XBRANE UPDATES AMBITION TO GENERATE POSITIVE OPERATING CASH FLOW ON AN MONTHLY BASIS BEFORE END OF FIRST QUARTER 2025

Xbrane Biopharma (NASDAQ: Xbrane) communicated in May 2021 an ambition to generate positive operating cash-flow late 2023/early 2024. Xbrane hereby updates its ambition of reaching positive operating cash-flow on a monthly basis before end of first quarter 2025. Xbranes' management will elaborate further on the path to positive operating cash flow in a webcast 9:00 CET August 29th

A key focus for Xbrane is to reach a sustainable positive operating cash flow on a monthly basis as soon as possible. This is expected to be achieved through reduced development expenditures, as a consequence of finalized scale up and production of clinical material for Ximluci® and BIIB801, along with ramp up of income generated from these two programs.

Path to positive operating cash-flow

Xbrane has a development organization consisting of around 90 employees and a development lab with the capacity to develop one new biosimilar candidate per year. The cost of the development organization at this level is about SEK 140 million per year* but is to some extent flexible and can be matched to different development activities.

The business plan for 2023 includes capital intense development activities involving scale-up and production of clinical material with external contact manufacturers for Ximluci®, BIIB801 and Xdivane™. These activities for Ximluci® and BIIB801 shall be completed during 2024, and for Xdivane™, the company expects significant co-funding from a commercialization partner from 2024 and onwards. Hence, overall development expenditures related to external contract manufacturers will be significantly reduced during 2024 compared to second quarter 2023.

Further, Xbrane is still in a phase of continued investment into inventory build-up of Ximluci® which also will balance out during 2024.

Xbrane is expected to generate income from three main sources during 2024 that should cover the cost of the development organization:

- Ximluci® non-US: Profit sharing from sales of Ximluci® is expected to increase from current levels as ranibizumab biosimilars gain momentum in Europe and, as a consequence, profitability should increase
- Ximluci® US: Provided approval by the FDA in second quarter 2024 Xbrane will generate income from milestones and sales generated in the US

- BII801: Xbrane is, provided successful scale-up and production of clinical material, eligible to milestone payments, as per agreement with Biogen Inc during 2024 and onwards throughout the development and commercialization of the product.

*) Costs for personnel, premises, lab equipment, consumables and administrative overheads, not costs for manufacturing by contract manufacturers and clinical studies

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About Us

Xbrane Biopharma AB develops biological drugs based on a patented platform technology that provides significantly lower production costs compared to competing systems. Xbrane has a portfolio of biosimilar candidates targeting EUR 53 billion in estimated annual peak sales of the respective reference product. The lead candidate Ximluci® is granted market authorization approval in Europe and was launched during the first quarter 2023. Xbrane's head office is in Solna, just outside Stockholm. Xbrane is listed on Nasdaq Stockholm under the ticker XBRANE. For more information, visit www.xbrane.com

This information is information that Xbrane Biopharma is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2023-08-29 07:55 CEST.

Attachments

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