

Higher sales and improved operating profit

Q1

- Net sales reached SEK 8.4 (7.0) million.
- Loss after tax came in at SEK -8.1 (-9.0) million. The loss was impacted by expenses in the amount of SEK -1.5 million for the upcoming acquisition of Zymetech.
- Earnings per share were SEK -0.32 (-0.36).
- Cash and cash equivalents amounted to SEK 7.2 (31.8) million at the end of Q1.

Significant events in Q1

- Enzymatica signed an agreement to acquire Icelandic company Zymetech via a non-cash issue.
- An extraordinary meeting approved the acquisition of Zymetech on February 15.
- The Board of Directors of Enzymatica AB (publ) (“the Company”) resolved to submit a proposal to an extraordinary general meeting on April 14 for a new share issue worth approximately SEK 60 million with preemptive rights for existing shareholders and authorization for a private placement of a maximum of 17.5 million shares.

Significant events after the end of the period

- Enzymatica completed its acquisition of Zymetech ehf. on April 1 after the terms of the transaction were met in March. The extraordinary general meeting on April 14 approved the preemptive rights issue and the proposed authorization for the board to conduct a private placement.

Financial ratios

(SEK million)	Jan-Mar 2016	Jan-Mar 2015	Full year 2015
Net sales	8.4	7.0	27.9
Gross margin, %	61	72	70
Operating profit/loss	-7.7	-9.1	-40.4
Cash flow from operating activities	-5.1	-4.9	-37.7
Average number of employees	16	15	16

CEO statement: A quarter characterized by the acquisition and planned integration of Zymetech

Q1 was characterized by Enzymatica’s acquisition of Iceland-based company and partner Zymetech. The acquisition serves as a key complement to our business, giving Enzymatica access to 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 will facilitate our international expansion. We also get control over enzyme production and access to Zymetech’s research expertise in enzyme technology and the company’s research portfolio.

The transaction was completed on April 1 and we are already pushing full speed ahead with the integration of product development, regulatory issues, quality processes, production, marketing and sales. This is an aggressive acquisition to facilitate and accelerate our international expansion. Cost synergies are thus less important. We will avoid overlapping activities in regards to new product lines and patent applications. A key milestone in connection with the acquisition was the approval of the extraordinary general meeting on April 14 for the preemptive rights issue of SEK 60 million. The issue

is fully underwritten through subscription and underwriting commitments from existing shareholders and external underwriters. The issue creates financial stability and an opportunity to steer our business in a more aggressive direction with a primary focus on expansion outside of the Nordic region.

I am glad that we were able to boost sales in Q1 in comparison to the strong first quarter of 2015. Our operating loss improved as well thanks to a cost-cutting program we initiated in the second half of 2015, resulting in lower staff and marketing expenses.

The Swedish market still accounts for the largest share of Enzymatica’s sales and the smaller package ColdZyme OneCold has exhibited solid volume growth. We are excited that sales on markets outside of Sweden are now beginning to take off with follow-on orders from our distributors in Finland and Spain.

Our patient study COLDPREV II was kicked off in late March at Imperial College London and we expect the study to be complete by the end of 2016 at the latest. Discussions with potential international distributors are in progress and are our highest priority going forward. *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 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 Q1

OneCold exhibited solid volume growth on the Swedish market. Enzymatica launched a marketing campaign in late Q1 with TV, PR, social and other digital media.

In Denmark, Enzymatica's sales performed well year-on-year. Enzymatica strengthened its sales organization and has solid reach at the majority of Danish pharmacies. Sales on the Norwegian market are still low. Enzymatica will strengthen its sales organization in the coming quarters. The product launch on the Finnish market in late 2015 was successful thanks to Enzymatica's partner Tamro. Sales in Q1 continued to perform well.

In the UK, efforts to find a powerful distributor are continuing. In Spain, we have seen a positive response to the product launch of CortaGrip/ColdZyme from pharmacies and Enzymatica received its first follow-on order late in Q1.

Sales, earnings and investments

Q1

Consolidated net sales for Q1 2016 came in at SEK 8.4 (7.0) million – a 21 % year-on-year increase. The majority of the sales were from Swedish pharmacies, but sales in Denmark, Finland, the UK and Spain played a part as well.

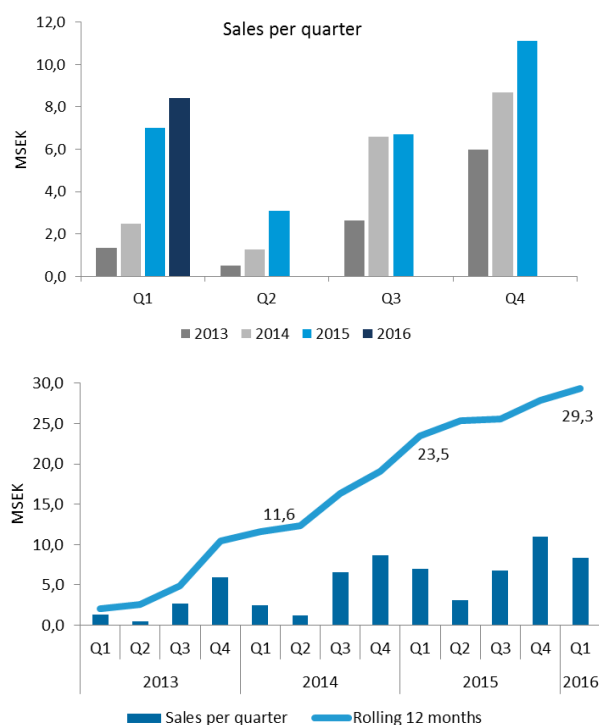
The gross margin for Q1 was 61% (72%). Enzymatica has experienced fluctuations in its gross margins between individual quarters as a result of the distribution of sales via its own

organization or distributors, the product mix and exchange rates.

The group's operating loss was SEK -7.7 (-9.1) million.

Total operating expenses for Q1 amounted to SEK 12.8 (14.1) million. The lower costs are a result of the company's implementation of its cost-cutting plan. The loss was impacted by expenses in the amount of SEK -1.5 million for the upcoming acquisition of Zymetech.

Enzymatica capitalizes new development expenditure on an ongoing basis. Capitalized expenses for development projects for Q1 totaled SEK 45 (1196) thousand.



Seasonal variations

Cold products have a seasonal peak in the winter, while sales level out in the summer months.

Research and development

Strengthening the documentation for the ColdZyme cold spray is a key part of Enzymatica's R&D activities.

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 Q1, Enzymatica and Imperial College London signed an agreement to conduct a clinical follow-up study in 2016 aiming to further strengthen the evidence of ColdZyme's quality, safety and efficacy.

The Company has been participating in a four-year research project on chronic oral cavity infections run by Malmö University with funding from Vinnova since the beginning of 2015. 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 mucous membrane. The barrier makes it more difficult for viruses and bacteria to locally infect cells and cause diseases.

Significant events in Q1

On January 28, Enzymatica announced that the company had entered into an agreement to acquire Iceland-based Zymetech ehf. via a non-cash issue. This acquisition gives Enzymatica international exclusive rights to a patent-protected enzyme, a key component of ColdZyme® Mouth Spray, as well as control over production of the enzyme, access to international research and development expertise and Zymetech's research portfolio. The capital contributed by the subsequent cash issues will enable a stronger focus on commercial investments and international geographic expansion.

An extraordinary meeting approved the acquisition of Zymetech on February 15.

The board resolved on March 14 to issue a maximum of 27,520,428 new shares with preemptive rights for existing shareholders subject to approval at an extraordinary general meeting. The preemptive rights issue is 100% underwritten via subscription and underwriting commitments and corresponds to approximately SEK 60 million before issue expenses.

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 the sales of cold product ColdZyme.

The board has also submitted a proposal to the extraordinary general meeting for authorization to conduct a private placement of a maximum of 17.5 million new shares. The reason for the authorization for a private placement is, if the market allows, to take advantage of future opportunities to bring in strong long-term owners and provide additional financing for the Company's growth strategy.

Funding

Consolidated cash and cash equivalents at the end of the quarter totaled SEK 7.2 (37.8) million. The company raised SEK 5 million on February 5 in conjunction with the signing of the agreement to acquire Zymetech via the loan commitment issued by ALMI.

The extraordinary general meeting on April 14 approved the board's proposed preemptive rights issue, which will raise approximately SEK 60 million for Enzymatica before issue expenses.

The proceeds of the upcoming preemptive rights issue will be used to finance the company's geographic expansion, cover the costs of

product development, including clinical studies and product documentation, and conduct its operating activities. The preemptive rights issue along with existing liquidity and cash flows from operating activities are forecast to cover the company's financing needs for more than twelve months.

Cash flow from operating activities for the quarter totaled SEK -5.0 (-4.8) million.

Total cash flow for the quarter amounted to SEK -0.9 (-6.1) million.

Parent company

The parent company's sales for Q1 reached SEK 8.4 (7.0) million. Loss before tax came in at SEK -8.1 (-9.0) million.

The parent company's investments in property, plant & equipment and intangible assets for the quarter totaled SEK 0 (1.2) million and cash flow was SEK -0.9 (-6.1) million.

Please see the consolidated figures for more information.

Staff

The number of people employed by the group, converted to full-time positions, was 16 (15) at the end of the quarter. 7 (8) of the employees were men and 9 (7) were women.

Significant events after the end of the period

Enzymatica completed its acquisition of Zymetech ehf. effective April 1 after the terms of the transaction were met in March.

The extraordinary general meeting on April 14 approved the preemptive rights issue and the proposed authorization for the board to conduct a private placement.

Disclosure on acquisition

The acquisition of approximately 99.5 percent of the shares of Zymetech is being paid for with 20,905,942 ordinary shares and 3,982,084 warrants in Enzymatica. The acquisition price is calculated on the basis of Enzymatica's closing price on the Nasdaq First North at March 31, 2016, which was the most recent date prior to completion of the transaction. The closing price was SEK 3.45 per share at that date. The warrants are valued at SEK 0.97 per warrant using the Black & Scholes option pricing model at March 31, 2016. The purchase price for all shares of Zymetech is thus SEK 76,343 thousand, given that non-controlling interests are measured at fair value.

A preliminary acquisition analysis has been prepared for the acquisition of Zymetech. The difference between the purchase price of SEK 76,343 thousand and the carrying amount of Zymetech's net assets of SEK 11,181 thousand after restatement of Zymetech's financial year to IFRS is SEK 65,162 thousand. The preliminary acquisition analysis includes identified surplus values of intangible assets in the amount of SEK 35,408 thousand on the basis of a valuation of Zymetech conducted in November 2015. These surplus values are amortized over the useful lives of these assets. For more details, see Note 27 of the 2015 Annual Report, which will be published on April 20. Enzymatica completed its acquisition of Zymetech ehf. effective April 1 after the terms of the transaction were met in March. If Zymetech ehf had been consolidated effective January 1, 2016, the group's income statement would have reported revenue of SEK 9422 thousand and a loss for the period of SEK -10,069 thousand at March 31, 2016.

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 at Elite Hotel Ideon, Scheelevägen 27, Lund, Sweden on May 25, 2016 at 1 PM.

The estimated publication date of the 2015 Annual Report on Enzymatica's website www.enzymatica.se is April 20.

Upcoming financial information

2016 AGM	May 25, 2016
Interim report, Apr-June 2016	July 18, 2016
Interim report, Jul-Sep 2016	November 3, 2016
Year-end report 2016	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, April 18, 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

Guðmundur Pálmason
Board Member

Sigurgeir Guðlaugsson
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. This information was submitted for publication on April 18, 2016 at 8:20 AM.

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

Consolidated Income Statement in Summary

All amounts in SEK thousand	Jan-Mar 2016	Jan- Mar 2015	Jan-Dec 2015
Operating income			
Net sales	8 412	6 961	27 912
Cost of goods sold	-3 291	-1 957	-8 486
Gross profit	5 121	5 004	19 426
Sales & Marketing expenses	-6 830	-8 465	-31 203
Administrative expenses	-4 354	-3 948	-20 906
Research and development costs	-1 848	-2 859	-10 898
Other operating income	156	-	9
Capitalized development expenditure	46	1 196	3 054
Operating profit/loss	-7 709	-9 072	-40 518
Profit/loss from financial items			
Interest income and similar profit/loss items	-	105	133
Interest expenses and similar profit/loss items	-390	-41	-445
Profit/loss after financial items	-8 099	-9 008	-40 830
Tax expenses	-	-	-
Profit/loss for the period	-8 099	-9 008	-40 830
Other comprehensive income:			
Total other comprehensive income, net of tax	0	0	0
Total comprehensive income for the period	-8 099	-9 008	-40 830
Share attributable to parent company shareholders	-8 099	-9008	-40 830
Per share data	Jan-Mar 2016	Jan-Mar 2015	Jan-Dec 2015
Earnings per share, SEK (basic and diluted)	-0,32	-0,36	-1,64
Equity per share, SEK	0,56	2,14	0,88
Equity-asset ratio, %	34%	88%	50%
Number of outstanding shares	24 961 438	24 961 438	24 961 438
Average number of outstanding shares (basic and diluted)	24 961 438	24 961 438	24 961 438

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	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
Net sales	8 412	11 052	6 813	3 086	6 961
Gross profit/loss	5 121	7 190	4 579	2 653	5 004
Gross margin in %	61%	65%	67%	86%	72%
Overhead costs	-13 032	-18 324	-15 442	-13 597	-15 272
Operating profit/loss	-7 709	-11 134	-9 869	-10 441	-9 072
Profit/loss for the period	-8 099	-11 203	-10 134	-10 485	-9 008
Cash flow	-866	-1 611	-13 762	-8 400	-6 082

Consolidated Balance Sheet in Summary

All amounts in SEK thousand	2016-03-31	2015-03-31	2015-12-31
Assets			
Intangible assets	13 683	12 344	13 776
Property, plant & equipment	244	317	276
Inventories	9 984	9 988	11 410
Trade receivables	8 194	3 716	9 495
Other receivables	1 407	2 315	830
Cash and cash equivalents	7 199	31 838	8 065
Total assets	40 711	60 518	43 852
Equity and liabilities			
Equity	13 886	53 417	21 985
Current interest-bearing liabilities	15 112	-	10 939
Trade payables	7 173	3 759	5 980
Other liabilities	4 540	3 342	4 948
Total equity and liabilities	40 711	60 518	43 852

Consolidated statement of changes in equity

All amounts in SEK thousand	2016-03-31	2015-03-31	2015-12-31
Opening balance	21 985	62 425	62 425
Effect of employee share ownership plan	-	-	390
Profit/loss for the period	-8 099	-9 008	-40 830
Other comprehensive income for the period	-	-	-
Closing balance	13 886	53 417	21 985

Cash Flow Analysis in Summary

All amounts in SEK thousand	Jan-Mar 2016	Jan- Mar 2015	Jan-Dec 2015
Profit/loss after financial items	-8 099	-9 008	-40 830
Adjustments for non-cash items	694	55	1 550
Tax paid	-	-	-
Cash flow from operating activities before changes in working capital	-7 405	-8 953	-39 280
Changes in working capital	2 399	4 109	1 632
Cash flow from operating activities	-5 006	-4 844	-37 648
Capitalization of development expenditure	-45	-1 196	-3 053
Acquisition/disposal of property, plant & equipment	12	-42	-93
Cash flow from investing activities	-33	-1 238	-3 146
Transaction costs attributable to new share issue	-	-	-
Change in bank overdraft facilities	4 173	-	10 939
Cash flow from financing activities	4 173	0	10 939
Total cash flow for the period	-866	-6 082	-29 855
Cash and cash equivalents at start of period	8 065	37 920	37 920
Cash and cash equivalents at end of period	7 199	31 838	8 065

Income Statement - Parent Company

All amounts in SEK thousand	Jan-Mar 2016	Jan- Mar 2015	Jan-Dec 2015
Operating income			
Net sales	8 412	6 961	27 912
Cost of goods sold	-3 291	-1 957	-8 486
Gross profit	5 121	5 004	19 426
Sales & Marketing expenses	-6 830	-8 465	-31 203
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Research and development costs	-1 848	-2 859	-10 898
Other operating income	156	-	9
Capitalized development expenditure	46	1 196	3 054
Operating profit/loss	-7 709	-9 072	-39 984
Profit/loss from financial items			
Interest income and similar profit/loss items	-	83	117
Interest expenses and similar profit/loss items	-390	-41	-447
Profit/loss after financial items	-8 099	-9 030	-40 314
Tax expenses	-	-	-
Profit/loss for the period	-8 099	-9 030	-40 314

Statement of Comprehensive Income

All amounts in SEK thousand	Jan-Mar 2016	Jan- Mar 2015	Jan-Dec 2015
Profit/loss for the period	-8 099	-9 030	-40 314
Other comprehensive income:	-	-	-
Total other comprehensive income, net of tax:	0	0	0
Total comprehensive income for the period	-8 099	-9 030	-40 314

Balance Sheet - Parent Company

All amounts in SEK thousand	2016-03-31	2015-03-31	2015-12-31
Assets			
Intangible assets	13 683	12 344	13 776
Property, plant & equipment	244	317	276
Financial assets	111	111	111
Inventories	9 984	9 988	11 410
Trade receivables	8 194	3 716	9 495
Receivables from group companies	-	5 000	-
Other receivables	1 938	2 283	1 362
Cash and bank balances	7 122	26 786	7 988
Total assets	41 276	60 545	44 418
Equity and liabilities			
Equity	14 270	53 264	22 370
Current interest-bearing liabilities	15 112	-	10 939
Liabilities to group companies	191	191	191
Trade payables	7 173	3 758	5 980
Other liabilities	4 530	3 332	4 938
Total equity and liabilities	41 276	60 545	44 418