

Strong growth in 2015 and acquisition for international expansion

FY 2015

- Net sales increased to SEK 27.9 (19.1) million.
- Loss after tax came in at SEK -40.8 (-32.4) million.
- Earnings per share totaled SEK -1.64 (-1.41).

Q4

- Net sales increased to SEK 11.1 (8.7) million.
- Loss after tax came in at SEK -11.2 (-12.3) million.
- Earnings per share totaled SEK -0.45 (-0.49).
- Cash and cash equivalents were SEK 8.1 (37.9) million.

Significant events after the end of the period

Enzymatica signed an agreement to acquire Icelandic company Zymetech via a non-cash issue in January 2016. The transaction is to be approved at an extraordinary general meeting on February 15. The capital contributed by the subsequent cash issues will enable a stronger focus on commercial investments and

international geographic expansion. For more information, please see www.enzymatica.se

Enzymatica received a bridge loan from ALMI on February 5 in the amount of SEK 5 million in conjunction with the agreement to acquire Zymetech.

Financial ratios

(SEK million)	Oct-Dec 2015	Oct-Dec 2014	Full year 2015	Full year 2014
Net sales	11.1	8.7	27.9	19.1
Gross margin, %	65	79	70	74
Operating profit/loss	-11.0	-12.2	-40.4	-32.7
Cash flow from operating activities	-12.2	-13.0	-37.7	-40.7
Average number of employees	17	14	16	13

CEO statement: Foundations laid for international expansion with Zymetech acquisition

In 2015, we increased our sales by 46 percent to SEK 27.9 million, in comparison to around SEK 19 million the year prior, as a result of continuing strong sales on the Swedish market, where ColdZyme® has reached a market share of approximately 5 percent. Calculated in SEK, our product has thus established itself among the best-selling cold products in Swedish pharmacies. Consumers have responded very positively to our smaller package, OneCold, especially in Sweden.

The increased sales and lower overhead costs contributed to an improvement in our operating loss for Q4 compared to the same period in 2014.

In the UK, Enzymatica strengthened its presence by signing an agreement with pharmacy chain Lloyds in October to begin sales in December. The agreement will make ColdZyme available in an additional 1,300 pharmacies.

We took several key steps in our international expansion in Q4. We signed an agreement with distributor Tamro in Finland, which kicked off ColdZyme sales in November. A short time later, Enzymatica also signed a distribution agreement with Spanish pharmaceutical company Esteve for Spain and Andorra to launch the product in January 2016. Under both of these agreements, our distributor pays for the marketing costs for the respective market.

In 2015, we put in a lot of work on building a foundation for

our continuing internationalization. Our work on establishing a quality management system and other measures for compliance with international directives for medical devices has been necessary and important to meet the high quality requirements of partners. We also planned for the upcoming clinical follow-up study of ColdZyme in the UK in 2016 and continued our market entry activities in the Nordic region and other selected markets.

The next step to facilitate international expansion is the bid for our Icelandic partner Zymetech, which I see as a key strategic complement to Enzymatica's business. The acquisition gives us sole ownership of the patent protection for ColdZyme throughout Europe and a dozen or so additional countries. This gives us the ability to offer distributors exclusive distribution rights, which facilitates our international expansion.

We also get control over enzyme production as well as access to international research expertise and Zymetech's research portfolio. The proposed new share issues create the financial stability to enable us to be more commercially aggressive and thus foster a substantial long-term future increase in sales.

Fredrik Lindberg, CEO

Enzymatica at a glance

Enzymatica AB is a life science company whose business concept is to provide effective relief for some of the most common diseases where viruses and bacteria play a decisive role. In a short period of time, the company developed ColdZyme®, a unique mouth spray for fighting colds, launched the product in six markets and reached a position over the past winter as one of the most-sold cold products in Swedish pharmacies measured in SEK. Enzymatica has its own sales organization in Scandinavia and collaborates with a contract sales organization in the UK.

Our development focuses on medical devices for upper respiratory tract infections and oral health. An enzyme from deep-sea fish is a key sub-component in product development.

Enzymatica was founded in 2007, has its head office in Lund, Sweden and has been listed on the Nasdaq First North since June 15, 2015.



ColdZyme® is currently sold in Sweden, Denmark, Norway, Finland and the UK, as well as in Spain starting in January 2016.

Events in Q4

In Q4, the company signed two strategically important distributor agreements for the Finnish and Spanish markets. In October, Enzymatica signed an agreement with distributor Tamro for selling the ColdZyme mouth spray in Finland. The agreement gives Tamro exclusive rights to sell, market and distribute ColdZyme to all Finnish pharmacies, which total approximately 800. The product was launched in conjunction with Pharmacy Days in Helsinki on November 13–15. The agreement covers the products ColdZyme 20 ml and ColdZyme OneCold 7 ml.

In Spain, Enzymatica entered into a partnership with pharmaceuticals company Esteve, which is among the ten largest companies on the Spanish pharmacy market. Their products have full market coverages at over 21,000 pharmacies. The agreement gives Esteve exclusive rights to sell, market and distribute Enzymatica's cold product ColdZyme to pharmacies in Spain and Andorra. The agreement covers Enzymatica's products ColdZyme 20 ml and ColdZyme OneCold 7 ml, which are sold under the brand name Cortagrip®/ColdZyme® (co-branding). Esteve began selling the products in January 2016.

In Q4, the company made substantial marketing investments in ColdZyme on the Swedish market using television, digital media

and other media. Both the large 20 ml package and the small 7 ml OneCold posted year-on-year gains in sales volume.

Sales, earnings and investments

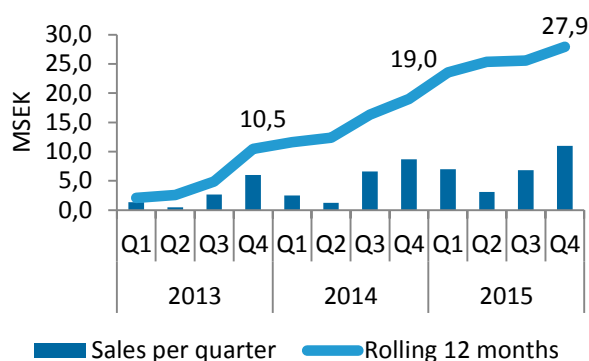
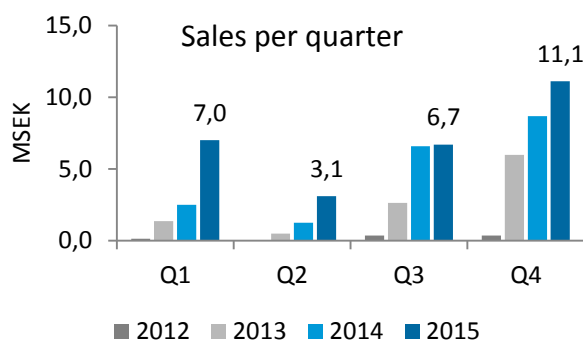
Q4

Consolidated net sales for Q4 2015 came in at SEK 11.1 (8.7) million – a 27 % year-on-year increase. The majority of the sales were from Swedish pharmacies, but pharmacies in Norway, Denmark, Finland and the UK played a part as well.

The gross margin for Q4 was 65% (79%). Enzymatica has experienced fluctuations in its gross margins between individual quarters as a result of the distribution of sales by country, promotional offers, the product mix (ColdZyme 20 ml and 7 ml) and exchange rates.

The group's operating loss was SEK -11.1 (-12.2) million. The improvement in the loss is mainly due to higher sales revenue and lower marketing costs in comparison to the corresponding period in 2014.

Enzymatica capitalizes new development expenditure on an ongoing basis. Capitalized expenses for development projects for Q4 totaled SEK 0.4 (1.5) million.



FY 2015

Consolidated net sales in the period from January to December 2015 came in at SEK 27.9 (19.1) million – a 46% year-on-year increase.

All countries except Norway exhibited solid year-on-year growth in 2015.

The gross margin for FY 2015 was 70% (74%).

Total operating expenses for 2015 were SEK 59.9 (46.8) million. The increase in total overhead costs is a result of the company selling on more markets and having increased its workforce.

The group's operating loss was SEK -40.5 (-32.7) million.

Enzymatica capitalizes new development expenditure on an ongoing basis. Capitalized expenses for development projects during the period totaled SEK 3.1 (3.8) million.

Seasonal variations

Cold products have a seasonal peak in the winter, with a decrease in sales in the summer months.

Research and development

In 2015, Enzymatica focused on strengthening the documentation for the ColdZyme® cold spray.

Enzymatica's product development focuses both on in-depth studies aiming to better understand and broaden the use of ColdZyme and on clinical trials in new areas. In Q4, the company continued its plans for a clinical follow-up study aiming to further strengthen the evidence of ColdZyme's quality, safety and efficacy. The study will be conducted in collaboration with British researchers in the first half of 2016.

The company has been participating in a four-year research project on chronic oral cavity infections run by Malmö University with funding from the Knowledge Foundation (KK-stiftelsen) since the beginning of this year. The objective is to add more medical devices to the company's range of products in the therapeutic areas of upper respiratory tract infections and oral health.

In addition, work is ongoing to certify the company to ISO standard 13485, a quality management system for medical devices.

Barrier technology with enzyme from deep-sea fish

An enzyme from a deep-sea fish is a key sub-component in Enzymatica's product development efforts for creating effective barriers against viruses and bacteria. The enzyme, which is called cold-adapted trypsin, is formed in the cod's pancreas and becomes hyperactive when it comes into contact with the warm skin and sinuses of humans. Together with glycerol, the enzyme forms a temporary barrier on the skin or sinuses. The barrier makes it more difficult for viruses and bacteria to locally infect cells and cause diseases.

Financing

Consolidated cash and cash equivalents at the end of the year totaled SEK 8.1 (37.9) million.

The company is looking into various financing options to raise working capital. The company has been using factoring since

October 1, which means that the company will receive cash and cash equivalents in conjunction with invoicing. The company entered into a loan agreement for SEK 5 million in October and received a loan commitment from ALMI for an additional SEK 7 million on the condition that an agreement to acquire Icelandic company Zymetech is signed. This loan was taken out on February 5, 2016.

In conjunction with the bid on Zymetech, which requires the approval of an extraordinary general meeting on February 15, the board has proposed a cash issue of new shares in the first half of 2016 with preemptive rights for existing shareholders amounting to SEK 60 million and an extended mandate for a future private placement of approximately SEK 40 million. The main reason for the preemptive rights issue is to create financial sustainability for the company to enable it to pursue commercial opportunities more aggressively and thus foster a substantial long-term future increase in sales, mainly for cold product ColdZyme. The reason for the extended mandate for a private placement is to take advantage of future opportunities to bring in strong long-term owners and provide additional financing for the company's growth strategy.

Cash flow from operating activities for the year totaled SEK -37.6 (-40.7) million. Cash flow from operating activities for Q4 came in at SEK -12.2 (-13.0) million.

Total cash flow for the year amounted to SEK -29.9 (33.7) million.

Parent company

The parent company's sales for FY 2015 reached SEK 27.9 (19.1) million. Loss before tax came in at SEK -40.3 (-32.4) million.

Parent company sales for Q4 came in at SEK 11.1 (8.7) million. Loss before tax amounted to SEK -10.7 (-12.3) million.

The parent company's investments in property, plant & equipment and intangible assets for the period totaled SEK 3.1 (3.9) million and cash flow was SEK -24.9 (28.7) million.

Please see the consolidated figures for more information.

Staff

The number of people employed by the group at the end of the year, converted to full-time positions, was 16 (14) at the end of the period. 9 (6) of the employees were women and 7 (8) were men.

Proposal for appropriation of profit

The Board of Directors will propose to the Annual General Meeting that no dividend will be paid for 2015.

Significant events after the end of the period

Enzymatica signed an agreement to acquire Icelandic company Zymetech via a non-cash issue in January 2016. The capital contributed by the subsequent cash issues will enable a stronger focus on commercial investments and international geographic expansion. The transaction is subject to the award of required official permits and to at least half of the votes cast and the shares represented at the meeting approving the transaction and voting for the non-cash issue. For more information, please see www.enzymtica.se

Other information

Group

Enzymatica AB (publ) (corporate identity no. 556719-9244), with its head office in Lund, is the parent company of subsidiaries Enzymatica Care AB (corporate identity no. 556701-7495), with its head office in Lund, and Enzymatica North America Inc, with its head office in Delaware, USA (corporate identity no. 47-1030502).

Accounting policies

This interim report has been prepared in compliance with IAS 34 Interim Financial Reporting. The consolidated financial statements have been prepared in compliance with the International Financial Reporting Standards (IFRS) as adopted by the EU and the Swedish Annual Accounts Act. The parent company's financial statements have been prepared in compliance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. The recognition and measurement policies as well as the bases of estimates and judgements applied in the 2014 Annual Report have been applied in this interim report as well. New or revised IFRS standards that came into force in 2015 did not have any material impact on the group.

All operating activities are currently conducted by the parent company. As a result, the consolidated financial statements and the parent company financial statements are basically identical.

Segment reporting

Enzymatica's business currently only spans a single operating segment, Medical devices. Please see the income statement and balance sheet for reporting on this operating segment.

Information about risks and uncertainties

Enzymatica's business is exposed to several risks, both

operational and financial risks. The operational risks mainly comprise uncertainty concerning product development, supplier agreements, product liability and distribution. For a more detailed description of the risks and uncertainties Enzymatica faces, please see the risk and sensitivity analysis in the 2014 Annual Report.

Audit

This report was not audited by the company's auditors.

2016 AGM

Enzymatica's 2016 Annual General Meeting will be held in Lund on April 26, 2016.

Shareholders who wish to have an item added to the agenda of the AGM may submit a written request by email to: ir@enzymatica.se or by regular mail to the following address: Styrelsen, Enzymatica AB, Ideon Science Park, 223 70 Lund. Requests must be received no later than seven weeks prior to the AGM to be eligible for inclusion in the meeting notice and thus the AGM agenda.

The annual report for 2015 is estimated to be published on Enzymatica's web site www.enzymatica.com approximately on 4 April.

Upcoming financial information

Interim report, Jan–March 2016	April 26, 2016
2016 AGM	April 26, 2016
Interim report, Apr–June 2016	July 18, 2016
Interim report, July–Sept 2016	November 3, 2016
2016 Year-end report	February 16, 2017

The interim reports and annual report are available on Enzymatica's website www.enzymatica.se

The Board of Directors and CEO hereby confirm that this interim report provides a true and fair view of the parent company's and group's business, financial position and results of operations, and describes material risks and uncertainties faced by the parent company and group companies.

Lund, February 15, 2016

Lennart Nilsson
Board Chair

Marianne Dicander Alexandersson
Board member

Jonas E Forsberg
Board member

Anders Jungbeck
Board member

Hans Pihl
Board member

Nils Siegbahn
Board member

Monica Wallter
Board member

Fredrik Lindberg
CEO

For questions about this report, please contact:

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Publication

Enzymatica AB (publ) is required by Swedish law (the Securities Market Act and/or the Financial Instruments Trading Act) to publish the information in this interim report. The information was submitted for publication on February 15, 2016 at about 11:00 a.m.

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Enzymatica is listed on the Nasdaq First North. The company is traded under the ticker symbol ENZY and ISIN code SE0003943620.

The company's certified adviser is Erik Penser Bankaktiebolag.

Consolidated Income Statement in Summary

All amounts in SEK thousand	Oct-Dec 2015	Oct-Dec 2014	Jan-Dec 2015	Jan-Dec 2014
Operating income				
Net sales	11 052	8 676	27 912	19 063
Cost of goods sold	-3 862	-1 862	-8 486	-4 894
Gross profit	7 190	6 814	19 426	14 169
Sales & Marketing expenses	-10 493	-14 175	-31 203	-26 968
Administrative expenses	-6 497	-3 227	-20 904	-14 770
Research and development costs	-1 695	-3 172	-10 898	-9 554
Other operating income	-	48	9	698
Capitalized development expenditure	361	1 472	3 054	3 758
Operating profit/loss	-11 134	-12 240	-40 516	-32 667
Profit/loss from financial items				
Interest income and similar profit/loss items	3	123	133	472
Interest expenses and similar profit/loss items	-72	-170	-447	-198
Profit/loss after financial items	-11 203	-12 287	-40 830	-32 393
Tax expenses	-	-	-	-
Profit/loss for the period	-11 203	-12 287	-40 830	-32 393
Other comprehensive income:				
Total other comprehensive income, net of tax	0	0	0	0
Total comprehensive income for the period	-11 203	-12 287	-40 830	-32 393
Share attributable to parent company shareholders	-11 203	-12 287	-40 830	-32 393
Per share data	Oct-Dec 2015	Oct-Dec 2014	Jan-Dec 2015	Jan-Dec 2014
Earnings per share, SEK (basic and diluted)	-0,45	-0,49	-1,64	-1,41
Equity per share, SEK	0,88	2,50	0,88	2,50
Equity-asset ratio, %	50%	86%	50%	86%
Number of outstanding shares	24 961 438	24 961 438	24 961 438	24 961 438
Average number of outstanding shares	24 961 438	24 961 438	24 961 438	22 897 342

Definitions of financial ratios

Earnings per share. Profit/loss for the period divided by average weighted number of shares

Equity-asset ratio. Equity divided by total assets.

Equity per share. Equity divided by number of shares at the end of the period.

Quarterly financial performance

All amounts in SEK thousand	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014
Net sales	11 052	6 813	3 086	6 961	8 676
Gross profit/loss	7 190	4 579	2 653	5 004	6 814
Gross margin in %	65%	67%	86%	72%	79%
Overhead costs	-18 324	-15 442	-13 597	-15 272	-19 054
Operating profit/loss	-11 134	-9 869	-10 441	-9 072	-12 240
Profit/loss for the period	-11 203	-10 134	-10 485	-9 008	-12 287
Cash flow	-1 611	-13 762	-8 400	-6 082	-14 675

Consolidated Balance Sheet in Summary

All amounts in SEK thousand	2015-12-31	2014-12-31
Assets		
Intangible assets	13 776	11 280
Property, plant & equipment	276	303
Inventories	11 410	11 887
Trade receivables	9 495	7 598
Other receivables	830	3 180
Cash and cash equivalents	8 065	37 920
Total assets	43 852	72 168
Equity and liabilities		
Equity	21 985	62 425
Current interest-bearing liabilities	10 939	-
Trade payables	5 980	6 577
Other liabilities	4 948	3 166
Total equity and liabilities	43 852	72 168

Consolidated statement of changes in equity

All amounts in SEK thousand	2015-12-31	2014-12-31
Opening balance	62 425	15 728
New share issues		83 596
Costs of new share issues		-5 330
Effect of employee share ownership plan	390	824
Profit/loss for the period	-40 830	-32 393
Other comprehensive income for the period		-
Closing balance	21 985	62 425

Cash Flow Analysis in Summary

All amounts in SEK thousand	Oct-Dec 2015	Oct-Dec 2014	Jan-Dec 2015	Jan-Dec 2014
Profit/loss after financial items	-11 203	-12 287	-40 830	-32 393
Adjustments for non-cash items	781	832	1 550	1 636
Tax paid			-	-
Cash flow from operating activities before changes in working capital	-10 422	-11 455	-39 280	-30 757
Changes in working capital	-1 768	-1 588	1 632	-9 909
Cash flow from operating activities	-12 190	-13 043	-37 648	-40 666
Capitalization of development expenditure	-360	-1 472	-3 053	-3 758
Acquisition/disposal of property, plant & equipment	-	-160	-93	-160
Cash flow from investing activities	-360	-1 632	-3 146	-3 918
New share issue	-	-	-	83 596
Transaction costs attributable to new share issue	-	-	-	-5 330
Change in bank overdraft facilities	10 939	-	10 939	-
Cash flow from financing activities	10 939	0	10 939	78 266
Total cash flow for the period	-1 611	-14 675	-29 855	33 682
Cash and cash equivalents at start of period	9 676	52 595	37 920	4 238
Cash and cash equivalents at end of period	8 065	37 920	8 065	37 920

Income Statement - Parent Company

All amounts in SEK thousand	Oct-Dec 2015	Oct-Dec 2014	Jan-Dec 2015	Jan-Dec 2014
Operating income				
Net sales	11 052	8 676	27 912	19 063
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Sales & Marketing expenses	-10 493	-14 175	-31 203	-26 968
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Research and development costs	-1 695	-3 172	-10 898	-9 554
Other operating income	-	48	9	698
Capitalized development expenditure	361	1 472	3 054	3 758
Operating profit/loss	-10 602	-12 239	-39 984	-32 667
Profit/loss from financial items				
Interest income and similar profit/loss items	3	108	117	423
Interest expenses and similar profit/loss items	-72	-170	-447	-198
Profit/loss after financial items	-10 671	-12 301	-40 314	-32 442
Tax expenses	-	-	-	-
Profit/loss for the period	-10 671	-12 301	-40 314	-32 442

Statement of Comprehensive Income

All amounts in SEK thousand	Oct-Dec 2015	Oct-Dec 2014	Jan-Dec 2015	Jan-Dec 2014
Profit/loss for the period	-10 671	-12 301	-40 314	-32 442
Other comprehensive income:	-	-	-	-
Total other comprehensive income, net of tax:	0	0	0	0
Total comprehensive income for the period	-10 671	-12 301	-40 314	-32 442

Balance Sheet - Parent Company

All amounts in SEK thousand	2015-12-31	2014-12-31
Assets		
Intangible assets	13 776	11 280
Property, plant & equipment	276	303
Financial assets	111	111
Inventories	11 410	11 887
Trade receivables	9 495	7 598
Receivables from group companies	-	5 000
Other receivables	1 362	3 170
Cash and bank balances	7 988	32 868
Total assets	44 418	72 217
Equity and liabilities		
Equity	22 370	62 294
Current interest-bearing liabilities	10 939	-
Liabilities to group companies	191	191
Trade payables	5 980	6 577
Other liabilities	4 938	3 155
Total equity and liabilities	44 418	72 217