Board of Directors.

CURRENCY EXPOSURE

Invoicing to customers is mostly in Euro, while purchases are mostly made in Swedish kronor. Some consulting services are acquired in U.S. dollars and Euros. As in 2020, the company has not used currency hedging in 2021. Future revenues and expenses will be affected by fluctuations in exchange rates.

ENVIRONMENTAL INFORMATION

Glycorex Transplantation's environmental impact is generally small. Waste is sorted at source and special procedures are applied when handling waste.

STAFF

The average number of employees in the Group during the financial year was 24 persons (22). In the parent company, the average number of employees was 17 (15).

PROPOSAL FOR GUIDELINES FOR REMUNERATION TO MEMBERS OF THE BOARD AND CEO

Board members

Fees for board work are paid to the chairman of the board and members in accordance with the resolution of the annual general meeting.

Any consultancy assignments that an individual member has for the company in addition to board work are compensated by market-based payment in the form of cash compensation. Compensation shall be determined on the basis of the scope of the assignment. The assignment shall be timed and last until the next annual general meeting. The assignment shall be documented in agreements specifying the assignment elements and agreed remuneration. Compensation is paid in arrears after work has been carried out.

If a member is employed by the company, the employment applies to the same conditions as for the CEO, but without the possibility of such variable salary as the CEO may receive.

Otherwise, there shall be no remuneration to members.

CEO, Company Management

Remuneration to the CEO consists of fixed salary and other benefits.

The fixed salary shall be in accordance with market conditions and be negotiated annually by the Board of Directors.

In addition to a fixed salary, car benefits are paid that shall correspond to a maximum of 10 percent of the fixed salary and pension benefit that shall be defined contribution and correspond to a maximum of 25 percent of the fixed salary.

The Board of Directors is given the opportunity to establish a bonus system for the CEO in the form of variable salary. Variable salary shall not exceed 25 per cent of the fixed salary. Variable salary is paid on target fulfilment based on three predetermined and measurable criteria. They are the development of (i) net sales, (ii) cash flow, and profitability, and (iii) quality and product and market development during the financial year. The extent of remuneration for (i) and (ii) is determined after the annual report has been determined. The extent of compensation for (iii) is determined on the basis of objective results during the financial year. The Board of Directors establishes detailed requirements regarding (i) – (iii). Variable remuneration paid on manifestly incorrect grounds shall be refunded.

Severance pay in addition to salary during the agreed notice period of a maximum of one year shall not occur. Where applicable, these terms and conditions with specified frameworks also apply to the Deputy Managing Director.

Where applicable, the terms and conditions also apply to other members of the company's management, who, however, only receive bonuses as other employees.

The company's business strategy and long-term interests include increasing sales, creating a good cash flow and continuing product development. By directly linking variable salary to the result of these parameters, the intention is that the Director's performance contributes to achieving these goals and creating value for shareholders. This also creates a long-term sustainable business.

Other employees

The Board of Directors is also given the opportunity to set up a bonus system for other staff throughout

the Group. The aim is to promote the long-term value of the company. The bonus salary is paid on an annual basis and is paid afterwards to each employee with the same amount corresponding to an average monthly salary for the entire staff (excluding pensions and other benefits). The total amount paid to the entire staff including employer's contributions shall be included within 10 percent of the year's profit at group level determined at the annual general meeting after the vesting year. If that condition is not met, the bonus salary is reduced accordingly until the amount is within this limit.

Other

All remuneration to members and the CEO is prepared and decided by the Board of Directors, whereby the Swedish Companies Act's rules on conflict of interest are applied.

Salary and other remuneration in accordance with the terms above have been set in relation to the company's wage costs and total costs in order to find a balance and reasonable level. The terms of employment in general do not differ in an unusual manner from the conditions for other personnel.

In addition to remuneration as described above, bonuses, remuneration based on shares, warrants or convertibles, incentive programs or other variable remuneration shall not occur.

The latest adopted guidelines for remuneration to senior executives are presented in Note 4.

EFFECTS OF THE COVID-19 PANDEMIC

Covid-19 has affected the company's sales as significantly fewer elective, i.e. non-emergency, operations have been performed in many countries during large parts of 2021. However, the overall transplant trend for 2021 is positive, which is a good basis for long-term growth.

Glycorex currently sees no impact on production capacity, but closely monitors the availability of raw materials for production, as there may be a risk of a shortage of some raw materials.

Travel restrictions and other restrictions due to the pandemic, have limited physical customer meetings and participation in conferences for much of 2021. Glycorex has effectively switched to digital meetings and training with customers and distributors. During the fourth quarter, the company also participated physically as an exhibitor at the German transplant congress DTG (Deutsche Transplantationsgesellschaft) in Stuttgart.

EFFECTS OF THE WAR IN UKRAINE

The conflict between Russia and Ukraine currently has no direct effect on the company's supplies. Glycorex has no customers or suppliers in Russia or Ukraine.

RISKS

An investment in Glycorex Transplantation AB is associated with risk-taking. The company is affected by a number of external and risk factors whose effects on the company's future development are difficult to predict. Below are some of the risks that may have an impact on the company's future.

Financial risks and risk management. The Group is exposed to currency, financing and interest rate risks. Description of the risks and their management can be found in Note 20.

Production. Through the acquisition of Glycoprobe AB at the beginning of 2008, Glycorex Transplantation AB has control over the production of active components for the Group's main products, patents and production technology that enables the development of new products in medical carbohydrates.

The Group works continuously to streamline and scale up production capacity. This is important not only for Glycosorb® ABO, but also for the new UBP product. The company is currently well equipped for scaling up production if necessary. However, there is no guarantee that Glycorex Transplantation will be able to scale up production capacity at a fast enough pace to be able to produce and deliver the products at the pace of market development. It is also not possible to rule out that operational and production disruptions may occur.

Key persons. Glycorex's future results depend on the ability to attract and retain qualified management as well as personnel for production, product development, marketing and sales.

Authorities. The company's manufacturing, marketing and clinical results are under the supervision of authorities whose decisions may affect the business. Similarly, the company is dependent on the resources allocated to the transplant business globally.

The media has been shown to be able to influence the willingness to donate and cause a decline in transplant operations, including of transplants from living donors.

Competition. The most important competition today consists of continued dialysis treatment and the use of protein columns/plasma filters in blood group incompatible transplantation. Dialysis/plasma filters are relatively inexpensive to purchase, but the treatments with these products are not specific and are overall more expensive and cause greater side effects than the Company's method. The paired exchange program also represents competition for the Company's products. Competitors with significantly greater resources and ingrained treatment methods make it difficult to introduce the company's products.

The biotechnology and medical technology industry is developing at a fast pace and is likely to do so in the future. It cannot be ruled out that alternative, competing methods are established or that new priorities are taking place in the field of transplantation.

Development of new products. The company is developing new medical devices. All such activities are associated with risk and costs, which also applies to Glycorex.

The development of new medical devices is time consuming and requires a great deal of expertise. Mdr (Medical Device Regulation), a regulation that replaced the previous EU directives and the Swedish Medical Devices Act, entered into force in May 2021. In 2021, the Company has prepared for certification under MDR in Europe. Work on this will continue in 2022. Completion of materials or studies may take longer and/or become more expensive than initial calculations. In connection with MDR, clinical trials are required, which may affect the development work. Regulatory authorities require validation to be carried out in order for a product to be registered and used in humans. The results of such validations may be unforeseen and undesirable or delayed due to errors by hired external suppliers, which is why the Company's estimated costs and timeframes are associated with uncertainty. Unforeseen results may also lead to concepts and studies having to be reassessed and new supplementary studies may need to be carried out. This may result in significant additional costs, delays or the complete closure of studies or projects.

Launch of new products. Since the company develops products that usually have a unique and pioneering use, there is always a risk that market acceptance takes longer as these products will replace incorporated and established treatments and methods.

Future capital needs. The company's ability to meet future capital needs is largely dependent on the success of the development and launch of the products and subsequent sales successes. There is no guarantee that the company will be able to raise the necessary capital even if the development is positive in the company. There is also a dependency on the state of the market for available risk capital.

Product. Although the patient treatments have so far been shown to be gentle and no serious side effects of the product have been reported so far, for example, a hidden defect in the starting material or in production, or an incorrect product use by the customer can lead to side effects, which can negatively affect the company and the product's continued use.

SHARES AND OWNERSHIP

After the directed share issue in January 2020, the number of Class A shares amounts to 3,268,000. The number of Class B shares amounts to 70,585,983 and the total number of shares to 73,853,983. The share capital is SEK 3,692,699. The quota value of the share is SEK 0.05. One Class A share has 10 votes and one Class B share one vote. There is a limitation in the Articles of Association regarding the transferability of class A shares.

There are no agreements with the company as a party that take effect, change or expire if control of the company changes as a result of a public takeover offer. Board members are appointed annually at the Annual General Meeting and the Articles of Association do not contain any restrictions on the appointment or dismissal of board members or changes in the Articles of Association.

SHAREHOLDERS 2021-12-30 WITH LARGER HOLDINGS

Owner	Class A shares	Class B shares	Votes, %	Capital, %
Nilsson, Kurt with wife and company*	1,866,000	424,933	18.48%	3.10%
Glycorex AB**	1,402,000	3,554,118	17.02%	6.71%
Försäkrings AB, Avanza pension	-	8,231,668	7.97%	11.15%
Wendt Investment AB	-	5,236,444	5.07%	7.09%
Other	-	53,138,820	51.46%	71.95%
Total	**3,268,000**	**70,585,983**	**100.00%**	**100.00%**

* Kurt Nilsson, Pia Nilsson and Bioflexin AB
** Glycorex AB is an independent company from Glycorex Transplantation AB (publ). The company is owned by Chairman of the Board Kurt Nilsson, Bill Nederman and Jason Liebel.

PROPOSED DISPOSITION OF THE COMPANY'S RESULTS

Proposed disposition of the company's results (Amount SEK)	
The Board of Directors proposes that:	
Share premium fund	99,334,874
Profit brought forward	-47,828,555
Profit for the year	-12,274,395
Total	**39,231,924**
be disposed as follows:	
To be carried forward	39,231,924
Total	**39,231,924**

Income statement for the Group

Amount in KSEK	Note	2021	2020
Net sales	2	28,202	27,000
Change in stocks of finished goods		-628	-81
Capitalized work on own account		683	1,640
Other operating income	3	1,324	1,654
Total		**29,581**	**30,213**
Operating expenses			
Raw materials and supplies	18	-3,319	-3,929
Other external costs	5,6,18	-9,149	-9,284
Personnel costs	4	-20,085	-16,419
Depreciation and amortization of intangible fixed assets	10	-3,764	-3,148
Depreciation of tangible fixed assets	6,11	-4,731	-4,682
Other operating expenses	3	-377	-475
Operating profit		**-11,844**	**-7,724**
Profit from financial items			
Financial income	7	5	13
Financial expenses	8	-402	-339
Profit before tax		**-12,241**	**-8,050**
Tax on profit for the year	9	-2	10
Profit for the year		**-12,243**	**-8,040**
Profit attributable to the parent company's shareholders		-12,243	-8,040
Earnings per share	17	-0.17	-0.11
Average number of shares		73,853,983	73,590,732
Number of shares at year-end		73,853,983	73,853,983

There are no dilution effects to take into account.

Report on comprehensive income for the Group

Amount in KSEK	Note	2021	2020
Profit for the year		-12,243	-8,040
Items that can later be reversed in the income statement:			
Financial assets measured at fair value		-5	1
Other comprehensive income for the year		**-5**	**1**
Comprehensive income for the year		**-12,248**	**-8,039**
Comprehensive income attributable to the parent company's shareholders		**-12,248**	**-8,039**

Balance sheet for the Group

Amount in KSEK	Note	2021-12-31	2020-12-31
ASSETS			
Fixed assets			
Intangible fixed assets	10		
Balanced cost on development work		40,297	43,378
Tangible fixed assets	11		
Machinery and technical equipment		2,666	1,143
Equipment		65	74
Right-of-use assets	6	8,214	10,157
Total fixed assets		**51,242**	**54,752**
Current assets			
Inventories etc.			
Raw materials and supplies		1,628	1,713
Finished goods		1,892	1,883
Short-term receivables			
Accounts receivable	20	2,835	2,277
Current tax assets		165	655
Other receivables		773	986
Prepaid expenses and accrued revenue	13	1,130	1,127
Short-term investment	15	952	957
Cash and cash equivalents		41,182	48,345
Total current assets		**50,557**	**57,943**
TOTAL ASSETS		**101,799**	**112,695**
EQUITY AND LIABILITIES			
Equity	16		
Share capital		3,692	3,692
Other contributed capital		119,760	119,760
Reserves		-55	-50
Profit brought forward		-28,201	-20,161
Profit for the year		-12,243	-8,040
Total equity		**82,953**	**95,201**
Total equity attributable to the parent company's shareholders		**82,953**	**95,201**
Long-term liabilities			
Long-term liabilities to credit institutions	20	1,063	-
Long-term lease liabilities	6	4,141	5,994
Deferred tax liability	14	121	119
Total long-term liabilities		**5,325**	**6,113**
Current liabilities			
Current liabilities to credit institutions	20	622	-
Short-term lease liabilities	6	3,226	3,346
Accounts payable	20	1,128	909
Other liabilities		3,187	2,295
Accrued expenses	19	5,358	4,831
Total current liabilities		**13,521**	**11,381**
TOTAL OF EQUITY AND LIABILITIES		**101,799**	**112,695**

Change in equity, Group

Amount in KSEK	Share capital	Other contributed capital	Fair value reserve	Retained earnings including profit for the year	Total equity
Opening equity 2020-01-01	**3,492**	**80,072**	**-51**	**-20,161**	**63,352**
Profit for the year	–	–	–	-8,040	-8,040
Other comprehensive income for the year	–	–	1	–	1
Total changes in equity excluding transactions with the company's owners	**–**	**–**	**1**	**-8,040**	**-8,039**
New share issue*	200	39,688	–	–	39,888
Total transactions with the company's owners	**200**	**39,688**	**–**	**–**	**39,888**
Closing equity 2020-12-31	**3,692**	**119,760**	**-50**	**-28,201**	**95,201**
Opening equity 2021-01-01	**3,692**	**119,760**	**-50**	**-28,201**	**95,201**
Profit for the year	–	–	–	-12,243	-12,243
Other comprehensive income for the year	–	–	-5	–	-5
Total changes in equity excluding transactions with the company's owners	**–**	**–**	**-5**	**-12,243**	**-12,248**
Total transactions with the company's owners	**-**	**-**	**–**	**–**	**–**
Closing equity 2021-12-31	**3,692**	**119,760**	**-55**	**-40,444**	**82,953**

* New share issue expenses of SEK 0 million (SEK 0.1 million) have reduced the capital received

Cash flow statement for the Group

Amount in KSEK	Note	2021	2020
Operating activities			
Profit after financial items		-12,241	-8,050
Adjustments for items not included in cash flow 1)		8,661	7,744
Income tax paid		490	-285
Cash flow from operating activities before changes in working capital		**-3,090**	**-591**
Cash flow from changes in working capital			
Decrease /Increase in inventories		76	-252
Decrease /Increase in operating receivables		679	2,110
Increase /Decrease in operating liabilities		1,640	-5
Cash flow from operating activities		**-695**	**1,262**
Investing activities			
Acquisition of intangible fixed assets		-683	-1,640
Acquisition of tangible fixed assets		-1,865	-374
Cash flow from investing activities		**-2,548**	**-2,014**
Financing activities			
New share issue		-	39,888
Raising of loans		1,859	-
Amortization of loans		-173	-
Amortization of lease liabilities		-5,478	-5,397
Cash flow from financing activities		**-3,792**	**34,491**
Cash flow for the year		**-7,035**	**33,739**
Cash and cash equivalents at the beginning of the year		**49,302**	**15,586**
Exchange rate differences in cash and cash equivalents		**-133**	**-23**
Cash and cash equivalents at year-end , 2)		**42,134**	**49,302**

SUPPLEMENTARY INFORMATION FOR CASH FLOW STATEMENT			
Interest paid and dividends received			
Interest and dividends received	7	5	5
Interest paid	8	-269	-339
1) Adjustments for items not included in cash flow			
Depreciation and amortization of assets		8,495	7,830
Unrealized exchange rate differences		166	-86
		8,661	**7,744**
2) Cash and cash equivalents			
Cash and bank		41,182	48,345
Short-term investment		952	957
Total cash and cash equivalents		**42,134**	**49,302**

The above items have been classified as cash and cash equivalents on the basis that:
They can be easily converted into cash and are only exposed to insignificant risk of fluctuations in value.

Income statement for the parent company

Amount in KSEK	Note	2021	2020
Net sales	2	28,202	27,000
Change in stocks of finished goods		-628	-81
Capitalized work on own account		-	406
Other operating income	3	1,324	1,649
Operating income		**28,898**	**28,974**
Operating expenses			
Raw materials and supplies	18	-10,490	-11,257
Other external costs	5,6	-11,091	-11,023
Personnel costs	4	-15,042	-11,526
Depreciation and amortization of intangible fixed assets	10	-2,122	-2,067
Depreciation of tangible fixedassets	11	-229	-162
Other operating expenses	3	-377	-472
Operating profit		**-10,453**	**-7,533**
Profit from financial items			
Financial income	7	5	16
Financial expenses	8	-146	-1
Profit after financial items		**-10,594**	**-7,518**
Appropriations			
Group contributions made		-1,680	–
Profit before tax		**-12,274**	**-7,518**
Tax on profit for the year	9	–	–
Profit for the year		**-12,274**	**-7,518**

Statement of comprehensive income for the Parent Company

Amount in KSEK	Note	2021	2020
Profit for the year		-12,274	-7,518
Other comprehensive income for the year		–	–
Comprehensive income for the year		**-12,274**	**-7,518**

Balance sheet for Parent company

Amount in KSEK	Note	2021-12-31	2020-12-31
ASSETS			
Fixed assets			
Intangible fixed assets	10		
Balanced costs on development work		23,352	25,474
Tangible fixed assets	11		
Machinery and technical equipment		1,039	780
Equipment		64	73
Financial fixed assets			
Shares in group companies	12	5,151	5,151
Total fixed assets		**29,606**	**31,478**
Current assets			
Inventories etc.			
Raw materials and supplies		1,107	1,237
Finished goods		1,892	1,883
Short-term receivables			
Accounts receivable	20	2,835	2,277
Current tax assets		50	445
Receivables from group companies		14,832	15,832
Other receivables		753	985
Prepaid expenses and accrued revenue	13	1,610	1,596
Short-term investment	15	952	957
Cash and Bank		40,785	48,097
Total current assets		**64,816**	**73,309**
TOTAL ASSETS		**94,422**	**104,787**
EQUITY AND LIABILITIES			
Equity	16		
Restricted equity			
Share capital		3,692	3,692
Reserve fund		33,014	33,014
Fund for capitalized development costs		9,983	11,880
Total restricted equity		**46,689**	**48,586**
Unrestricted equity			
Share premium fund		99,335	99,335
Profit brought forward		-47,828	-42,207
Profit for the year		-12,274	-7,518
Total unrestricted equity		**39,233**	**49,610**
Total equity		**85,922**	**98,196**
Long-term liabilities			
Long-term liabilities to credit institutions	20	232	-
Total long-term liabilities		**232**	**-**
Current liabilities			
Current liabilities to credit institutions	20	91	-
Accounts payable	20	892	667
Liabilities to group companies		299	313
Other liabilities		2,894	2,074
Accrued expenses	19	4,092	3,537
Total current liabilities		**8,268**	**6,591**
TOTAL EQUITY AND LIABILITIES		**94,422**	**104,787**

Change in equity, parent company

Amount in KSEK	Restricted equity			Unrestricted equity		
	Share capital	Reserve fund	Fund for capitalized develop-ment costs	Other un-restricted capital	Year result	Total own capital
Opening equity 2020-01-01	**3,492**	**33,014**	**12,897**	**9,235**	**7,188**	**65,826**
Profit disposition	–	–	–	7,188	-7,188	–
Profit for the year	–	–	–	–	-7,518	-7,518
Reallocation capitalized development costs	–	–	-1,017	1,017	–	–
Total changes in equity excluding transactions with the company's owners	**–**	**–**	**-1,017**	**8,205**	**-14,706**	**-7,518**
New share issue*	200	–	–	39,688	–	39,888
Total transactions with the company's owners	**200**	**–**	**–**	**39,688**	**–**	**39,888**
Closing equity 2020-12-31	**3,692**	**33,014**	**11,880**	**57,128**	**-7,518**	**98,196**
Opening equity 2021-01-01	**3,692**	**33,014**	**11,880**	**57,128**	**-7,518**	**98,196**
Profit disposition	–	–	–	-7,518	7,518	–
Profit for the year	–	–	–	–	-12,274	-12,274
Reallocation capitalized development costs	–	–	-1,897	1,897	–	–
Total changes in equity excluding transactions with the company's owners	**–**	**–**	**-1,897**	**-5,621**	**-4,756**	**-12,274**
Total transactions with the company's owners	**–**	**–**	**–**	**–**	**–**	**–**
Closing equity 2021-12-31	**3,692**	**33,014**	**9,983**	**51,507**	**-12,274**	**85,922**

* New share issue expenses of SEK 0 million (SEK 0.1 million) have reduced the capital received

Cash flow statement for the Parent Company

Amount in KSEK	Note	2021	2020
Operating activities			
Profit after financial items		-10,594	-7,518
Adjustments for items not included in cash flow 1)		2,521	2,144
Income tax paid		395	-268
Cash flow from operating activities before changes in working capital		**-7,678**	**-5,642**
Cash flow from changes in working capital			
Decrease/Increase in inventories		121	-181
Decrease/Increase in operating receivables		626	158
Increase/Decrease in operating liabilities		1,589	141
Cash flow from operating activities		**-5,342**	**-5,524**
Investing activities			
Acquisition of intangible fixed assets		-	-406
Acquisition of tangible fixed assets		-479	-408
Cash flow from investing activities		**-479**	**-814**
Financing activities			
New share issue		-	39,888
Group contributions made		-1,680	–
Raising of new loans		496	–
Amortization of loans		-173	–
Cash flow from financing activities		**-1,357**	**39,888**
Cash flow for the year		**-7,178**	**33,550**
Cash and cash equivalents at the beginning of the year		**49,054**	**15,531**
Exchange rate differences		**-139**	**-27**
Cash and cash equivalents at year-end, 2)		**41,737**	**49,054**

SUPPLEMENTARY INFORMATION FOR CASH FLOW STATEMENT			
Interest paid and dividends received			
Interest and dividends received	7	5	5
Interest paid	8	-8	-1
1) Adjustments for items not included in cash flow m.m.			
Depreciation and amortization of assets		2,351	2,229
Unrealized exchange rate differences		170	-85
		2,521	**2,144**
2) Cash and cash equivalents			
Cash and bank		40,785	48,097
Short-term investment		952	957
Total cash and cash equivalents		**41,737**	**49,054**

The above items have been classified as cash and cash equivalents on the basis that:
They can be easily converted into cash and are only exposed to insignificant risk of fluctuations in value.

1 Significant accounting principles

COMPLIANCE WITH STANDARD AND LAW

The consolidated financial statements have been prepared in accordance with international financial reporting standards (IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the EU. Furthermore, the Annual Accounts Act and the Swedish Financial Reporting Board recommendation RFR 1 Supplementary accounting rules for groups have been applied.

The Parent Company applies the Annual Accounts Act and RFR 2 Accounting for legal entities. Statements issued by the Swedish Financial Reporting Board regarding listed companies are also applied. The Parent Company applies the same accounting principles as the Group except in the cases specified separately below.

The accounting principles set out below have been applied consistently in all companies included in the Group at all periods presented in the Group's financial statements.

The annual report and consolidated financial statements have been approved for issue by the Board of Directors and the Ceo on April 25, 2022. The Group's income statement, statement of comprehensive income and balance sheet and the Parent Company's income statements and balance sheets will be subject to approval at the Annual General Meeting on May 31, 2022.

INTRODUCED NEW AND AMENDED IFRS

The accounting policies applied are consistent with those applied in the previous year. There are no new IFRS approved for application from 2021 onwards. The changes in standards or IFRIC interpretations approved for application from 2021 have not been deemed to have a material effect on the group's or the parent company's financial statements.

NEW ACCOUNTING PRINCIPLES FOR THE GROUP TO BE APPLIED FROM 1 JANUARY 2021 OR THEREAFTER

New and amended IFRS with future application have not been applied early and are not expected to have a material impact on the group's or the parent company's financial statements.

CONDITIONS FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

The parent company's functional currency is Swedish kronor, which also constitutes the reporting currency for the parent company and for the Group. This means that the financial statements are presented in Swedish kronor. All amounts, unless otherwise stated, are reported in thousands of SEK (KSEK).

Classification and layout forms

The income statement and balance sheet are for the parent company according to the annual accounting act schedule, while the statement of comprehensive income, the statement of changes in equity and the cash flow statement are based on IAS 1-Presentation of financial statements and IAS 7-Statement of cash flows respectively. Assets and liabilities are recognized at historical acquisition values, except for short-term investments that are measured at fair value in the Group.

Important estimates and assessments

Preparing the financial statements in accordance with IFRS requires the entity to make assessments and estimates and make assumptions that affect the application of the accounting policies and the carrying amounts of assets, liabilities, income and expenses.

The estimates and assumptions are based on historical experience and a number of other factors that, under the current circumstances, seem reasonable. The results of these estimates and assumptions are then used to assess the carrying amounts of assets and liabilities that are not otherwise clearly apparent from other sources. The actual outcome may differ from these estimates and assessments. Estimates and assumptions are reviewed regularly. Changes to estimates are recognized in the period the change is made if the change only affected this period, or in the period the change is made and future periods if the change affects both the current period and future periods. The area that includes a high degree of assessment includes assessment of the value of intangible fixed assets and shares in group companies. Intangible fixed assets consist mainly of capitalized costs on development work. The products whose development costs has been capitalized can be assumed to generate revenue with reasonable certainty.

CONSOLIDATED FINANCIAL STATEMENTS

Consolidation principles and business combinations

Subsidiary. In addition to the parent company, the consolidated financial statements comprise all companies in which the parent company has direct or indirect control. There is a controlling influence if the parent company has influence over the subsidiary, is exposed to or is entitled to variable returns from the engagement and can use its influence over the subsidiary to influence the return. When assessing whether there is a controlling influence, potential voting rights that can be exercised or converted, without delay, are taken into account.

Acquisition. When preparing the consolidated financial statements, the acquisition method is used. The method implies that the acquisition of a subsidiary is regarded as a transaction whereby the group indirectly acquires the assets of the subsidiary and assumes its liabilities. The acquisition analysis determines the fair value on the acquisition date of acquired identifiable assets and liabilities acquired and any non-controlling interests. Transaction expenses, with the exception of transaction expenses attributable to the issuance of equity instruments or debt instruments, arising are recognized directly in profit or loss for the year.

In the case of business combinations where transferred remuneration, any non-controlling interest and fair value of previously owned shares (in the case of incremental acquisitions) exceeds the fair value of acquired assets and assumed liabilities that are recognized separately, the difference is recognized as goodwill. When the difference is negative, so-called acquisitions at a low price, this is reported directly in the profit for the year.

Transferred consideration in connection with the acquisition does not include payments relating to the settlement of past business relationships. This type of regulation is reported in the result.

Contingent considerations are recognized at fair value at the time of acquisition. Where the contingent purchase price is classified as an equity instrument, no revaluation is made and settlement is made within equity. For other purchase considerations, these are revalued at each reporting time and the change is reported in the profit for the year.

Where the acquisition does not relate to 100 per cent of the subsidiary, non-controlling interests arise. There are two options for accounting for non-controlling interests. These two options are to recognise non-controlling interests in proportional net assets or that non-controlling interests are recognised at fair value, which means that non-controlling interests have a share in goodwill.

The choice between the different options to recognise non-controlling interests can be made acquisitions for acquisitions.

In the case of acquisitions that take place in stages, the goodwill is determined on the date on which decisive influence arises. Previous holdings are measured at fair value and the change in value is reported in profit or loss for the year.

Transactions that are eliminated during consolidation. Intra-group receivables and liabilities, income or expenses and unrealised gains or losses arising from intra-group transactions between group companies are eliminated in their entirety when preparing the consolidated financial statements.

SUBSIDIARY

Shares in subsidiaries are recognized in the parent company according to the cost method. This means that transaction expenses are included in the carrying amount of holdings in subsidiaries. In the consolidated financial statements, transaction expenses are recognized directly in profit or loss when these arise.

Contingent considerations are valued on the basis of the probability that the

purchase price will be paid. The consolidated financial statements recognise contingent considerations at fair value with changes in value over profit or loss.

Classifications

Fixed assets and long-term liabilities consist essentially solely of amounts that are expected to be recovered or paid after more than 12 months from the balance sheet date. Current assets and current liabilities consist essentially solely of amounts that are expected to be recovered or paid within 12 months of the balance sheet date.

REPORTING BY SEGMENT

The company's business is to research, develop, manufacture and market products in the field of organ transplantation or related areas. Customers are hospitals and pharmaceutical companies regardless of the scope of application. The company has so far marketed Glycosorb-ABO®. As in previous years, the Group's operations consist of only one operating segment. For this reason, no operating segment reporting is provided in accordance with IFRS 8 except for the information provided in Note 2. In addition, reference is made to the income statements and balance sheets for the segment.

FOREIGN CURRENCY

Transactions in foreign currency are converted into Swedish kronor at the exchange rate available on the date of the transaction. Monetary assets and liabilities in foreign currency are converted into Swedish kronor at the exchange rate that exists on the balance sheet date. Exchange gains/losses on operating receivables/liabilities are recognized in other operating income/expenses and exchange gains/losses on financial receivables and liabilities are recognized in financial income/expenses. Non-monetary assets and liabilities recognized at historical cost are translated at exchange rates at the time of the transaction.

REVENUES

The Group's revenue comes from one revenue stream, sales of goods. The first step in generating revenues can be said to be the sending of quotes to a customer. Together with the quotation, a document regarding the return policy and general terms and conditions for sales and delivery are also sent, which should be seen as part of the agreement with the customer. When the quote is accepted, an order confirmation is created and then the product is issued. When the issue has occurred, an invoice is also created to the customer and revenue is recognized. The accepted quote and order confirmation indicate the item number, product name and number of units. Since in practice it is one product with three different versions and that these can be used separately together with existing resources, the performance obligation is distinct, the agreement contains no promises other than to transfer the product in question. The transaction price is stated in the agreement with the customer. The agreement specifies the list price, shipping and any discount. There are volume discounts and other downward adjustments in relation to the list price as shown in the agreement. The terms of payment, specifying the credit period and interest on late payment, mean that the agreements do not contain a material financing component. Since the agreements contain a maximum of three versions (item number) of the same product and any discounts are specified for each item number, no problems arise when allocating the total transaction price. Income from the sale of goods is recognized in the income statement when control of the goods has been transferred to the buyer, which occurs at a point in time. Since the company's return policy gives the customer the right to return the product within 40 days from the date of delivery (given that the product has been handled according to agreed criteria), it occurs that reported revenue is reversed and instead recognized as debt to the customer. Later returns mean that a lower percentage of the invoiced amount is credited to the customer. No refund is made, but the customer must place a new order to assimilate the commitment. In financial statements, an estimate of expected returns is also made based on statistics regarding previous returns. A provision is made for expected returns, i.e. the revenue is debited and advances from customers (contract debt) are credited. The return policy entails some uncertainty regarding the revenue recognition, but the amounts are not material.

LEASING

When a contract is concluded, the Group assesses whether the agreement is, or contains, a lease. The contract is, or contains, a lease if it transfers the right to determine for a certain period the use of an identified asset in exchange for compensation. At the beginning of the lease, or when reassessing a lease containing several components, the Group allocates the compensation under the contract to each component, lease and non-lease components based on the stand-alone price. In cases where it is not possible to distinguish between the components, they are recognized as a single leasing component. The Group recognises a right-of-use asset and a lease liability at the start of the contract. The asset is initially measured at cost, which consists of the initial value of the liability plus any lease payments paid at or before the commencement date plus any initial direct expenses. The right-of-use assets are depreciated on a straight-line basis from the start date to the earliest of the end of the asset's useful life and the end of the lease term. Where the Group has taken into account the expected extension of lease periods (applies only to contracts relating to premises), the asset is depreciated until the end of the useful life, which then exceeds the formal lease period. The lease liability is divided into a long-term and short-term part and is initially valued at the present value of the remaining lease payments during the assessed lease term. The lease term consists of the non-noticeable period with additions for additional periods in the agreement if it is deemed reasonably certain that these will be used. The lease payments are discounted at the Group's marginal borrowing rate, which reflects the Group's credit risk. The lease liability includes the present value of fixed charges during the assessed lease period. The value of the debt is increased by the interest expense for each period and reduced by amortization. The interest expense is calculated as the value of the debt multiplied by the discount rate. The lease liability for the Group's premises with rent that is indexed is calculated on the rent that applies at the end of each reporting period. At this time, the liability is adjusted with the corresponding adjustment of the value of the right-of-use asset. Similarly, the value of the debt and the asset is adjusted in connection with the reassessment of the lease term. This occurs in connection with the expiry of the last termination date within a previously assessed lease period for a lease agreement or circumstances in a significant way changing in a way that is within the Group's control and affects the current assessment of the lease term. For leases with a lease period of 12 months or less and leases with underlying asset of low value, less than SEK 50 thousand, no right-of-use asset or lease liability is recognized. This also applies to variable lease payments.

The principles for leasing, in accordance with IFRS 16, are not applied by the parent company. The Parent Company applies an exception option in RFR 2, which means that the parent company recognises existing leases in the same way as in previous years with linear costing over the lease period.

FINANCIAL INCOME AND EXPENSES

Financial income consists of interest income on invested funds, dividend income and profit on disposal of financial assets. Dividend income is recognized when the right to receive dividends is established. The result from the divestment of a financial instrument is recognized when the risks and benefits associated with the ownership of the instrument are transferred to the buyer and the Group no longer has control over the instrument.

Financial expenses consist of interest expenses on loans and impairment of financial assets.

Foreign exchange gains and losses on financial assets and liabilities are recognized net.

FINANCIAL INSTRUMENTS

First accounting. Financial instruments recognised in the balance sheet include cash and cash equivalents, trade receivables, short-term investments, liabilities to credit institutions and accounts payable. Trade receivables and issued debt instruments are recognized when they are issued. Other financial assets and financial liabilities are recognized when the company becomes a part to the instrument's contractual terms. Debt is recognized when the counterpart has performed and there is a contractual obligation to pay, even if the invoice has not yet been received. Accounts payable are recognized when the invoice is received. Financial asset (with the exception of trade receivables that do not have a significant financing component) or financial liability is measured at initial recognition at fair value, as well as for financial instruments that are not measured at fair value through profit or loss, transaction expenses directly attributable to the acquisition or issue. Trade

receivables without significant financing component are valued at the transaction price.

Subsequent valuation of financial assets. At initial recognition, financial assets are classified as valued at; amortised cost, fair value by comprehensive income or fair value through profit or loss. The classification is based on both the entity's business model for the management of the financial assets and the characteristics of the contractual cash flows from the financial asset. Reclassification does not take place after initial recognition unless the Group changes its business model for the management of the financial assets. A financial asset is valued at amortized cost if both of the following conditions are met; the asset is held within the framework of a business model whose objective is to hold financial assets for the purpose of collecting contractual cash flows and the agreed terms, at specified times, give rise to cash flows that are only payments of principal and interest on the principal amount outstanding. A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met; the asset is held according to a business model whose objectives can be achieved both by collecting contractual cash flows and selling financial assets, and that the agreed terms of the financial asset give rise at certain times to cash flows that are only payments of principal and interest on the principal outstanding amount. A financial asset is measured at fair value through profit or loss if it is not measured at amortized cost or at fair value through other comprehensive income. The fair value of listed financial assets corresponds to the asset's quoted market price at the balance sheet date. Subsequent measurement of gains and losses for financial assets measured at amortized cost is made at amortized cost using the effective interest method. The accrued cost is reduced by write-downs. Interest income, foreign exchange gains and losses and impairment losses are recognized in profit or loss. Gains and losses arising from cancellation are recognized in profit or loss. Subsequent measurement of gains and losses of financial assets measured at fair value through profit or loss is made at fair value. Net gains and losses, including interest and dividend income, are recognized in profit or loss. Short-term investments in the Group are classified as financial assets measured at fair value through other comprehensive income.

Subsequent valuation of financial liabilities. At initial recognition, financial liabilities are classified as measured at amortized cost or fair value through profit or loss. A financial liability is recognized at fair value through profit or loss if it is held for trading purposes or if it has been identified as such at initial recognition. Financial liabilities measured at fair value through profit or loss are measured at fair value and net gains and losses, including interest expenses, are recognized in profit or loss. Subsequent valuation of other financial liabilities is made at amortised cost using the effective interest method. Interest expenses and foreign exchange gains and losses are recognized in profit or loss. Gains or losses on removal from the accounts are also recognized in profit or loss. Accounts payable have a short expected maturity and are valued without discounting at a nominal amount.

Removal from the financial position report. The Group removes a financial asset from the statement of financial position when the contractual rights to cash flows from the financial asset cease or if it transfers the right to receive the contractual cash flows. The same goes for part of financial asset. Upon removal of financial asset measured at fair value via other comprehensive income, accumulated profit/loss, previously recognized in other comprehensive income, is reclassified as a reclassification adjustment. The Group removes a financial liability from the statement of financial position when the commitments specified in the agreement are fulfilled, cancelled or terminated. The same applies to part of a financial liability. When a financial liability is removed, the difference between the carrying amount that has been removed and the compensation paid in profit or loss is recognized.

Impairment losses. In the Group, a loss reserve is recognized for expected credit losses on financial assets. At each balance sheet date, the loss reserve is valued at an amount corresponding to 12 months of expected credit losses. Loss reserve for expected credit losses amounts to SEK 767 thousand (SEK 767 thousand).

Due to the relationship between accounting and taxation, the rules on financial instruments in IFRS 9 do not apply for the parent company as a legal entity.. In the parent company, financial fixed assets are valued at cost less any impairment loss and financial current assets according to lower of cost or market. Short-term investments in the Parent Company are valued at lower of cost or net realisable value at the balance sheet date. The net realisable value is based on official market prices on the closing date. When calculating the net realisable value of receivables recognized as current assets, the principles of impairment testing and loss risk provisioning are applied in IFRS 9.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash and immediately available assets at banks.

INTANGIBLE FIXED ASSETS

The item reported in the balance sheet is Capitalized cost for Development Work and Patents.

Capitalized costs on development work. Development costs, where research results or other knowledge is applied to produce new or improved products, is recognised as an asset in the balance sheet, if the product is technically and commercially useful and the entity has sufficient resources to complete the development and subsequently use or sell the intangible asset. The carrying amount includes costs on materials, direct costs on wages and indirect costs attributable to the asset in a reasonable and consistent manner. Other development costs are recognized in the income statement as an expense when they arises. In the balance sheet, recognized development costs are recorded at historical cost less accumulated amortization and write-downs.

Patent. Patents are recognized at cost less accumulated amortization and any write-downs.

Goodwill. Goodwill is initially recognized as an asset recognized at cost of acquisition. Goodwill is not amortized in the Group. Instead, the value is tested annually or more frequently in case of indication of the need for impairment by calculating the recoverable amount of the corresponding cash-generating unit. The recoverable amount is defined as the highest of the asset's fair value less selling costs and value in use. Goodwill is written down when the value of the unit recognised in the Group exceeds the recoverable amount. The write-down is charged to profit for the year. When impairment requirements are identified for a cash-generating unit, the amount of the impairment is primarily allocated to goodwill. Thereafter, a proportional write-down is made of the other assets that are part of the unit.

AMORTIZATION POLICIES

Amortization is recognized in profit or loss for the year on a straight-line basis over the estimated useful life of intangible assets, unless such useful life periods are indefinite. The useful life periods are reviewed at least annually. Goodwill and other intangible assets with an indefinite useful life or which are not yet ready for use are tested for impairment annually and, moreover, as soon as indications arise that indicate that the asset in question has decreased in value. Intangible assets with determinable useful lives are amortized from the point in time they are available for use.

The estimated useful life is:

Group	
Capitalized costs on development work	10 years
Patent costs	10 years
Parent company	
Capitalized costs on development work	10 years
Patent costs	10 years

BORROWING COSTS

Borrowing costs attributable to the construction of so-called qualifying assets are capitalized as part of the cost of the qualifying asset. A qualified asset is an asset that necessarily takes a significant amount of time to complete. In the first instance, loan expenses incurred on loans specific to the qualifying asset are capitalized. In the alternative, borrowing expenses incurred on general loans, which are not specific to any other qualifying asset, are capitalized. The Group has no capitalized borrowing costs at the end of 2021.

TANGIBLE ASSETS

Tangible fixed assets are recognized as assets in the balance sheet if it is likely that future economic benefits may benefit the company and the cost of the asset can be reliably calculated. Tangible fixed assets are recognized at cost less accumulated depreciation and loss. The cost includes the purchase price and costs directly attributable to the asset to bring it in place and in condition to be used in accordance with the purpose of the acquisition.

Additional costs are added to the acquisition value only if it is likely that the future economic benefits associated with the asset will benefit the entity and the cost can be reliably calculated. All other additional costs are recognized as expenses in the period in which they arise.

DEPRECIATION POLICIES

Depreciation occurs linearly over the asset's estimated useful life.

The estimated useful life is:

Group	
Machinery and technical equipment	5-10 years
Equipment	5-10 years
Parent company	
Machinery and technical equipment	5-10 years
Equipment	5-10 years

Used depreciation methods, residual values, and useful lives are reassessed at the end of each year.

INVENTORIES

Inventories are valued at lower of cost or net realizable value. The acquisition value is calculated by applying the first-in-first-out method. For manufactured goods, the cost includes a reasonable proportion of indirect costs. The company has no obsolescence in inventories.

WRITE-DOWNS OF TANGIBLE AND INTANGIBLE ASSETS

The carrying amounts of the company's fixed assets are tested each balance sheet date to assess whether there is an indication of impairment. If any such indication exists, the recoverable amount of the asset is calculated. An impairment loss is recognized when the carrying amount of an asset or cash-generating unit exceeds the recoverable amount. An impairment loss is recognized as an expense in profit or loss for the year. Impairment of assets attributable to a cash-generating unit (group of units) is primarily allocated to goodwill. Thereafter, a proportional write-down is made of other assets that are part of the unit (group of units).

An impairment loss is reversed if there is both an indication that the impairment requirement does not exist and there has been a change in the assumptions that formed the basis for the calculation of the recoverable amount, after the calculation of the recoverable amount has taken place. However, impairment of goodwill is never reversed. A reversal is made only to the extent that the carrying amount of the asset after reversal does not exceed the carrying amount that would have been recognised, less depreciation where applicable, if no impairment loss has been made.

TAX

Taxes are reported according to the full tax method. Income taxes consist of current tax and deferred tax. Income taxes are recognized in profit or loss for the year except where the underlying transaction has been recognized in other comprehensive income or in equity, whereby the associated tax effect is recognized in the comprehensive income for the year or in equity. Current tax is tax to be paid or received in respect of the current year. This also includes adjustment of current tax, attributable to previous periods. Deferred tax is calculated according to the balance sheet method based on temporary differences between carrying and taxable values of assets and liabilities. Deferred tax assets relating to deductible temporary differences and loss deductions are recognized only to the extent that there are compelling reasons that these will result in lower tax payments in the future. The Parent Company recognises untaxed reserves including deferred tax liabilities. In the consolidated financial statements, on the other hand, untaxed reserves are divided into deferred tax liabilities and equity.

GROUP CONTRIBUTIONS FOR LEGAL ENTITIES

Received and made group contributions are reported as appropriations.

EMPLOYEE BENEFITS

Short-term employee benefits are calculated without discounting and are recognized as expense when the related services are received. Provisioning for estimated bonus payments is recognized when the Group has a legal or informal obligation to make such payments as a result of the services in question being received from the employees and the amount can be calculated reliably.

Within the Group there are only defined contribution pension plans. Contribution-based pension plans are classified as those plans where the company's obligations are limited to the fees the company committed to pay. In such a case, the amount of the employee's pension depends on the contributions that the company pays to the plan or to an insurance company and the capital return that the contributions provide. Consequently, it is the employee who bears the risk that the remuneration will be lower than expected and that the invested assets will be sufficient to provide the expected remuneration. The Group's obligations regarding contributions to defined contribution plans are recognized as an expense in the income statement at the rate at which they have been earned by the employees performing services for the Group. The obligations are calculated without discounting as the payments for these plans are due within 12 months.

CASH FLOW STATEMENT

The cash flow statement has been prepared in accordance with indirect method. The reported cash flow covers only transactions that have resulted in payments. Glycorex's cash and cash equivalents include cash and bank balances as well as short-term investments.

2 Distribution of revenues

Revenue per significant type of revenue

Group	2021	2020
Sale of goods	28,202	27,000
Total	**28,202**	**27,000**

Parent company	2021	2020
Sale of goods	28,202	27,000
Total	**28,202**	**27,000**

There are no revenues, either in the Group or in the Parent Company, relating to exchange of goods or services .

External net sales based on Customer residence

Group	2021	2020
Sweden	2,860	2,436
Rest of Northern Europe [1)]	16,544	18,609
Southern Europe [2)]	4,346	2,669
Asia	3,118	1,718
Oceania	1,058	1,531
North America	276	37
Total	**28,202**	**27,000**

[1)] Belgium, Denmark, Finland, the Netherlands, Norway, Switzerland, the United Kingdom, the Czech Republic, Germany and Austria

[2)] Cyprus, France, Greece, Italy, Spain and Turkey .

The Group's largest customer in the financial year 2021 accounted for 8% (7%) of net sales .

All fixed assets are attributable to the Swedish operations .

3 Other operating income and other operating expenses

Other operating income

Group	2021	2020
Reversed customer loss	-	45
Foreign exchange gains on receivables and liabilities of an operating nature	348	504
Government grants received	852	870
Other revenues	124	235
Total	**1,324**	**1,654**

Parent company	2021	2020
Reversed customer loss	-	45
Foreign exchange gains on receivables and liabilities of an operating nature	348	499
Government grants received	852	870
Other revenues	124	235
Total	**1,324**	**1,649**

Other expenses

Group	2021	2020
Foreign exchange losses on receivables and liabilities of an operating nature	377	475
Total	**377**	**475**

Parent company	2021	2020
Foreign exchange losses on receivables and liabilities of an operating nature	377	472
Total	**377**	**472**

4 Employees, personnel costs and senior executives' remuneration

	2021		2020	
Average of employees	**Total employees**	**of which men**	**Total employees**	**of which men**
Sweden				
Parent company	17	5	15	5
Subsidiaries	7	2	7	2
Total	**24**	**7**	**22**	**7**

	2021		2020	
Salaries and other remuneration	**Total**	**of which to the Board of Directors/CEO**	**Total**	**of which to the Board of Directors/CEO**
Parent company	10,303	2,993	7,980	2,427
(of which tantiem)	–	–	–	–
Subsidiaries	3,981	–	4,043	–
(of which tantiem)	–	–	–	–
Total	**14,284**	**2,993**	**12,023**	**2,427**

Salaries and allowances only apply to staff in Sweden. The Group only has employees in Sweden.
Kurt Nilsson is CEO of the subsidiary Glycoprobe AB, but only receives salary from the parent company, which is why no CEO salary is reported in the subsidiaries as above.

	2021			2020		
Remuneration to the Group's Board of Directors and management	**Salary**	**Pension cost**	**Board fees**	**Salary**	**Pension cost**	**Board fees**
Chairperson	1,336	50	–	1,348	50	–
Other board members	–	–	280	–	–	200
CEO	1,377	264	–	879	157	–
Total	**2,713**	**314**	**280**	**2,227**	**207**	**200**

	2021		2020	
Social security contributions	**Social costs**	**of which pension costs**	**Social costs**	**of which pension costs**
Parent company	5,373	920	3,209	826
Subsidiaries	1,295	169	1,059	184
Total	**6,668**	**1,089**	**4,268**	**1,010**
Of which to the Board of Directors and CEO	1,050	325	796	207

4 Employees... Continued

Gender balance on the Board of Directors	2021 Share of women	2020 Share of women
Parent company		
Board	20%	25%
Senior executives	0%	0%
Group		
Board	20%	25%
Senior executives	0%	0%

Remuneration to senior executives

The CEO is the company's senior executive.

Guidelines adopted by the Annual General Meeting 2021

Fees are paid to the Chairman of the Board and members in accordance with the resolution of the Annual General Meeting. Any consultancy assignments that an individual member has for the company in addition to board work are compensated by market-based payment in the form of cash compensation. Compensation shall be determined on the basis of the scope of the assignment. The assignment shall be timed and last until the next Annual General Meeting. The assignment shall be documented in agreements that specify the assignment elements and agreed remuneration. Compensation is paid in arrears after work has been carried out. If a member is employed by the company, the employment applies to the same conditions as for the CEO, but without the possibility of such variable salary as the CEO may receive. Otherwise, there shall be no remuneration to members.

Remuneration to the CEO consists of fixed salary and other benefits. The fixed salary shall be in accordance with market conditions and be negotiated annually by the Board of Directors. In addition to a fixed salary, car benefits are paid that shall correspond to a maximum of 10 percent of the fixed salary and pension benefit that shall be defined contribution and correspond to a maximum of 25 percent of the fixed salary. The Board of Directors is given the opportunity to establish a bonus system for the CEO in the form of variable salary. Variable salary shall not exceed 25 per cent of the fixed salary. Variable salary is paid on target fulfilment based on three predetermined and measurable criteria. They are the development of (i) net sales, (ii) cash flow and (iii) quality and product development during the financial year. The extent of remuneration for (i) and (ii) is determined after the annual report has been determined. The extent of compensation for (iii) is determined on the basis of objective results during the financial year. The Board of Directors establishes detailed requirements regarding (i) - (iii). Variable remuneration paid on manifestly incorrect grounds shall be refunded. Severance pay in addition to salary during the agreed notice period of a maximum of one year shall not occur. Where applicable, these terms and conditions with specified frameworks also apply to the Deputy Managing Director. Where applicable, the terms and conditions also apply to other members of the company's management, who, however, only receive bonuses as other employees. The company's business strategy and long-term interests include increasing sales, creating a good cash flow and continuing the business development. By directly linking variable salary to the result of these parameters, the intention is that the Director's performance contributes to achieving these goals and creating value for shareholders. This creates a long-term sustainable business.

The Board of Directors is also given the opportunity to set up a bonus system for other staff throughout the Group. The aim is to promote the long-term value of the company. The bonus salary is paid on an annual basis and is paid afterwards to each employee with the same amount corresponding to an average monthly salary for the entire staff (excluding pensions and other benefits). The total amount paid to the entire staff including employer's contributions shall be included within 10% of the profit for the year at group level determined at the annual general meeting after the vesting year. If that condition is not met, the bonus salary is reduced accordingly until the amount is within this limit.

All remuneration to members and the CEO is prepared and decided by the Board of Directors, whereby the Swedish Companies Act's rules on conflict of interest are applied. Salary and other remuneration in accordance with the terms above have been set in relation to the company's wage costs and total costs in order to find a balance and reasonable level. The terms of employment in general do not differ in an unusual manner from the conditions for other personnel. In addition to remuneration as described above, bonuses, remuneration based on shares, warrants or convertibles, incentive programs or other variable remuneration shall not occur.

Board

Board fees to members are paid in accordance with a resolution at the Annual General Meeting 2021 for the full term of office as follows; ordinary board members who are not employed by the company receive SEK 80 thousand (80) each. No board fees are paid to the Chairman of the Board who is employed by the Company. Board fees relating to the part of the term of office that runs during 2022 until the Annual General Meeting will be charged to the 2022 results. Expensed board fees in 2021 amounted to; board members Kerstin Jakobsson SEK 40 thousand, Claes Blanche SEK 40 thousand, Nils Siegbahn SEK 40 thousand, Leni von Bonsdorff SEK 40 thousand, Torbjörn Axelsson SEK 40 thousand and Christer Ahlberg SEK 80 thousand. Remuneration to Chairman of the Board Kurt Nilsson has during the year amounted to SEK 1,452 thousand (1,348) in respect of salary and SEK 75 (60) regarding benefit.

Kurt Nilsson's employment contract as Development Manager contains provision for 12 months' notice period in the event of termination by the employer. Upon termination by Kurt Nilsson, the notice period amounts to 6 months. Severance pay in addition to salary during the agreed notice period does not apply.

Managing Director

Remuneration to Pontus Nobréus, CEO for 5.5 months, amounted to SEK 990 thousand in salary (including salary during the notice period) and SEK 73 thousand for benefit. Remuneration to Johan Nilsson, acting CEO for 6 months, amounted to SEK 414 thousand and SEK 31 thousand for benefit. Geert Nygaard took over as CEO on December 15, 2021. Geert Nygaard has an annual salary of SEK 2,400 thousand, no pension or car benefit is paid.

The CEO's employment contract provides for a 3-month mutual notice period during the first year of employment. Thereafter, 6 months of mutual notice period applies. Severance pay in addition to salary during the agreed notice period does not apply.

5 Remuneration to auditors

Group	2021	2020
Ernst & Young AB		
Audit assignments	639	395
Audit activities in addition to the audit assignment	40	105
	679	**500**

Parent company	2021	2020
Ernst & Young AB		
Audit assignments	574	330
Audit activities in addition to the audit assignment	40	105
	614	**435**

Audit assignments refer to the audit of the annual accounts and accounts, as well as the management of the Board of Directors and the CEO, other duties that it is for the company's auditor to perform, and advice or other assistance that is prompted by observations in such review or the implementation of such other duties.

6 Leases

The Group reports leases for premises and vehicles. Leases of low value, which consists of office machinery and a storage facility, is not included in the lease liability but is continued to be recognized with linear costing over the lease period.

Group 2021-12-31

Right-of-use assets	Premises	Vehicle	Total
Opening carrying amount January 1, 2021	9,743	414	10,157
Investments - extension of contract period	2,455	109	2,564
Removal	-	-127	-127
Depreciation	-4,203	-177	-4,380
Carrying amount at December 31, 2021	**7,995**	**219**	**8,214**

Maturity structure 2021-12-31	< 1 year	1-2 years	3-5 years	Total
Lease liabilities	3,226	3,279	862	7,367

6 Leases, continued

Group 2020-12-31

Right-of-use assets	Premises	Vehicle	Total
Opening carrying amount	13,956	198	14,154
January 1, 2020	-	417	417
Investments - extension of contract period	-4,213	-201	-4,414
Depreciation	**9,743**	**414**	**10,157**
Carrying amount at December 31, 2020			

Maturity structure 2020-12-31	< 1 år	1-2 år	3-5 år	Totalt
Lease liabilities	3,346	5,994	-	9,340

Amount reported in the Group's income statement	2021	2020
Depreciation of right-of-use assets	-4,380	-4,414
Interest on lease liabilities	-253	-338
Variable lease payments not included in the valuation of the lease liability	-84	-72
Costs of low-value leases	-71	-47
	-4,788	**-4,871**

Amount reported in the Group's cash flow statement	2021	2020
Total cash flows attributable to leases	5,993	5,874

The cash flow above includes both amounts for leases that are recognized as lease liabilities, such as amounts paid for variable lease payments, short-term leases and low-value leases.

Parent company Expensed lease payments for the year	2021	2020
Minimum leasing fees	3,638	3,549
Variable fees	442	434
Total leasing costs	**4,080**	**3,983**

Non-deplorable lease payments amount to:		
Within a year	3,381	3,488
Between one and five years	2,590	6,010
Later than five years	–	–

Leasing of premises
The Group leases premises for offices and manufacturing. The leases have normally a maturity of three years. There are also commitments regarding variable charges that follow the lease periods. The agreements contain: extension options and termination options that the Group may use or not make use of nine months before the end of the non-dismissive period. Whether it is reasonably certain that an option will be used determined at the start date of the lease. Whether it is reasonably certain that an option will be exercised is reconsidered if there is an important event or significant changes in circumstances within the Group's control. Last time for extension of leases take place at the maturity of the option.

Leasing of vehicles
The Group leases vehicles (company cars) with lease periods of three years in the most cases. Extension options do not normally occur.

7 Financial income

Group	2021	2020
Dividend from fixed income fund that is valued fair value through other comprehensive income	5	5
Net exchange rate fluctuations	-	8
	5	**13**

Parent company	2021	2020
Dividend from fixed income fund	5	5
Unrealized gain interest fund	-	2
Net exchange rate fluctuations	-	9
	5	**16**

8 Financial expenses

Group	2021	2020
Interest expenses [1]	16	1
Interest expenses il IFRS 16 Leasing [1]	253	338
Net exchange rate fluctuations	133	–
	402	**339**

Parent company	2021	2020
Interest expenses [1]	8	1
Unrealized loss fixed income fund	5	–
Net exchange rate fluctuations	133	–
	146	**1**

[1] Interest expenses refer to interest on items that are measured at amortized cost.

9 Taxes

REPORTED IN INCOME STATEMENT

Group	2021	2020
Current tax expense		
Current tax expense	0	0
Total	**0**	**0**
Deferred tax revenue/tax expense		
Temporary differences	-2	10
Total	**-2**	**10**
Total reported tax revenue/expense in the Group	**-2**	**10**

RECONCILIATION OF EFFECTIVE TAX

Group	2021	2020
Profit before tax	-12,241	-8,050
Tax at the applicable tax rate 20.6% (21.4%)	2,522	1,723
Tax effect of non-deductible costs	-17	-9
Tax effect issue costs	–	24
Change in uncapitalized deferred tax on deficit deductions	-2,507	-1,728
Reported effective tax	**-2**	**10**

RECONCILIATION OF EFFECTIVE TAX

Parent company	2021	2020
Profit before tax	-12,274	-7,518
Tax at the applicable tax rate 20.6% (21.4%)	2,529	1,609
Tax effect of non-deductible costs	-17	-9
Tax effect issue costs	–	24
Change in uncapitalized deferred tax on deficit deductions	-2,512	-1,624
Reported effective tax	**–**	**–**

10 Intangible fixed assets

BALANCED EXPENDITURE ON DEVELOPMENT WORK

Group	2021-12-31	2020-12-31
Accumulated acquisition values		
At the beginning of the year	95,095	93,455
Internally developed assets	683	1,640
At the end of the year	**95,778**	**95,095**
Accumulated and amortization		
At the beginning of the year	-51,717	-48,569
Amortization for the year according to plan	-3,764	-2,504
Write-down	–	-644
At the end of the year	**-55,481**	**-51,717**
Carrying amount at year-end	**40,297**	**43,378**

Parent company	2021-12-31	2020-12-31
Accumulated acquisition values		
At the beginning of the year	73,917	73,511
Internally developed assets	–	406
At the end of the year	**73,917**	**73,917**
Accumulated according to plan		
At the beginning of the year	-48,443	-46,376
Amortization for the year according to plan	-2,122	-1,423
Write-down	–	-644
At the end of the year	**-50,565**	**-48,443**
Carrying amount at year-end	**23,352**	**25,474**

PATENTS AND QUALITY SYSTEMS

Group	2021-12-31	2020-12-31
Accumulated acquisition values		
At the beginning of the year	16,730	16,730
At the end of the year	**16,730**	**16,730**
Accumulated amortization according to plan		
At the beginning of the year	-16,730	-16,730
Amortization for the year according to plan	–	–
At the end of the year	**-16,730**	**-16,730**
Carrying amount at year-end	**–**	**–**

Parent company	2021-12-31	2020-12-31
Accumulated acquisition values		
At the beginning of the year	2,830	2,830
At the end of the year	**2,830**	**2,830**
Accumulated amortization according to plan		
At the beginning of the year	-2,830	-2,830
Amortization for the year according to plan	–	–
At the end of the year	**-2,830**	**-2,830**
Carrying amount at year-end	**–**	**–**

Up to and including 2001-12-31, Glycorex Transplantation AB has reported in the balance sheet its direct costs for the development of the company's product GlycosorbABO®, totalling SEK 45.2 million. In the Group's balance sheet, the development costs for GlycosorbABO®are recorded at acquisition value less accumulated amortization and the remaining value at the end of the year amounts to SEK 0 million (0).

The Group's costs for continued development work regarding GlycosorbABO® are expensed from 2002 in the period they arise.

For the development of the universal blood plasma product, an acquisition value is reported in the balance sheet as of 2021-12-31 of SEK 28.8 million. Amortization began for this development project on April 1, 2020. Carrying amount as of 31 December 2021 amounts to SEK 25.2 million For ongoing development projects for the development of products within Myasthenia gravis, an asset is reported in the balance sheet as of 31/12/2021 of SEK 11.9 million. Depreciation has not begun for this development project. For ongoing development projects for the development of products in Rheumatoid Arthritis, an asset is reported in the balance sheet as of 2021-12-31 of SEK 2.2 million. Amortization has not begun for this development project. For other projects for the development of products in extracorporal blood treatment, an acquisition value is reported in the balance sheet as of 3.31-31/2021. Amortization has begun for these projects. Reported impairment loss in 2020 of SEK 0.6 million relates to a project within this category. The remaining residual value amounts to SEK 2.2 million.

The group's total expensed costs for research and development for the year amount to SEK 2.3 million (1.6).

The ongoing development projects, Myasthenia gravis and Rheumatoid arthritis, have been tested impairment according to IAS 36. In the trials, a discount rate of 12,5 % has been used, which corresponds to the weighted average cost of capital (WAAC) after tax. In both cases, the recoverable amounts exceed the carrying amount. The completed project, Universal Blood Plasma, has also been tested with the same conditions and results. Consequently, there is no impairment requirement.

11 Tangible fixed assets

MACHINERY AND TECHNICAL EQUIPMENT

Group	2021-12-31	2020-12-31
Accumulated acquisition values		
At the beginning of the year	10,702	10,361
Other investments	1,846	341
Divestments and disposals	–	–
At the end of the year	**12,548**	**10,702**
Accumulated depreciation according to plan		
At the beginning of the year	-9,559	-9,311
Divestments and disposals	–	–
Depreciation for the year according to plan	-323	-248
At the end of the year	**-9,882**	**-9,559**
Carrying amount at year-end	**2,666**	**1,143**

Parent company	2021-12-31	2020-12-31
Accumulated acquisition values		
At the beginning of the year	5,631	5,256
Other investments	460	375
At the end of the year	**6,091**	**5,631**
Accumulated depreciation according to plan		
At the beginning of the year	-4,851	-4,709
Depreciation for the year according to plan	-201	-142
At the end of the year	**-5,052**	**-4,851**
Carrying amount at year-end	**1,039**	**780**

EQUIPMENT

Group	2021-12-31	2020-12-31
Accumulated acquisition values		
At the beginning of the year	816	783
Other investments	19	33
At the end of the year	**835**	**816**
Accumulated depreciation according to plan		
At the beginning of the year	-742	-722
Depreciation for the year according to plan	-28	-20
At the end of the year	**-770**	**-742**
Carrying amount at year-end	**65**	**74**

Parent company	2021-12-31	2020-12-31
Accumulated acquisition values		
At the beginning of the year	789	756
Other investments	19	33
At the end of the year	**808**	**789**
Accumulated depreciation according to plan		
At the beginning of the year	-716	-696
Depreciation for the year according to plan	-28	-20
At the end of the year	**-744**	**-716**
Carrying amount at year-end	**64**	**73**

12 Shares in group companies

Parent company	2021-12-31	2020-12-31
Accumulated acquisition values		
At the beginning of the year	46,781	46,781
Shareholder contributions	–	–
At the end of the year	**46,781**	**46,781**
Accumulated write-downs		
At the beginning of the year	-41,630	-41,630
At the end of the year	**-41,630**	**-41,630**
Carrying amount at year-end of year for shares in group companies	**5,151**	**5,151**

THE PARENT COMPANY'S DIRECT HOLDINGS OF SHARES IN SUBSIDIARIES

Subsidiary company/corporate identity number/ registered office	Number of shares	Shares	Equity 2021-12-31	Equity 2020-12-31	Book value 2021-12-31	Book value 2020-12-31
Glycoprobe AB, 556729-5216, Lund	1000	100%	1,856	1,856	5,051	5,051
Glycorex Transplantation Pty Ltd, 113 595 074, Australia	100	100%	–	–	–	–
Glycorex UMC AB, 556840-8891, Lund	500	100%	34	36	50	50
Glycorex UBP AB, 556840-9006, Lund	500	100%	50	50	50	50
Glycorex M S.A. DE. CV, GMX 1305235A0 , Mexico	9999	99.99%	–	–	–	–
			1,940	1,942	5,151	5,151

The wholly owned subsidiaries in Australia, Glycorex Transplantation Pty Ltd, and in Mexico, Glycorex M S.A DE. CV, has not conducted any business and has no assets and liabilities. Shares in Glycoprobe AB have been tested for impairment. The recoverable amount exceeds the carrying amount.

13 Prepaid expenses

Group	2021-12-31	2020-12-31
Prepaid rent	367	359
Other items	763	768
	1,130	**1,127**

Parent company	2021-12-31	2020-12-31
Prepaid rent	964	946
Other items	646	650
	1,610	**1,596**

14 Deferred tax asset/provision for deferred tax

Group	2021-12-31	2020-12-31
Unrecognised deferred tax assets		
Fiscal deficits	128,731	116,572
Unrecognized deferred tax asset	26,519	24,014
Tax rate	20.6%	20.6%

Parent company	2021-12-31	2020-12-31
Unrecognised deferred tax assets		
Fiscal deficits	128,356	116,164
Unrecognized deferred tax asset	26,441	23,930
Tax rate	20.6%	20.6%

Accounting for deferred tax assets attributable to deficit deductions requires compelling reasons that indicate that sufficient tax surpluses will exist. Currently, no deferred tax assets attributable to tax deficits are recognized. There is no time limit for the use of the tax deficit deductions.

Provision for deferred tax, Group	2021-12-31	2020-12-31
Excess depreciation	121	54
Other intangible assets	-	65
Total deferred tax liability	**121**	**119**

15 Short-term investment

Units in fixed income fund	2021-12-31	2020-12-31
Market value	952	957
Carrying amount in the Group	952	957
Carrying amount in the Parent Company	952	957

16 Equity

Group

Share capital
The item consists of the parent company's share capital.

Other contributed capital
Refers to equity contributed from the owners. This includes premium funds transferred to the reserve fund as of 31 December 2005.
Provision to the premium fund from 1 January 2006 onwards is also recognized as contributed capital.

Reserves
Refers to accumulated changes in the value of financial assets measured at fair value through other comprehensive income, until the asset is booked off the balance sheet.

Retained earnings/accumulated losses, including profit for the year
Retained earnings/accumulated losses, including profit for the year, include earned earnings/accumulated losses in the parent company and its subsidiaries. Previous provisions to the reserve fund, excluding transferred premium funds, are included in this equity item.

Parent company

Restricted equity

Share capital
The item consists of the parent company's share capital.

Reserve fund
The purpose of the reserve fund has been to save part of the net profit, which is not used to cover balanced losses. The reserve fund also includes amounts added to the premium fund before 1 January 2006.

Fund for capitalized development costs
The item consists of transfer from unrestricted equity to restricted equity regarding capitalized development costs during the year. The fund is reduced upon depreciation, write-down or disposal of an asset that, upon capitalization, was subject to the Fund.

16 Equity, continued

Unrestricted equity

Share premium fund
When shares are issued at a premium price, i.e. for the shares to be paid more than the quota value of the share, an amount corresponding to the amount received in addition to the quota value of the shares shall be transferred to the share premium fund. Amounts contributed to the premium fund from 1 January 2006 are included in unrestricted equity.

Retained earnings/accumulated losses
Consists of the previous year's unrestricted equity after a possible dividend has been paid. Together with the profit for the year and the share premium fund, constitutes the amount of unrestricted equity, i.e. the amount available for dividends to the shareholders.

Number of shares issued

	Fully paid	Quota value
Class A share	3,268,000	163,400
Class B share	70,585,983	3,529,299
	73,853,983	**3,692,699**

	Class A share	Class B share
Number of outstanding shares at the beginning of the year	3,268,000	70,585,983
Number of outstanding shares at year-end	3,268,000	70,585,983

One Class A share entitles to 10 votes and one Class B share to 1 vote.
All shares have a quota value of SEK 0.05.

17 Earnings per share and dividend

The average number of shares during the year was 73,853,983 (73,590,732). Profit for the year in the Group (attributable to the parent company's shareholders) of -12,243 KSEK (-8,040) gives earnings per share of SEK -0.17 (-0.11). The Board of Directors proposes that no dividend be paid for 2021 (for 2020 no dividend was paid).

There are no dilution effects to take into account.

18 Related party transactions

Related party relationships with a significant influence
The company is under significant influence from chairman Kurt Nilsson, major shareholder in GTAB (Glycorex Transplantation AB). Kurt Nilsson also has a large stake in Glycorex AB, which in turn has a large holding in GTAB. Chairman of the Board Kurt Nilsson and related parties control 35.5% of the votes in GTAB. Other board members' holdings (31.12.2021): Christer Ahlberg 60,000 Class B shares. Deputy Board member Tomas Westergren holds 1,560,000 Class B shares.

Intercompany transactions
The parent company's purchases from the subsidiary Glycoprobe AB amount to KSEK 7,882 (7,876 KSEK), from the subsidiary Glycorex UMC AB 0 (0) and from the subsidiary Glycorex UBP AB 187 KSEK (982 KSEK). All revenues in the subsidiaries are intra-group.

Senior executives
Salaries and allowances, costs and obligations relating to pensions and similar benefits, and severance agreements see Note 4.

19 Accrued expenses

Group	2021-12-31	2020-12-31
Personnel-related expenses	4,058	4,186
Other items	1,300	645
	5,358	**4,831**

Parent company	2021-12-31	2020-12-31
Personnel-related expenses	2,860	2,941
Other items	1,232	596
	4,092	**3,537**

20 Financial assets and liabilities, as well as financial risks and risk management

The following table shows the company's financial assets and financial liabilities by valuation category.

Financial instruments by category

Group

Assets in the balance sheet	Fair value through profit or loss	Accrued acquisition value	Fair value through other comprehensive income	Total
2021-12-31				
Accounts receivable	-	2,835	-	2,835
Short-term investment	-	-	952	952
Cash and bank	-	41,182	-	41,182
Total	**-**	**44,017**	**952**	**44,969**

Balance sheet liabilities	Fair value through profit or loss	Accrued acquisition value	Fair value through other comprehensive income	Total
2021-12-31				
Lease liabilities	-	7,367	-	7,367
Liabilities to credit institutions	-	1,685	-	1,685
Accounts payable	-	1,128	-	1,128
Total	**-**	**10,180**	**-**	**10,180**

Assets in the balance sheet	Fair value through profit or loss	Accrued acquisition value	Fair value through other comprehensive income	Total
2020-12-31				
Accounts receivable	-	2,277	-	2,277
Short-term investment	-	-	957	957
Cash and bank	-	48,345	-	48,345
Total	**-**	**50,622**	**957**	**51,579**

Balance sheet liabilities	Fair value through profit or loss	Accrued acquisition value	Fair value through other comprehensive income	Total
2020-12-31				
Lease liabilities	-	9 340	-	9 340
Accounts payable	-	909	-	909
Total	**-**	**10 249**	**-**	**10 249**

Parent company	2021-12-31 Carrying amount	Fair value	2020-12-31 Carrying amount	Fair value
Assets				
Accounts receivable	2,835	2,835	2,277	2,277
Short-term investments	952	952	957	957
Cash and cash equivalents	40,785	40,785	48,097	48,097
Debts				
Accounts payable	892	892	667	667
Liabilities to credit institutions	323	323	-	-

The following summarizes the methods and assumptions mainly used to determine the fair value of the financial instruments presented in the table above.

Fair values

The breakdown of how fair value is determined is made based on three levels.

Level 1: according to prices quoted on an active market for the same instrument

Level 2: based on directly or indirectly observable market data not included in level 1

Level 3: based on inputs that are not observable on the market

Fair values according to level 1 have been used in the category Financial assets that can be sold, which includes placement in the listed fixed income fund. The Group has no fair values calculated according to level 2 or level 3. For non-interest-bearing asset and liability items such as trade receivables and accounts payable with a residual life of less than six months, the carrying amount is considered to correspond to fair value. Even for liabilities to credit institutions, the difference between carrying amount and fair value is considered negligible.

Financial assets measured at fair value through other comprehensive income/short-term investments

Consists of investment in fixed income fund. Fair value has been determined based on the bank's quoted rate on the fixed income fund at the balance sheet date. Unrecognised profit in the parent company amounts to 0 (0).

Trade receivables, accounts payable and other financial liabilities

For trade receivables, accounts payable and other financial liabilities in the parent company, the carrying amount is considered to reflect fair value.

Maturity analysis liabilities

Accounts payable, other liabilities and interim liabilities mature within 3 months. Liabilities to credit institutions mature within four years.

Financial risks and risk management

The company's financing and management of financial risks is managed within the company under the supervision and supervision of the Board of Directors. The company applies a prudent investment policy.

Financing risk

The company's ability to meet future capital needs is largely dependent on the success of the launch of the products and subsequent sales successes. There is no guarantee that Glycorex Transplantation will be able to raise the necessary capital even if the development is positive in the company, a dependency is also found on the situation in the market for available venture capital.

20 Financial assets ..., continued

Interest rate risk

Excess liquidity is invested in banks or in interest-bearing securities with little interest rate risk. The Group's interest-bearing liabilities carry an interest rate of approximately 2.5%.

Currency risk

Most of the company's purchases are made in Swedish kronor. Some consulting services are acquired in USD and EUR. Invoicing to customers is mostly in EUR. The company has not used currency hedging in 2021 (no currency hedging in 2020). Future revenues and expenses will be affected by fluctuations in foreign exchange rates. Operating profit during the financial year was affected by foreign exchange gains of 348 (504) and by foreign exchange losses of 377 (475).

Sensitivity analysis

If the Swedish krona had weakened/strengthened by 5% relative to Euro, GBP, AUD, NOK and CAD with all other variables constant, sales in 2021 would have been SEK 1.2 million higher/lower. The corresponding analysis of outstanding trade receivables as of December 31, 2021 shows that a change in the Swedish krona by 5% in relation to Euro, GBP, AUD and CAD would affect the receivables +/- SEK 137 thousand.

Credit risk

The company's customers consist of transplant clinics and pharmaceutical companies. Customers are considered creditworthy. However, a smaller percentage of customers pay invoiced amounts late. In case of doubt, prepayment is applied. Credit insurance is not applicable.

Accounts receivable

Group	2021-12-31	2020-12-31
Accounts receivable	3,602	3,044
Departs credit reserve	-767	-767
Total trade receivables	**2,835**	**2,277**

Parent company	2021-12-31	2020-12-31
Accounts receivable	3,602	3,044
Departs credit reserve	-767	-767
Total trade receivables	**2,835**	**2,277**

Change in the credit reserve

Group	2021-12-31	2020-12-31
At the beginning of the year	-767	-812
Change in credit provisioning	-	-
Reversed unused amounts (recovered receivable)	-	45
At the end of the year	**-767**	**-767**

Parent company	2021-12-31	2020-12-31
At the beginning of the year	-767	-812
Change in credit provisioning	-	-
Reversed unused amounts (recovered receivable)	-	45
At the end of the year	**-767**	**-767**

Age analysis, non-written accounts receivable	2021	2020
Non-overdue trade receivables	1,244	578
Overdue trade receivables 1-30 days	989	914
Overdue trade receivables 31-90 days	570	782
Overdue trade receivables 91-180 days	29	–
Overdue trade receivables 181-360 days	–	–
Overdue trade receivables older than 360 days	3	3
Total	**2,835**	**2,277**

Geographic credit risk exposure	2021	2020
Europe	2,190	1,781
Australia	75	56
Singapore	150	–
Mexico	–	–
Canada	–	–
India	420	440
Total	**2,835**	**2,277**

The three largest customers account for 19.0% (47.0) of the company's accounts receivable 2021-12-31.

21 Collateral and contingent liabilities

Group	2021-12-31	2020-12-31
Collateral provided	NONE	NONE
Contingent liabilities	NONE	NONE

Parent company	2021-12-31	2020-12-31
Collateral provided	NONE	NONE
Contingent liabilities	NONE	NONE

22 Events after the balance sheet date

2022-01-17: In January 2022, an agreement was signed with a distributor for the company's transplant product. The agreement is the first step for Glycosorb® ABO on the African continent.

23 Proposed disposition of the company's results

(Amount of SEK)	2021	2020
The Board of Directors proposes that:		
Share premium fund	99,334,874	99,334,874
Profit brought forward	-47,828,555	-42,206,943
Profit for the year	-12,274,395	-7,518,230
Total	**39,231,924**	**49,609,701**
be disposed:		
To be carried forward	39,231,924	49,609,701
Total	**39,231,924**	**49,609,701**

24 Information about the parent company

Glycorex Transplantation AB (publ) is a Swedish registered limited liability company with its registered office in Lund, Sweden. The parent company's shares are registered on NGM Main Regulated Equity. The address of the head office is Scheelevägen 27, Lund, Sweden.

The consolidated financial statements for 2021 consist of the Parent Company and its subsidiaries, collectively referred to as the Group.

Declaration of the board

The Board of Directors and the Managing Director declare that the annual accounts have been prepared in accordance with GAAP in Sweden and the consolidated financial statements have been prepared in accordance with the international accounting standards referred to in Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards. The annual accounts and consolidated accounts give a true and fair view of the parent company's and the Group's position and results. The annual report for the Parent Company and the Group provides a true and fair view of the development of the parent company's and the Group's operations, position and results and describes the significant risks and uncertainties that the parent company and the companies that are part of the group face. The annual report and consolidated financial statements have, as shown above, been approved for issue by the Board of Directors on April 25, 2022. The Group's income statement and balance sheet will be subject to approval at the Annual General Meeting on May 31, 2022.

Lund, April 25, 2022
Board of Directors of Glycorex Transplantation AB (publ)

Kurt Nilsson
Chairman

Christer Ahlberg
Board member

Torbjörn Axelsson
Board member

Nils Siegbahn
Board member

Leni von Bonsdorff
Board member

Geert Nygaard
CEO

Our audit report was submitted on 29 April 2022
Ernst & Young AB

Ola Larsmon
Authorized accountant

TO THE GENERAL MEETING OF THE SHAREHOLDERS OF ABC AB, CORPORATE IDENTITY NUMBER 556519-7372

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Glycorex Transplantaion AB (publ) for the year 2021. The annual accounts and consolidated accounts of the company are included on pages 22-47 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2021 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2021 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Description

As of December 31, 2021, retained expenses for development work are reported at SEK 40,297 thousand in the Group's balance sheet and SEK 23,352 thousand in the parent company's balance sheet and account for 40% of the Group's assets and 25% of the parent company's assets. Development expenses are recognized as an asset in the balance sheet if the product or process is deemed technically and commercially useful and the company has sufficient resources to complete the development and subsequently use or sell the intangible asset.

The recognition of retained development expenses includes that the company assesses at the time of acquisition which development expenses are attributable to each product during development and to what extent these are recyclable. The company tests at least annually and in case of an indication of a decrease in values that the carrying amounts do not exceed estimated recoverable amounts. The recoverable amounts are determined by present value calculation of assessed future cash flows and are based on expected outcomes of a number of factors based on the company's estimates and assessments. The initial accounting of development work expenses and the impairment tests carried out are thus based on the company's estimates and assessments, which is why the accounting of balanced expenses for development work has been considered to be a particularly important area of the audit.

A description of the assumptions underlying the company's accounting of retained development expenses is set out in Note 10 and in the Important Estimates and Assessments section of Note 1. Note 10 also shows reported retained expenses for development work, acquisitions and depreciation for the year.

How our audit addressed this key audit matter

In our audit, we have evaluated the company's process for assessing which development expenses meet the criteria for accounting as balanced expenses for development work. We have also carried out random checks of balanced expenses against the basis and evaluated the company's process for drawing up impairment tests, among other things by reviewing the reasonableness of assumptions about future revenues. With the help of our valuation specialists, we have reviewed the company's model for conducting impairment tests. We have also reviewed the information provided in the annual report.

Other Information than the annual accounts and consolidated accounts
This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-21 and 52-58. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director
The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility
Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or related safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on the audit of the administration and the proposed appropriations of the company's profit or loss

Opinions
In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Glycorex Transplantation AB (publ) for the year 2021 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated (loss be dealt with) in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for opinions
We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director
The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility
Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

THE AUDITOR'S EXAMINATION OF THE ESEF REPORT

Opinion
In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Glycorex Transplantation AB for the financial year 2021.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the ESEF report #[checksum] has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion
We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the ESEF report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Glycorex Transplantation AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director
The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with professional ethical requirements, professional standards and legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a technical validation of the Esef report, i.e. if the file containing the Esef report meets the technical specification set out in the Commission's Delegated Regulation (EU) 2019/815 and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the Esef report has been marked with iXBRL which enables a fair and complete machine-readable version of the consolidated statement of financial performance, financial position, changes in equity and cash flow.

Ernst & Young AB, Box 7850, 103 99 Stockholm, was appointed auditor of Glycorex Transplantation AB by the general meeting of the shareholders on the 08/06/2021 and has been the company's auditor since the 14/06/2012.

Malmö 29 April, 2022

Ernst & Young AB

Ola Larsmon
Authorized Public Accountant

Corporate governance report

1. PRINCIPLES OF CORPORATE GOVERNANCE

In addition to provisions in law, regulations and ordinances, the company complies with NGM's regulations (available on www.ngm.se) and the Swedish Code of Corporate Governance (see below). Furthermore, the Company's Board of Directors prepares rules of procedure for the Board of Directors each year, a CEO's instruction and a reporting instruction. However, these documents are not public.

2. SWEDISH CORPORATE GOVERNANCE CODE

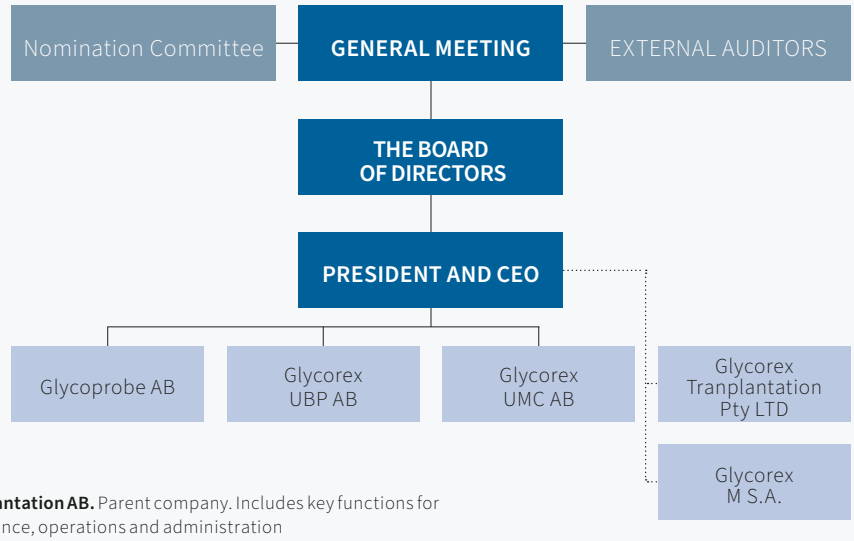
The Swedish Corporate Governance Code (version 1 January 2020) contains rules on good practice for corporate governance at Swedish listed companies (available on www.bolagsstyrning.se).

The company applies the code. In some cases, the company has chosen alternative solutions that deviate from the code's rules, which are described below.

2.1 Publication of general meeting. Instead of the code's rule (item 1.1) that the date and place of the general meeting are published in conjunction with the third quarterly report, the information is published in connection with the year-end report. The Annual General Meeting of the company has so far been held in May or June, which is why information on the date of the meeting in the year-end report is deemed to be sufficient foresight.

2.2 Appointment of the Nomination Committee. Instead of the provisions of items 2.3 and 2.4 of the Code, the members of the Nomination Committee are appointed as follows: The Nomination Committee shall have at least three members, one of whom shall be appointed Chairman. The Board of Directors determines the three largest shareholders in terms of votes in the company as of 30 November each financial year. Ownership through companies, related parties, etc. is counted as belonging to an owner. Each owner has the right to appoint one member. If a member resigns, the same owner appoints a new member. Board members may be members of the Nomination Committee. The owners shall strive for the majority of the members of the Nomination Committee to be independent in relation to the company and the company's management. The company has a large number of smaller shareholders as well as a handful of major active shareholders who represent more than half of the votes in the company. For effective work in the Nomination Committee, proposals submitted by it should be anchored by the active majority of votes at the Meeting. The intention is that the General Meeting shall confirm the guidelines for the appointment of the Nomination Committee

OVERVIEW OF CORPORATE GOVERNANCE IN GLYCOREX TRANSPLANTATION AB



- **Glycorex Transplantation AB.** Parent company. Includes key functions for management, finance, operations and administration
- **Glycoprobe AB.** Acquired in 2008. Production of the active components included in Glycosorb-ABO
- **Glycorex UBP AB.** Formed in 2011. Develops products within the UBP project
- **Glycorex UMC AB.** Formed in 2011. The company's main purpose is to market and establish products in the U.S.
- **Glycorex Transplantation Pty Ltd.** Formed in 2005 with the aim of facilitating registration in Australia
- **Glycorex M S.A.** Formed in 2013 with the aim of facilitating registration in Mexico

as set out above. The Nomination Committee shall perform the tasks that, according to the Swedish Code of Corporate Governance, are the responsibility of a Nomination Committee. No remuneration is paid to the members of the Nomination Committee.

The Nomination Committee shall be presented in the manner set out in item 2.5 of the Code, but no later than four months before the Annual General Meeting. Four months before the meeting is deemed to provide sufficient time for shareholders to submit proposals to the Nomination Committee.

2.3 Board of Directors. Instead of the provision in section 4.2 of the Code, the company may appoint one or more deputies to the Board of Directors. The reason for this change is that the Annual General Meeting 2012-06-14 resolved to appoint an alternate member to the Board of Directors in addition to ordinary members.

2.4 Audit Committee. Instead of the law's rule on a separate audit committee, the Board of Directors shall at least once a year at a Board meeting deal with audit issues and perform the tasks that the Audit Committee would otherwise have done. Compared to other listed companies, the company's operations are of limited scope. The deviation aims to create an effective organization without too much administration.

2.5 Remuneration Committee. Instead of the Code's rule (items 9.1 and 9.2) regarding a separate remuneration committee, the Board of Directors shall at least once a year at a Board meeting deal with issues relating to remuneration and other terms of employment for the Company's management. The Board's tasks include (i) preparing resolutions regarding remuneration principles, remuneration and other terms of employment for the company's management, (ii) following and evaluating ongoing and evaluated ongoing and completed programs for variable remuneration for the company's management during the year, and (iii) follow and evaluate the application of the guidelines for remuneration to senior executives that the Annual General Meeting is required by law to resolve on and current remuneration structures and levels in the company. Board members who are part of the executive management do not participate in any treatment of their own remuneration.

Compared to other listed companies, the company's operations are of limited scope. The deviation aims to create an effective organization without too much administration.

3. GOVERNANCE OF THE COMPANY IN 2021

3.1 Nomination Committee. The Nomination Committee for the Annual General Meeting 2022 was appointed in accordance with the principles adopted by the Annual General Meeting 2021. The Nomination Committee shall consist of one representative from the three largest shareholders in the company as of November 30, 2021. Prior to the Annual General Meeting 2022, the Nomination Committee has consisted of the following persons: Kurt Nilsson is appointed by the largest owner in the company Kurt Nilsson including related family members and own companies. Tomas Westergren is appointed and represents his own holding and the shareholding that exists within the Wendt family. At the time of publication of the Annual Report, the other owners have not yet appointed a representative to the Nomination Committee.

3.2 General Meeting. Notice of general meeting is made in accordance with the articles of association in Post- och Inrikes Tidningar and on the website. The fact that the notice has been issued is also advertised in DI. The notice is also sent out through a press release. Shareholders who wish to participate in the meeting must register themselves and any assistants no later than five working days before the meeting. At a general meeting of the company, each owner can vote for the full number of votes that his shares represent without any restrictions. The Annual General Meeting shall decide on the determination of the balance sheet and income statement, disposition of the profit for the year and discharge from liability for the Board of Directors and the CEO. According to the Articles of Association, the Annual General Meeting shall also appoint at least three and not more than seven members of the Board of Directors and resolve on board fees. The Articles of Association are amended by resolution at the General Meeting in accordance with the provisions of the Swedish Companies Act. The Annual General Meeting 2021 decided on an authorization for the Board of Directors to decide on a new issue of 7,000,000 Class B shares. The authorization has not been used.

3.3 The Board of Directors. The members of the Board of Directors are presented in the Annual Report on page 55. Kurt Nilsson has been chairman of the Board. The other members have been Christer Ahlberg, Nils Siegbahn, Leni von Bonsdorff and Torbjörn Axelsson and Tomas Westergren as deputy.

Member Kurt Nilson has previously been CEO and is a major shareholder. He now works full-time as a development manager in the company. Deputy Tomas Westergren is related to major shareholders. The other members are independent in relation to the company's management and to major shareholders. The board's work is led by the chairman but otherwise takes place without permanent division of duties. As stated above, separate remuneration and audit committees have not been appointed. Instead, the Board has fulfilled these tasks. Since the Annual General Meeting 2021, the Board of Directors has met on six occasions.

Attendance at the meetings has been as follows:

Christer Ahlberg	6/6
Nils Siegbahn	6/6
Leni von Bonsdorff	6/6
Torbjörn Axelsson	6/6
Kurt Nilsson	6/6
Tomas Westergren (deputy)	6/6
Johan Nilsson (acting CEO from 15 June)	3/6
Geert Nygaard (CEO from December 15)	2/6

An annual evaluation of the Board's work is made and the Nomination Committee receives the assessments. During 2022, an evaluation has been carried out, where all board members have been asked to provide comments and proposals in writing and rate, among other things, the board's composition and working methods. The evaluation has

been presented to the Board of Directors.

3.4 CEO. CEO Geert Nygaard is presented in the Annual Report on page 55.

3.5 Internal control, risk management regarding financial reporting etc. The company has two active and three dormant group subsidiaries. The information below relates to both the company and its subsidiaries. The company's turnover for 2021 amounted to approximately SEK 28.2 million The number of employees during the year was 24 people at one workplace at the company's premises in Lund For each financial year, the Board adopts a budget, which sets the framework for the CEO and the company's operations. The Company's CEO has worked daily in the business and continuously monitored revenue and expense development. Staff within the Group have worked with financial frameworks for investments and purchases. Major investments and costs have always been approved by the CEO. The CEO has had direct insight into orders for the company's products and deliveries to the company's customers. The CEO's financial reporting to the Board of Directors has been done as follows. The Board of Directors has carefully reviewed the company's finances and operations in connection with the processing of this year's four reports to the stock market (three quarterly reports and one year-end report).

The CEO has sent a short status report for finances and development on a monthly basis. Furthermore, the CEO has been responsible for reporting to the Chairman immediately major deviations from the budget and business plan as well as major unforeseen costs, in accordance with the guidelines in the Board's rules of procedure and CEO instructions. In 2021, there has been no major deviation in the company's financial development that has motivated an extraordinary board meeting. The Board of Directors has also been in contact with the auditor.

The Board of Directors has discussed the need for internal audit. For the following reasons, a special internal audit is not established in the company or group. The size of the company (turnover, number of establishments and staff) as well as the group structure (no foreign subsidiaries with extensive operations) do not justify a specific internal audit. The Board's control of operations consists, in addition to what is stated above, of the work on the audit committee's tasks, the chairman's contact with the financial manager of the company and the board's contact with the auditor during the year.

Final production of the company's products sold on the market is done according to quality systems established and controlled in accordance with the applicable rules for medical devices.

The company regularly hires a lawyer for assessment and advice on legal matters related to the business.

3.6 Direct and indirect holdings in the company. An account of the company's direct and indirect holdings of shares representing at least one tenth of the voting rights can be found on page 26.

Lund, April 25, 2022

Board of Directors of Glycorex Transplantation AB

AUDITOR'S STATEMENT ON THE CORPORATE GOVERNANCE REPORT

To the Annual General Meeting of Glycorex Transplantation AB (publ), org. no. 556519-7372

ASSIGNMENT AND DIVISION OF RESPONSIBILITIES

The Board of Directors is responsible for the Corporate Governance Report for 2021 on pages 52-54 and for its being prepared in accordance with the Annual Accounts Act.

SCOPE AND SCOPE OF THE REVIEW

Our review has been conducted in accordance with FAR's recommendation RevR 16 Auditor's Review of the Corporate Governance Report. This means that our review of the corporate governance report has a different focus and a significantly smaller scope compared to the focus and scope of an audit in accordance with International Standards on Auditing and good auditing practice in Sweden. We believe that this review provides us with sufficient basis for our statements.

STATEMENT

A corporate governance report has been drawn up. Information in accordance with Chapter 6. Paragraph 6(2), points 2 to 6 of the Annual Accounts Act and Chapter 7. Section 31, second paragraph, of the same Act is compatible with the annual accounts and consolidated accounts and is in accordance with the Annual Accounts Act.

Malmo, April 29, 2022

Ernst & Young AB

Ola Larsmon

Chartered Accountant

Board of Directors, CEO and Auditors

Kurt Nilsson
President since June 2018.

- Member of the Board since 1996.
- Born in 1953.
- Founder and Head of Development of Glycorex Transplantation AB. PhD in Chemistry and Applied Biochemistry at Lund University.
- Associate Professor of Biotechnology.
- Shareholding including related party holdings: 3,268,000 Class A shares and 3,979,051 Class B shares.

Christer Ahlberg
Member since 2020.

- Born in 1971.
- Christer holds a Master of Science in Business Administration with a degree from Örebro University. Executive President and CEO of Cinclus Pharma since June 2021. Previous experience from the pharmaceutical industry, most recently as President and CEO of Sedana Medical (2017-2021), CEO of the Unimedic Group (2010 – 2016) and CEO of Eisai AB (2005 –2010) as well as more than 10 years of experience in leading positions in sales, Marketing and Market Access in the pharmaceutical industry, among other things astraZeneca, Meda. Chairman of the Board of PharmaControl MQL AB.
- Other ongoing assignments: Board member of PMD Solutions AB, FrostPharma AB, Prooxpharma AB. CEO and deputy board member of Waxholm by the sea aktiebolag.
- Shareholding: 60,000 Class B shares.

Nils Siegbahn
Member since 2021 (member and chairman of the company 2000-2009).

- Born in 1953.
- PhD in Chemistry and Applied Biochemistry at Lund University and M.Sc. in Business Administration at the Stockholm School of Economics. Experience from research, former Marketing Director Nicorette and CEO at Perstorpbolag, Atos Medical, Pernovo, Alligator Bioscience and Niconovum. Management consultant at ACH Consultant (ongoing). Member of sparbanksstiftelsen Syd Venture Capital Board, Celltrix AB and CanImGudie .
- Shareholding: holds no shares.

Leni von Bonsdorff
Member since 2021.

- Born in 1962.
- PhD and EMBA with extensive experience in the plasma pharmaceutical industry in R&D, marketing, sales and leadership at, among others, the Finnish Red Cross Blood Service and Sanquin. Executive Director at the International Plasma and Fractionation Association. Several positions of trust within technical academies of sciences in Finland.
- Shareholding: holds no shares.

Torbjörn Axelsson
Member since 2021.

- Born in 1960.
- M.Sc. in Economics at Lund University with more than 30 years of experience from various positions in business and finance in several different industries. Conducts consulting activities in his own company.
- Shareholdings including related parties: holds no shares.

Tomas Westergren
Deputy since 2012

- Born in 1964.
- Master of Science, Doctor and PhD in Biochemistry, experience in research and clinical work with patients.
- Shareholding: 1,560,000 Class B shares.

Geert Nygaard
CEO since December 15, 2021.

- Born in 1960.
- B.Sc. Chemical Engineering Technical University of Denmark
  Over 30 years of experience in diagnostics and life science and has held several leading roles within Abbott Laboratories, TECAN, Epigenomics and DAKO.
- Shareholding: holds no shares.

Auditors

Ola Larsmon
Ordinary auditor since 2019.
Authorized Public Accountant, Ernst & Young AB

Stefan Svensson
Deputy auditor since 2017
Authorized Public Accountant Ernst & Young AB

Shareholding as of 31.12.2021

Multi-year overview - Group

Income statement. Amount of KSEK	2021	2020	2019	2018	2017
Net sales	28,202	27,000	36,105	33,396	29,561
Operating profit before depreciation and amortization	-3,349	106	12,589	4,080	966
Operating profit after depreciation and amortization	-11,844	-7,724	7,500	2,899	-15,776
Profit for the year	-12,243	-8,040	6,906	2,861	-15,851

Balance sheet. Amount of KSEK	2021-12-31	2020-12-31	2019-12-31	2018-12-31	2017-12-31
Assets					
Intangible fixed assets	40,297	43,378	44,886	41,755	38,675
Tangible fixed assets	2,731	1,217	1,111	1,318	1,928
Right-of-use assets	8,214	10,157	14,154	–	–
Current assets, excluding cash and cash equivalents	8,423	8,641	10,104	9,657	5,588
Short-term investment	952	957	955	958	966
Cash and bank	41,182	48,345	14,631	13,220	7,675
Total assets	**101,799**	**112,695**	**85,841**	**66,908**	**54,832**
Equity and liabilities					
Equity	82,953	95,201	63,352	56,450	45,684
Long-term liabilities	5,325	6,113	10,159	158	227
Current liabilities	13,521	11,381	12,330	10,300	8,921
Total equity and liabilities	**101,799**	**112,695**	**85,841**	**66,908**	**54,832**

Cash flow statement. Amount of KSEK	2021	2020	2019	2018	2017
Profit after financial items	-12,241	-8,050	6,876	2,793	-15,878
Adjustments for items not included in cash flow	8,661	7,744	5,334	1,310	16,812
Income tax paid	490	-285	-102	-45	-137
Cash flow from changes in working capital	2,395	1,853	-2,641	-2,672	1,745
Cash flow from investing activities	-2,548	-2,014	-3,602	-3,652	-3,806
Cash flow from financing activities	-3,792	34,491	-4,245	7,913	–
Cash flow for the year	-7,035	33,739	1,620	5,647	-1,264
Cash and cash equivalents, at the beginning of the period	49,302	15,586	14,178	8,641	9,990
Exchange rate differences in cash and cash equivalents	-133	-23	-212	-110	-85
Cash and cash equivalents, at the end of the period	42,134	49,302	15,586	14,178	8,641

Ratios	2021	2020	2019	2018	2017
Operating margin, %	-42.0	-28.6	20.8	8.7	-53.4
Return on equity, %	-13.7	-10.1	11.5	5.6	-29.6
Return on total capital, %	-11.0	-7.8	8.9	4.8	-25.0
Return on capital employed, %	-12.0	-8.5	10.0	5.7	-29.4
Solidity, %	81.5	84.5	73.8	84.4	83.3
Average number of shares	73,853,983	73,590,732	69,853,983	66,747,696	66,509,456
Number of shares at the end of the period	73,853,983	73,853,983	69,853,983	69,853,983	66,509,456
Operating cash flow per share, average number of	-0.04	-0.01	0.08	-0.03	-0.02
Earnings per share	-0.17	-0.11	0.10	0.04	-0.24
Equity per share at the end of the period	1.12	1.29	0.91	0.81	0.69
Average number of employees	24	22	21	22	23

Alternative key figures. Other definitions

ESMA (European Securities and Markets Authority) guidelines for alternative key ratios apply from 2016. Glycorex Transplantation AB reports alternative key ratios as these provide valuable supplementary information to investors and the Company's management as they enable valuation of the Company's performance.

Return on equity. Net income as a percentage of average equity.
Return on capital employed. Operating profit plus financial income as a percentage of average capital employed.
Return on total capital. Operating profit plus financial income as a percentage of average balance sheet total.
Equity per share. Equity in relation to the number of shares at the balance sheet date.
Average number of shares. Weighted average of ordinary shares outstanding during the period.
Operating cash flow per share. Cash flow from operating and investing activities divided by the average number of shares.
Operating margin. Operating profit as a percentage of net sales.
Solidity. Equity as a percentage of balance sheet total.
Capital employed. Balance sheet total minus non-interest-bearing liabilities.

OTHER ECONOMIC DEFINITIONS
The average number of employees. Number of employees corrected for length of employment and part-time employment.
Earnings per share. Net income in relation to the average number of outstanding shares

Reconciliation of alternative key ratios

Operating margin	2021	2020	2019	2018	2017
Operating profit	-11,844	-7,724	7,500	2,899	-15,776
Net sales	28,202	27,000	36,105	33,396	29,561
Operating margin, %	-42.0	-28.6	20.8	8.7	-53.4

Solidity	2021-12-31	2020-12-31	2019-12-31	2018-12-31	2017-12-31
Equity	82,953	95,201	63,352	56,450	45,684
Balance sheet total	101,799	112,695	85,841	66,908	54,832
Solidity, %	81.5	84.5	73.8	84.4	83.3

Equity	2021-12-31	2020-12-31	2019-12-31	2018-12-31	2017-12-31
Equity	82,953	95,201	63,352	56,450	45,684

Return on equity	2021	2020	2019	2018	2017
Average equity	89,077	79,277	59,901	51,067	53,612
Net income	-12,243	-8,040	6,906	2,861	-15,851
Return on equity, %	-13.7	-10.1	11.5	5.6	-29.6

Capital employed	2021-12-31	2020-12-31	2019-12-31	2019-01-01	2018-12-31	2017-12-31
Balance sheet total	101,799	112,695	85,841	82,502	66,908	54,832
Deferred tax liability	-121	-119	-128	-158	-158	-227
Other non-interest-bearing liabilities	-9,673	-8,035	-8,042	-10,300	-10,300	-8,921
Total	**92,005**	**104,541**	**77,671**	**72,044**	**56,450**	**45,684**

Return on capital employed	2021	2020	2019	2018	2017
Average capital employed	98,273	91,106	*74,858	51,067	53,612
Operating profit	-11,844	-7,724	7,500	2,899	-15,776
Financial income	5	5	5	5	5
Total	**-11,839**	**-7,719**	**7,505**	**2,904**	**-15,771**
Return on capital employed, %	-12.0	-8.5	10.0	5.7	-29.4

* Calculated on opening balance 2019-01-01 and closing balance 2019-12-31

Glossary

The affinity column. An affinity column is a container with one or more specific substances used to separate substances into a flow-through gas or liquid. In this case, the column contains specific carbohydrates with affinitity (biochemical interaction) for the antibodies in the blood that determine blood group affiliation (see blood group determinant).

Allotransplantations. Transplantation between two individuals of the same species, for example, from human to human.

Antigen. Substance that provokes antibodies when introduced an organism, leading to an immune reaction.

Anticoagulant. Means to prevent clotting, for example, heparin.

Antibody. A part of the immune system that recognizes foreign substances, bacteria or viruses and binds to these. Antibodies are proteins and are also called immunoglobulins.

Blood group-AB plasma. The blood plasma extracted from these blood donors is considered universal and can be given to all patients. In addition to being available in too small quantities, AB plasma also contains soluble blood groups A and/or B substances that have been shown to cause different immunological reactions in the recipient.

Blood group determinant. Carbohydrates (oligosaccharides) in blood that determine blood group affiliation. H-determinant gives blood group 0, A-determinant A, B-determinant B and both A-determinant and B-determinant give blood group AB.

Blood group compatible. Given cells or organs have a compatible blood group with the recipient.

Blood plasma. Contains all the blood components necessary for the functioning of the blood (e.g. antibodies, clotting proteins, transport proteins, other proteins, insulin and other hormones, salts, etc.), except red and white blood cells.

Dialysis. Purification of the blood in case of kidney failure. There are two different forms of dialysis, hemodialysis and peritoneal dialysis (bag dialysis).

Extracorporal. Outside the body.

FDA. U.S. Food and Drug Administration.

R&D. Research and development.

HD dialysis. Hemodialysis; mechanical treatment to purify the blood in case of kidney failure.

HLA mismatch. Differences in the HLA system between individuals. In the case of transplantation, there may be a risk of rejection.

Graft survival. The time that a transplanted organ works with the recipient.

Immunoadsorption. Selective adsorption (binding) of certain substances in the blood with the help of a column.

Immunoglobulin. A group of protective proteins (antibodies) circulating in the blood, abbreviated Ig.

Intracorporal. Inside the body.

Carbohydrates. Sugar and sugar compounds such as lactose, starch and cellulose, but also more complex sugar compounds.

Column. See affinity column.

The complement system. Secondary system to the immune system for protection against harmful substances. Mark these with complementary proteins, for destruction with the help of the immune system.

PD dialysis. Peritoneal dialysis (bag dialysis); treatment to purify the blood in case of renal failure. Occurs through the instillation of dialysis fluid in the abdominal cavity that can be done both manually and with different degrees of device support.

Pancreas. Pancreatic gland, organs that produce insulin.

Plasma exchange/plasmapheresis. Replacement of the body-specific blood plasma for blood donor plasma or replacement fluids.

Plasma separation. Separation of blood plasma from white and red blood cells.

Red blood cells. Important part of the blood, oxygen transporter.

Standardized plasma. Standardized plasma is plasma from blood donors with relatively low levels of A/B antibodies, which does not prevent the presence of soluble blood group antigens as in AB plasma.

Transgenic organs. Organs derived from an organism in whose genome dna has been introduced from another organism, such as genes from man to animal.

Xenotransplantation. Transplantation from an individual of one species to an individual of another species, for example from pig to human.

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