



# SERODUS

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## SERODUS ASA

**Interim report  
Second quarter 2020  
and subsequent events  
(Unaudited)**

August 2020

## Q2-2020 Highlights

- Private placement was finalized raising NOK 45,9 M
- Documents for filing next clinical study are finalized
- One new use SER150 patent has been filed

### SER150 for Diabetic Kidney Disease

All toxicological reports from 6-month testing in rats and 9 months testing in dogs are finalized and signed by the contract laboratory and Serodus.

Three essential documents for the upcoming 3-month, 100 patient dosing study: the study Protocol, the Investigator Brochure and the Investigational Medicinal Product Dossier are finalized and signed except study protocol which will be signed by Serodus early August.

Serodus has decided to perform the study in Australia to keep the administrative work and cost as low as possible and to benefit from the Australian scientific research grant program, which includes clinical drug development. Furthermore, the quality of clinical research here is recognized internationally to have a very high standard.

The application will be filed as soon as a subsidiary (Serodus (AUS) Pty Ltd) is established, which it is expected to be by mid-August.

Due to Covid-19 and the significant changes in the way work is planned all over the world there has been a delay in finalizing the three essential documents for filing the Clinical Trial Notification (CTN) to the Australian authorities and Ethical committees. This is now scheduled for mid-August.

### SER130 for Diabetic Retinopathy

Nothing to report

### SER140

Nothing new to report

## Financials

Financial statement for the second quarter 2020 compared to same quarter 2019.

Please note that the reverse share split 10:1 in 2019 was decided at the AGM in June, but only registered with the corporate register in Norway in July. Hence the difference in number of shares under Equity.

Serodus launched a Private Placement offering 4,770,300 shares at NOK 13 in March. Due the market volatility caused by the outbreak of Covid-19 the subscription period was extended to mid-May. Despite these challenges Serodus managed to raise NOK 45.9 M in new capital through the issue of over 3.5 M new shares.

The proceeds will fund the next clinical study planned to take place in Australia. Serodus continues to look for further financing in order to potentially strengthen the development plan.

Furthermore, Serodus issued 315.000 new shares to settle a milestone payment with a license partner.

At the end of 2020-Q1 Serodus had app. 45,7 M in cash.

**Profit & Loss**

(All figures in thousand NOK)	Q2 '2020	Q2 '2019	YTD 2020	YTD 2019
<i>Operating income</i>				
Revenue	-	-	-	-
<i>Operating expenses</i>				
Cost of sales	-	-	-	-
Project cost	(5.696)	(1.834)	(6.400)	(10.276)
Personnel expenses	(968)	(933)	(1.761)	(2.630)
Depreciation and Amortization of assets	(11)	(45)	(21)	(90)
Other Operating Expenses	(1.873)	(1.345)	(2.782)	(2.288)
<b>Total Operating Expenses</b>	<b>(8.548)</b>	<b>(4.157)</b>	<b>(10.964)</b>	<b>(15.283)</b>
<b>Operating result</b>	<b>(8.548)</b>	<b>(4.157)</b>	<b>(10.964)</b>	<b>(15.283)</b>
<b>Net finance</b>	<b>(72)</b>	<b>(22)</b>	<b>(113)</b>	<b>(145)</b>
<b>Profit/ (loss) before tax</b>	<b>(8.619)</b>	<b>(4.179)</b>	<b>(11.077)</b>	<b>(15.428)</b>
Tax	-	-	-	-
<b>Profit/ (loss) after tax</b>	<b>(8.619)</b>	<b>(4.179)</b>	<b>(11.077)</b>	<b>(15.428)</b>

## Balance sheet

(All figures in NOK)	30-06-2020	30-06-2019
<b>ASSET</b>		
<b>Assets</b>		
Intangible assets	617.507	2.163.649
Goodwill	-	599.230
<b>Sum intangible assets</b>	<b>617.507</b>	<b>2.762.879</b>
<b>Current assets</b>		
Inventories	7.891.534	4.298.484
Other short term receivables	4.806.553	134.224
Bank	45.698.589	22.316.424
<b>Sum Current assets</b>	<b>58.396.677</b>	<b>26.749.131</b>
<b>Sum Assets</b>	<b>59.014.183</b>	<b>29.512.010</b>
<b>EQUITY AND DEBT</b>		
Share capital	14.301.553	135.920.746
Share premium reserve	-	50.948.410
Other equity	80.633.706	(4.461.445)
Retained earnings	(38.149.322)	(154.761.766)
<b>Sum Equity</b>	<b>56.785.937</b>	<b>27.645.944</b>
<b>Long term debt</b>		
Convertible loan	-	-
Deferred tax	(11.000)	361.593
<b>Sum long term debt</b>	<b>(11.000)</b>	<b>361.593</b>
<b>Short term debt</b>		
Accounts payables	2.167.397	1.260.861
Other short term debt	71.849	243.612
<b>Sum Short term debt</b>	<b>2.239.246</b>	<b>1.504.473</b>
<b>Sum equity and debt</b>	<b>59.014.183</b>	<b>29.512.010</b>

## Cash flow

(All figures in thousand NOK	Q2 '2020	Q2 '2019	YTD 2020	YTD 2019
<b>Cash flow from operating activities</b>				
Ordinary profit/(loss) before tax	(8.619)	(4.179)	(11.077)	(15.428)
Amortization of assets				
Depreciation of assets	11	45	21	90
Placement expenses booked booked directly to equity				
Share based payments				
Changes in accounts receivables, creditors and inventory	215	(3.663)	(4.027)	(8.328)
Changes in accruals	(573)	(884)	(1.348)	(648)
<b>Net cash flow from operating activities</b>	<b>(8.967)</b>	<b>(8.680)</b>	<b>(16.431)</b>	<b>(24.315)</b>
<b>Cash flow from investing activities</b>				
Investment in assets	-	-	-	-
<b>net cash flow from investing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash flow from financing activities</b>				
Proceeds from issue of share capital	49.999	2.124	49.999	29.502
Capital not registered				
Convertible loan	-	-	-	-
Emmision acquisition of shares Phlogo				
Issue expences recognized directly in equity				
Repayment of loans				
<b>Net cash flow from financing activities</b>	<b>49.999</b>	<b>2.124</b>	<b>49.999</b>	<b>29.502</b>
<b>Net changes in cash and cash equivalents</b>	<b>41.033</b>	<b>(6.556)</b>	<b>33.569</b>	<b>5.187</b>
Cash and cash equivalents at the beginning of the period	4.666	28.872	12.130	17.129
<b>Cash and cash equivalents at the end of the period</b>	<b>45.699</b>	<b>22.316</b>	<b>45.699</b>	<b>22.316</b>

## Equity

YTD 2020

(All figures in thousand NOK)	Share capital	Share premium reserve	Other paid inn equity	Retained earnings	Total equity
Equity 01.01.2020	10.455	-	34.480	(27.035)	17.901
- Profit/(loss) for the period				(11.077)	(11.077)
- Other revenue/expenses				-	-
<i>Total comprehensive income</i>	-	-	-	(11.077)	(11.077)
<i>Transaction costs</i>					-
Sharebased payments					-
Conversion of debt					-
Capital not registered	315		3.780,000		4.095
Issue of shares	3.531		42.373,332		45.904
Foreign exchange change Equity				(37)	(37)
Capital reduction					-
<b>Equity 30.06.2020</b>	<b>14.302</b>	<b>-</b>	<b>80.634</b>	<b>(38.149)</b>	<b>56.786</b>

\* In Q2 2019 a reverse sharesplit was made 10:1

## Key Figures

(All figures in thousand NOK)	Q2 '2020	Q2 '2019	YTD 2020	YTD 2019
Total operating revenue	-	-	-	-
Net operating expenses	(8.548)	(4.157)	(10.964)	(15.283)
<b>Operating profit (loss)</b>	<b>(8.548)</b>	<b>(4.157)</b>	<b>(10.964)</b>	<b>(15.283)</b>
<b>Total comprehensive income(loss) for the period</b>	<b>(8.619)</b>	<b>(4.179)</b>	<b>(11.077)</b>	<b>(15.428)</b>
<b>Diluted earnings (loss) per share</b>	<b>(0,60)</b>	<b>(0,04)</b>	<b>(0,77)</b>	<b>(0,14)</b>
<b>Number of employees</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
<b>Cash and equivalents at end of period</b>	<b>45.699</b>	<b>22.316</b>	<b>45.699</b>	<b>22.316</b>

Board of Directors and CEO  
September 2020  
Serodus ASA