



RefluxStop™ gaining acceptance in the larger community

American Foregut Society has published guidelines on the steps to develop acid reflux validating the RefluxStop treatment principle, supporting higher acceptance of RefluxStop in the medical community

Commercialisation of RefluxStop™ update

Fourth quarter 2022 sales increased 2.3 times over the same period the previous year and gross margin remains healthy, increasing to 96% during the quarter. Our pathway to significant commercial growth and success, however, remains a dedicated market access strategy culminating in reimbursement approval for RefluxStop™. We are committed to maintaining a quality approach and focusing on sales in important key markets as we continue to build the hospital network of top key opinion leaders (KOLs). To achieve our goal, we are focusing on superior clinical results and acceptance among the surgical community, and it is gratifying to see that the medical community is starting to realise that RefluxStop™ will become the new standard of care in the treatment of acid reflux.

According to a leading Swiss surgeon: *Until 2018, all widely adopted reflux procedures included the principle of encircling fully or partially the lower esophagus, to create a valve below the reduced diaphragm opening. Therefore, the RefluxStop procedure is the only surgical technique that - without full or partial encirculation of esophagus - is positioning the lower esophagus sphincter well below the reduced opening in the diaphragm. With the existing Nissen or Toupet funduplications, there is the risk that a through-the-wrap herniation occurs.*

In a milestone, the treatment principle of RefluxStop™ has been further validated based on a recent white paper published by the American Foregut Society (AFS) on the Endoscopic Classification of Esophagogastric Junction Integrity, which outlines the steps to develop acid reflux. The RefluxStop™ procedure is fully aligned with the AFS's approach, wherein the RefluxStop™ surgical technique includes all three described components for the control of reflux. First, it consists of the mediastinal dissection of the lower esophagus to reduce a hiatal diaphragm hernia, as well as to achieve enough esophageal length to have the lower esophageal sphincter (LES) in the abdominal cavity. Second, with the formation of the Forsell plication, a gastro-esophageal

plication of 90 - 110 degrees, it recreates the angle-of-His between the esophagus and the stomach and the flap valve as a second barrier to reflux. Third, with the position of the RefluxStop™ implant 1-1.5 cm above the LES into a pocket of the upper stomach (fundus) wall, the LES is stabilised in the abdominal cavity and slippage or herniation of the LES cannot occur, unless through a big defect in the diaphragm.

Confirmation of the RefluxStop™ treatment principle is also reflected in the validated clinical data being gathered and presented on RefluxStop™. AKH in Vienna, the largest University Hospital in Europe, presented Prof. Schoppmann's good results on his first 25 patients operated with RefluxStop™ during the Finnish Gastro Days Congress in Helsinki. In addition, two of our top KOLs are in the process of publishing their successful early and late-stage patient outcome results with RefluxStop™.

RefluxStop™ is currently being launched in Scandinavia, with Ersta Hospital and Sundsvall Sjukhus the first centers committing to join our registry study. Commercial activities have begun in Spain with the first RefluxStop™ surgeries performed in January.

The Ethics Committee in Switzerland has approved the registry study, which has started in Inselspital, Bern and Hirslanden Klinik Beau-Site.

Extensive input has been received during the quarter on the design of the planned randomized controlled trial (RCT) from leading anti-reflux surgeons in Europe and the U.S. who wish to participate in the RCT as well as from a former expert from HAS (Haute Autorité de Santé), the regulatory authority in France, where we plan to also conduct the trial.



US approval

We will file the RefluxStop™ PMA marketing submission based on our existing European clinical data, as agreed with FDA (Food & Drug Administration). Preparing this extensive PMA application is full of considerations and strategic decisions, and our regulatory team has prepared an additional supplement to the pre-submission to receive input on open issues from the FDA prior to our final PMA submission, feedback to be received in approximately 3 months. The U.S. market preparation is also underway through market awareness and education, and we continue to grow our presence in the US.

U.S. market entry will be a substantial landmark in our commercialisation process. The U.S. market will be key for releasing RefluxStop's full business potential. In addition to the U.S., our Regulatory team continues to work on approval in Canada and Japan.

We have successfully completed ISO 13485 and MDSAP recertifications this quarter, confirming the high compliance and regulatory standard that Implantica maintains.

Unparalleled eHealth pipeline of smart implants

The eHealth platform will be an integrated part of our smart medical implants. We have successfully continued to develop our eHealth platform. As mentioned previously, eHealth will save costs – reduce hospital stay and number of visits to the hospital. eHealth will bring treatment closer to the patient – patient will be involved and more in charge.

Implantica is working in the intersection of technology from traditional MedTech and rapidly evolving digitalization. The eHealth platform technology adaption to our pipeline products has taken a large step forward during the quarter. Implantica's eHealth platform is designed to be able to change treatment on distance, saving substantial costs for society.

Health Economics

We are continuing the roadmap to convince society in more and more countries that RefluxStop™ is the most economical alternative in acid reflux treatment. Similar analyses and comparison to the other competitive anti-reflux methods as performed by the York Health Economics Consortium of University of York (one of the world's leading centres for health economic analysis) will continue in several markets, such as Sweden, Norway, Italy and Spain. The excellent economic outcome RefluxStop™ achieved, superior to the other therapies in incremental cost effectiveness ratios (ICERs) i.e. quality-of-life outcomes in comparison to standard of care Fundoplication, Magnetic augmentation device and PPI medical treatment. Such improved results as presented will be considered by governmental bodies and insurance companies in pursuit of achieving reimbursement. Once this goal is reached, a substantial sales expansion is anticipated.

Going forward

Implantica continues to be supported by a strong balance sheet. Our commercial priority is RefluxStop, which has all the attributes to become a multibillion-dollar opportunity and to become an exceptional growth story building substantial value for our Investors.

The depletion of healthcare resources brought about by the Covid pandemic is beginning to stabilise and although we have experienced a delay, the end goal is unwavering - we will only be satisfied when RefluxStop is the new standard of care and reimbursed, creating a total success story.

I'm grateful to our employees, partners and shareholders for their continued support, commitment, and dedication in supporting or executing Implantica's strategy to improve patients' quality of life for millions of sufferers.

Peter Forsell

CEO and Founder, Implantica
Surgeon and Inventor



Implantica in brief

Implantica is a MedTech group committed to providing effective care for serious health conditions and improving patient quality of life by bringing advanced technology into the body. Simultaneously, Implantica aims to reduce overall costs and improve efficiency in the healthcare system.

The therapies Implantica develops are based on implants, which are inserted into the patient's body to replace bodily functions and/or treat diseases. Implantica has developed two platform technologies to be able to bring smart medical implants into the body.

Bringing advanced technology into the body requires enough power to activate a device inside the body long-term, which is the reason why a wireless energising platform has been developed. In addition, the Company has developed an eHealth platform for communicating with and reprogramming implants.

These platform technologies are covered by a multitude of patents and patent applications.

Implantica has developed a broad, patent protected, product pipeline, two-thirds of which is based on their two platform technologies.

Implantica's most progressed product, RefluxStop™, represents a potential paradigm shift in the treatment of GERD. Acid reflux has a significant impact on patient quality of life and can induce serious complications, including increased risk for oesophageal cancer.

GERD patients rely today, to a large extent, on PPIs – a drug therapy which calms symptoms of GERD. Ultimately, with PPI treatment reflux is not prevented and the risk for oesophageal cancer remains according to a report from Karolinska Institute. Alternative surgical procedures available today are plagued with complications, including compression of the food passageway and swallowing difficulties.

Top ten shareholders as of 31 December 2022

Name	Capital (%)
Peter Forsell	47.4 %
Handelsbanken Fonder	9.3 %
EFG Bank	7.3 %
Swedbank Robur	5.2 %
TIN Fonder	3.6 %
BNP Paribas Luxembourg	2.2 %
SIX SIS AG	2.1 %
UBS	1.7 %
State Street Bank	1.6 %
Avanza Pension	1.4 %

Source: Euroclear Sweden



Financial performance in brief

Figures in parentheses within the following section refer to the corresponding period in the preceding year.

Net sales

During the fourth quarter, net sales amounted to EUR 242 thousand (107), corresponding to an increase of EUR 135 thousand or 126%. Implantica is currently exclusively marketing its lead product, RefluxStop™, to selected Key Opinion Leaders.

For the full year, sales amounted to EUR 842 thousand (387), corresponding to an increase of EUR 456 thousand or 118%.

Cost of sales and gross margin

Cost of sales during the fourth quarter amounted to EUR 316 thousand (317). Cost of sales considers two categories of costs. Firstly, indirect costs of straight-line amortisation of capitalised development costs relating to RefluxStop™. Secondly, Other cost of sales, which relates to direct costs for purchasing goods and services from the Group's outsourcing partners.

In the fourth quarter, adjusted gross margin¹, i.e., gross margin excluding amortization, amounted to 96% (91%).

The cost of sales over the year, amounted to EUR 1,263 thousand (1,254). The adjusted gross margin¹, amounted to 96% (93%).

Operating expenses and EBIT

In the fourth quarter operating loss (EBIT) amounted to EUR 5,108 thousand (3,990), an increase of EUR 1,118 thousand or 28%. Research and development costs made up EUR 1,113 thousand (1,806), corresponding to a decrease of EUR 693 thousand or 38%. Research and development activities relate to pipeline products, the eHealth platform and management of the patent portfolio.

General and administrative costs increasing to EUR 3,921 thousand (1,974), an increase of EUR 1,947 thousand or 99%. The increase was primarily driven by investments in the build-up of a Business & Therapy Development team and a Market Access team to drive the commercialisation of RefluxStop™.

For the full year 2022, the operating loss (EBIT) amounted to EUR 18,447 thousand (13,141). Where Research and development cost made up EUR 5,805 thousand (6,343), corresponding to a decrease of EUR 538 thousand or 9% compared the full year of 2021. General and administrative costs increased to EUR 12,221 thousand (5,931), an increase of EUR 6,290 thousand or 106%.

Financial income and expenses

Financial income amounted to EUR 924 thousand (122) during the fourth quarter thanks to foreign exchange gains. Financial expenses amounted to EUR 600 thousand (1,573) over the quarter driven by foreign exchange losses.

For the full year, Financial income amounted to EUR 1,595 thousand (684) and Financial expenses totalled EUR 4,548 thousand (2,993). The lion's share of the foreign exchange losses driving the elevated Financial expenses, relate to a weakening of the Swedish krona. The company holds Swedish krona, as it expects to continue to source from Swedish suppliers, which invoice in Swedish krona.

Income taxes

The Group reported a tax income of EUR 37 thousand (-924) in the fourth quarter. The tax income for the quarter is explained by changes in deferred tax assets. For the first nine months of the year, the Group reported a tax income of EUR 39 thousand (-22).

Net earnings

The Group reported a net loss of EUR 4,747 thousand (6,365) for the fourth quarter, an increase of EUR 1,618 thousand driven by an increase in operating costs.

For the year, the net loss amounted to EUR 21,361 thousand (15,472), an increase of EUR 5,889 thousand.

Equity and liabilities

As of 31 December 2022, the Group's equity amounted to EUR 144.1 million and the equity ratio was 97% compared to 98% at 31 December 2021.

As of 31 December 2022, the Group did not have any interest-bearing debt.

¹ Adjusted gross profit as a percentage of Net sales. Where Adjusted gross profit is defined as Net sales minus cost of sales, plus amortization of development costs.



Cash flow and liquidity

During the fourth quarter net cash outflow from operating activities amounted to EUR 4,027 thousand (3,548).

Net cash outflow from operating activities over the full year amounted to EUR 15,958 thousand (11,472).

As of 31 December 2022, Implantica held cash and short-term investments of EUR 109.0 million.

Auditor's review

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



Consolidated interim financial statements

Condensed consolidated statement of profit or loss

<i>in thousands of EUR</i>	Oct to Dec		Jan to Dec	
	2022	2021	2022	2021
Net Sales	242	107	842	387
<i>Cost of sales</i>				
Amortisation of capitalized development costs	(307)	(307)	(1,227)	(1,227)
Other cost of sales	(9)	(10)	(36)	(27)
Total cost of sales	(316)	(317)	(1,263)	(1,254)
Gross loss	(74)	(210)	(421)	(867)
Research and development costs (Note 4)	(1,113)	(1,806)	(5,805)	(6,343)
General and administrative costs	(3,921)	(1,974)	(12,221)	(5,931)
Operating loss	(5,108)	(3,990)	(18,447)	(13,141)
Financial income	924	122	1,595	684
Financial expenses	(600)	(1,573)	(4,548)	(2,993)
Loss before income taxes	(4,784)	(5,441)	(21,400)	(15,450)
Income taxes	37	(924)	39	(22)
Loss for the period	(4,747)	(6,365)	(21,361)	(15,472)
<i>Attributable to</i>				
Owners of Implantica AG	(4,626)	(6,254)	(20,824)	(15,361)
Non-controlling interests	(121)	(111)	(537)	(111)
Loss for the period	(4,747)	(6,365)	(21,361)	(15,472)
<i>Earnings per share (Note 5)</i>				
Basic and diluted loss per share Class A (in EUR)	(0.07)	(0.09)	(0.30)	(0.23)
Basic and diluted loss per share Class B (in EUR)	(0.00)	(0.00)	(0.00)	(0.00)



Condensed consolidated statement of profit or loss and other comprehensive income

<i>in thousands of EUR</i>	Oct to Dec		Jan to Dec	
	2022	2021	2022	2021
Loss for the period	(4,747)	(6,365)	(21,361)	(15,472)
<i>Other comprehensive income</i>				
Remeasurement of net defined benefit liability	200	(148)	71	(112)
Related income taxes	(25)	18	(9)	14
<i>Total items that will not be reclassified to profit or loss</i>	175	(130)	62	(98)
Translation differences (Note 6)	(3,046)	4,746	4,895	5,611
<i>Total items that may be reclassified subsequently to profit or loss</i>	(3,046)	4,746	4,895	5,611
Other comprehensive income for the period, net of tax	(2,871)	4,616	4,957	5,513
Total comprehensive income for the period	(7,618)	(1,749)	(16,404)	(9,959)
<i>Attributable to</i>				
Owners of Implantica AG	(7,498)	(1,638)	(15,868)	(9,848)
Non-controlling interests	(120)	(111)	(536)	(111)
Total comprehensive income for the period	(7,618)	(1,749)	(16,404)	(9,959)



Condensed consolidated statement of financial position

<i>in thousands of EUR</i>	31 Dec	
	2022	2021
ASSETS		
<i>Current assets</i>		
Cash and cash equivalents	108,951	84,333
Accounts receivable	88	13
Other current receivables	866	476
Inventories	166	137
Current financial assets	-	48,403
Total current assets	110,071	133,362
<i>Non-current assets</i>		
Property, plant and equipment	242	233
Right-of-use assets	1,129	91
Intangible assets (Note 4)	35,977	28,467
Deferred tax assets	988	978
Total non-current assets	38,336	29,769
Total assets	148,407	163,131
LIABILITIES AND EQUITY		
<i>Current liabilities</i>		
Financial liabilities	328	92
Financial liabilities due to ultimate main shareholder	41	273
Other current liabilities	2,867	2,849
Total current liabilities	3,236	3,214
<i>Non-current liabilities</i>		
Financial liabilities	817	-
Pension liability	267	229
Total non-current liabilities	1,084	229
Total liabilities	4,320	3,443
<i>Equity</i>		
Share capital (Note 6)	129,137	129,137
Capital reserves (Note 6)	370,548	370,548
Translation differences (Note 6)	10,054	5,160
Retained earnings	(364,185)	(344,226)
Total equity attributable to owners of Implantica AG	145,554	160,619
Non-controlling interests	(1,467)	(931)
Total equity	144,087	159,688
Total liabilities and equity	148,407	163,131



Condensed consolidated statement of cash flows

<i>in thousands of EUR</i>	Oct to Dec		Jan to Dec	
	2022	2021	2022	2021
Loss for the period	(4,747)	(6,365)	(21,361)	(15,472)
<i>Adjustments for</i>				
Depreciation, amortisation and impairment	406	352	1,689	1,412
Financial income	(924)	(122)	(1,595)	(684)
Financial expenses	600	1,573	4,548	2,993
Income taxes	(37)	924	(39)	22
Share-based compensation	512	59	803	228
Other financial result	(7)	(7)	(29)	(20)
Change in pension liabilities	99	(19)	97	(2)
Other non-cash items	49	(84)	(90)	(137)
<i>Changes in net working capital</i>				
Decrease / (increase) accounts receivable	70	42	(75)	10
Decrease / (increase) other current receivables	(222)	14	(390)	(81)
Decrease / (increase) inventories	(14)	12	(29)	45
(Decrease) / increase other current liabilities	188	73	513	214
Net cash outflow from operating activities	(4,027)	(3,548)	(15,958)	(11,472)
<i>Cash flows from investing activities</i>				
Purchase of property, plant and equipment	(27)	(80)	(61)	(164)
Investment in intangible assets (Note 4)	(2,441)	(2,485)	(9,243)	(5,277)
Investment in fixed term deposits	-	-	-	(46,168)
Divestments in fixed term deposits	50,352	-	50,352	-
Interest received	38	-	38	-
Net cash outflow from investing activities	47,922	(2,565)	41,086	(51,609)
<i>Cash flows from financing activities</i>				
Gross proceeds from capital increase	-	-	-	59,075
Costs of proceeds from capital increase	-	-	-	(2,899)
Contribution of MedicalTree Swiss AG Group	-	-	-	22
Merger with Implantica MediSwiss AG	-	-	-	38
Payment of lease liabilities	(87)	(29)	(413)	(113)
Interest paid	15	(147)	(300)	(631)
Repayment of financial liabilities	(224)	-	(224)	(7,441)
Net cash inflow from financing activities	(296)	(176)	(937)	48,051
Net increase in cash and cash equivalents	43,599	(6,289)	24,191	(15,030)
Effect of exchange rate fluctuations on cash held	(726)	1,295	427	1,852
Cash and cash equivalents at beginning of period	66,078	89,327	84,333	97,511
Cash and cash equivalents at end of period	108,951	84,333	108,951	84,333



Condensed consolidated statement of changes in equity

<i>in thousands of EUR</i>	Jan to Dec 2022						
	Share capital	Capital reserves	Translation differences	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 31 December 2021	129,137	370,548	5,160	(344,226)	160,619	(931)	159,688
Loss for the period attributable to owners of the Company	-	-	-	(20,824)	(20,824)	(537)	(21,361)
Other comprehensive income (net)	-	-	4,894	62	4,956	1	4,957
Total comprehensive income (net)	-	-	4,894	(20,762)	(15,868)	(536)	(16,404)
Share-based compensation	-	-	-	803	803	-	803
Total transactions with shareholders	-	-	-	803	803	-	803
Balance at 31 December 2022	129,137	370,548	10,054	(364,185)	145,554	(1,467)	144,087

<i>in thousands of EUR</i>	Jan to Dec 2021						
	Share capital	Capital reserves	Translation differences	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 31 December 2020	120,187	206,503	(451)	(211,353)	114,886	-	114,886
Loss for the period attributable to owners of the Company	-	-	-	(15,361)	(15,361)	(111)	(15,472)
Other comprehensive income (net)	-	-	5,611	(98)	5,513	-	5,513
Total comprehensive income (net)	-	-	5,611	(15,459)	(9,848)	(111)	(9,959)
Gross proceeds from capital increase	8,950	50,125	-	-	59,075	-	59,075
Costs of proceeds from capital increase	-	(2,899)	-	-	(2,899)	-	(2,899)
Contribution of MedicalTree Swiss AG Group	-	116,790	-	(117,642)	(852)	(820)	(1,672)
Merger with Implantica MediSwiss AG	-	29	-	-	29	-	29
Share based compensation	-	-	-	228	228	-	228
Total transactions with shareholders	8,950	164,045	-	(117,414)	55,581	(820)	54,761
Balance at 31 December 2021	129,137	370,548	5,160	(344,226)	160,619	(931)	159,688



Notes

NOTE 1 General information

Implantica AG (the 'Company') is domiciled at Aeulestrasse 45, 9490 Vaduz, Liechtenstein. These condensed consolidated interim financial statements ('interim financial statements') as at and for the financial year 31 December 2022 comprise the Company and its subsidiaries (together referred to as the 'Group'). The Group is primarily involved in the research and distribution of medical implants. Implantica AG was admitted to trading on the Nasdaq First North Premier Growth Market in Stockholm in September 2020. Implantica AG is ultimately controlled by the Implantica Founder, Dr. Peter Forsell.

In the past the Group operated through Implantica MediSwiss AG, Liechtenstein but the issuer of shares for the listing on the Nasdaq First North Premier Growth Market in Stockholm was the newly incorporated Implantica AG domiciled in Liechtenstein. As part of the reorganisation Implantica MediSwiss AG founded Implantica AG on 7 February 2020 by contributing all subsidiaries (refer to annual report 2020). On 17 September 2021 Implantica AG and Implantica MediSwiss AG merged.

These interim financial statements were authorised for issue by the Company's Board of Directors on 16 February 2023. As of this date, no material events after the reporting date have occurred.

NOTE 2 Summary of significant accounting policies

Basis of preparation

These interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting and should be read in conjunction with the Group's consolidated financial statements as at and for the year ended 31 December 2021 ('last financial statements'). These interim financial statements do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last financial statements.

For the preparation of these financial statements the historical cost basis except for all those assets and liabilities

measured at fair value has been applied. All amounts are presented in EUR, and are rounded to the nearest thousand of EUR with the consequence that the rounded amounts may not add to the rounded total in all cases. All ratios and variances are calculated using the underlying amounts rather than the rounded amounts.

Critical accounting estimates and judgements

The preparation of these interim financial statements requires management to make assumptions and estimates that affect the reported amounts of expenses, assets and liabilities at the date of the financial statements. If in the future such assumptions and estimates deviate from the actual circumstances, the original assumptions and estimates will be modified as appropriate in the year in which the circumstances change. The valuation of the following material positions is based on the critical accounting estimates and judgements.

Intangible assets – capitalised costs

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use (i.e., when market launch has occurred). It is amortised over the expected useful life. During the development phase, the intangible asset is tested for impairment annually.

There can be no guarantee that such products will complete the development phase or will be commercialised or that market conditions will not change in the future. Hence a revision of management's assessment of future cash flows related to those products may be required. Specifically, management is required to make estimates and judgements in the area of developing and financing the intangible assets not yet in use. As such, the Group faces development risks in terms of finalising the development and launch of its products. Development risk includes the risk that the product does not obtain regulatory approval and therefore technical feasibility is not given.

NOTE 3 General accounting policies

The accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2021.



There were no new standards or amendments to existing standards that have a material effect on the Group's interim financial statements.

NOTE 4 Intangible assets

<i>in thousands of EUR</i>	Jan to Dec	
	2022	2021
Net carrying amount at 1 January	28,467	17,341
Additions Jan to Sep	7,345	3,635
Additions Oct to Dec	1,403	2,426
Amortization Jan to Sep	(928)	(949)
Amortization Oct to Dec	(309)	(312)
Contribution of MedicalTree Group	-	6,325
Translation differences	(1)	1
Net carrying amount at 31 December	35,977	28,467

For the fourth quarter Research and development costs in the amount of EUR 1,113 thousand were recognised in profit or loss since the conditions for capitalisation as intangible assets for these costs are not met (YTD: EUR 5,805 thousand)

NOTE 5 Earnings per share

<i>in thousands of EUR</i>	Oct to Dec		Jan to Dec	
	2022	2021	2022	2021
Loss for the period attributable to owners of Implantica AG	(4,514)	(6,254)	(20,712)	(15,361)
Weighted average % of Class A share capital in total share capital	83.8%	83.7%	83.8%	83.4%
Weighted average % of Class B share capital in total share capital	16.2%	16.3%	16.2%	16.6%
<i>Class A shares</i>				
Loss for the period attributable to Class A shareholders	(3,782)	(5,232)	(17,353)	(12,809)
Weighted average number of outstanding Class A shares	58,111,537	57,646,573	58,111,537	56,549,999
Basic and diluted (loss) per share Class A (in EUR)	(0.07)	(0.09)	(0.30)	(0.23)
<i>Class B shares</i>				
Loss for the period attributable to Class B shareholders	(732)	(1,022)	(3,359)	(2,552)
Weighted average number of Class B shares	1,125,000,000	1,125,000,000	1,125,000,000	1,125,000,000
Basic and diluted (loss) per share Class B (in EUR)	(0.00)	(0.00)	(0.00)	(0.00)

Earnings per category of shares

Earnings per class of shares (Note 6) are calculated on the basis of the net loss attributable to the shareholders of Implantica AG based on their portion of the share capital and the average number of outstanding shares.

Anti-dilutive effect of potential outstanding shares

The impact of share-based compensation arrangements was not considered in the diluted earnings per share calculation for Class A shares for the financial year ended 31 December 2022 and 2021 because due to the net loss for these periods their effect would have been anti-dilutive.

Effect of share split

On 17 September 2021 the extraordinary general meeting of the Company resolved to perform a Class B share split at the ratio of 20 to 1. Accordingly, the weighted average number of Class B shares outstanding in all periods presented are adjusted (multiplied by 20) in order to reflect the equity structure of the Company as if the share split had occurred at the beginning of the earliest period presented.



NOTE 6 Equity

Share capital

The fully paid in share capital of the Group amounts to CHF 138,723 thousand (EUR 129,137 thousand) and is divided into 58,111,537 registered shares with a nominal value of CHF 2.00 each (Class A) and 1,125,000,000 with a nominal value of CHF 0.02 each (Class B).

During the period the number of shares remained unchanged.

Translation differences

During the three months ended 31 December 2022 the EUR/CHF exchange rate decreased from 1.046 to 1.015. As a result, the group recognised a total loss of EUR 3,046 thousand in other comprehensive income related to the translation of financial statements of foreign operations and net investments in foreign operations (YTD: profit of EUR 4,894 thousand).

NOTE 7 Leases

The Group commenced two leases 2022, one in Switzerland and one in Liechtenstein, for office space with lease terms ranging from two to five years. Extension options were not included in the lease term as it is not reasonably certain the group will extend the leases. As a result of these leases the right-of-use assets and lease liabilities included in financial liabilities increased by EUR 1,367 thousand since 31 December 2021.

NOTE 8 Share based payment

The Group granted during the financial year ended 31 December 2022 a total number of 63,811 restricted shares to one employee subject to one-to-five-year vesting conditions related to ongoing employment whereby 12,762 shares vest annually. The fair value of each share at grant date was EUR 6.34. In addition, the Group granted share options to multiple employees subject to one-to-five-year vesting conditions related to ongoing employment. The number of share options and exercise price depend on a fifteen-day share price average before vesting date. The total fair value of the share options granted is EUR 851 thousand to be recognised over a period of five years.



Other

Telephone conference

Implantica will hold a teleconference on 17 February 2023 at 15:00 (CET) with Peter Forsell (CEO), Andreas Öhrnberg (CFO) and Nicole Pehrsson (VP Operations & IR). Please see dial-in details below to join the conference:

Webcast

<https://ir.financialhearings.com/implantica-q4-2022>

Dial-in number (toll free)

SE: +46 8 505 163 86

UK: +443333009273

US: +1 412 317 6300

Pin code: 2209644#

Financial calendar

20 April 2023	Annual Report 2022
12 May 2023	Interim Report Q1 2023
25 May 2023	Annual General Meeting
24 August 2023	Interim Report Q2 2023
22 November 2023	Interim Report Q3 2023

Listing

Implantica is listed on Nasdaq First North Premier Growth Market in Stockholm. The company is traded under the ticker symbol IMP A SDB and ISIN code SE0014855029.

Disclaimer statement

Some statements herein are forward-looking, and the actual outcome could be materially different. In addition to the factors explicitly commented upon, the actual outcome could be materially affected by other factors, for example: the impact of undesired side effects related to existing or future products, failures in handling of the quality system, obstacles in obtaining CE and FDA approvals and re-certifications, products may fail to become subject to insurance and reimbursement policies and risk not gaining widespread acceptance, clinical trials may prove to be unsuccessful and the impact of competing products.

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